

# PTL ENTERPRISES LIMITED

## 56<sup>TH</sup> ANNUAL REPORT

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# PTL ENTERPRISES LIMITED

## BOARD OF DIRECTORS

ONKAR S KANWAR	:	CHAIRMAN
NEERAJ KANWAR		
AKSHAY CHUDASAMA		
B K SINGH		
HARISH BAHADUR		
SANJAY M KAUL	:	KERALA GOVERNMENT NOMINEE
SHIVI MOHAN RASTOGI		
U S ANAND		

## MANAGER

BALA KRISHNAN G

## COMPANY SECRETARY

PRADEEP KUMAR

## CHIEF FINANCIAL OFFICER

AMIT GAUTAM

## AUDITORS

H.N.MEHTA ASSOCIATES

## REGISTERED OFFICE

3RD FLOOR, AREEKAL MANSION,  
NEAR MANORAMA JUNCTION,  
PANAMPILLY NAGAR,  
KOCHI- 682036  
TEL. NO: (0484) 4012046, 4012047  
FAX NO: (0484) 4012048

## BANKERS

STATE BANK OF INDIA  
ICICI BANK  
SYNDICATE BANK  
CORPORATION BANK  
DHANLAKHMI BANK  
KOTAK MAHINDRA BANK  
HDFC BANK

## WORKS

KALAMASSERY  
ALWAYE,  
KERALA- 683104.

# PTL ENTERPRISES LIMITED

Regd. Office: 3rd floor, Areekal Mansion, Near Manorama Junction, Panampilly Nagar, Kochi Ernakulam Kerala 682036

CIN – L25111KL1959PLC009300, Website – www.ptlenterprise.com, Email – investors@ptlenterprise.com

Tel: 0484 – 4012043, 4012047 Fax: (0484) - 4012048

## NOTICE

**NOTICE** is hereby given that the 56th Annual General Meeting of the Members of PTL ENTERPRISES LTD will be held as under:-

DAY	:	Wednesday
DATE	:	July 05, 2017
TIME	:	11.00 A.M.
PLACE	:	Aangan, 5 <sup>th</sup> Floor, Bharat Tourist House (BTH) D H Road, Gandhi Square Kochi, Kerala-682016 to transact the following businesses:-

### ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements of the Company for the year ended March 31, 2017 and reports of the Board of Directors and of the Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mr. Sanjay M Kaul (DIN- 01260911), who retires by rotation, and being eligible, offers himself for re-appointment.
4. To consider and if thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution:-

RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s S.P Puri & Co. Chartered Accountants, Firm Registration No. 001152N, be and are hereby appointed as Auditors of the Company for a period of Five consecutive years i.e till the conclusion of the Sixth Consecutive AGM, subject to ratification of their appointment by the members at every subsequent Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company."

### SPECIAL BUSINESS:

5. Increase in Lease Rental

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

"RESOLVED THAT pursuant to the provisions of Section 180(1)(a), Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Meetings of Board and its Powers) Rules 2014, including any amendments thereto or re-enactment thereof, the applicable provisions of the Securities

and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulation, 2015 (LODR) and the enabling provisions of the Memorandum and articles of Associations of the Company, the approval and consent of the members of the Company be and is hereby accorded for the extension of existing lease agreement between the Company and M/s Apollo Tyres Limited (hereinafter referred to as "Parties"), from 01.04.2014 to 31.03.2030 on lease rental of Rs. 60 crore per annum and security deposit equivalent to one year rent or such other amount as may be mutually agreed between the parties on the basis of contemporaneous arm's length analysis conducted from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of its powers to any Director(s) or other person(s) duly authorised by the Board, at its absolute discretion to give effect to the aforesaid resolution and is authorised to do all such acts, deeds and things as may be considered necessary, expedient or incidental in relation to the said matter and to take such action and give such directions as they may consider necessary or desirable and to obtain any approvals, permissions, sanctions which may be necessary or desirable in order to achieve the aforesaid purpose"

#### 6. APPROVAL FOR INVESTMENTS / LOANS / GUARANTEES / SECURITIES

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

"RESOLVED that pursuant to the provisions of Section 186 and all other applicable provisions, if any, of the Companies Act, 2013(the 'Act'), and the Rules framed thereunder including any statutory modification or re-enactment thereof for the time being in force, and such other approvals as may be required in that behalf, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as 'the Board' which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution) to make loan to invest from time to time on such terms and conditions as it may deem expedient to any person or other bodies corporate;give on behalf of any person, body corporate, any guarantee, or provide security in connection with a loan made by any other person to, or to any other person by any body corporate; and acquire by way of subscription, purchase or otherwise the securities of any other body corporate, in excess of the limits prescribed under Section 186 of the Act up to an aggregate sum of 300 crores, notwithstanding that the aggregate of loans and investments so far made, the amounts for which guarantee or security so far provided to, along with the investments, loans, guarantee or security proposed to be made or given by the Board may exceed sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more.

FURTHER RESOLVED that the consent of the Company be and is hereby accorded to the Board to invest in the Subsidiaries, Associates, Related Parties, make loans to them; provide guarantees/security on their behalf, to person, within the limits, if any, as may be applicable from time to time and on such terms and conditions as may be deemed fit and expedient.

FURTHER RESOLVED that the Board be and is hereby authorised to negotiate the terms and conditions of the above said investments, loan(s), security(ies) or guarantee(s) as they deem fit and in the best interest of the Company and take all such steps as may be necessary to complete the same.

FURTHER RESOLVED that the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary and with power to settle questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further approval of the Members of the Company."

For **PTL Enterprises Ltd**

**Sd/-**

**(PRADEEP KUMAR)**

**COMPANY SECRETARY**

Place : Gurgaon

Dated : June 1, 2017

**NOTES**

1. **PURSUANT TO SECTION 105 (1) OF THE COMPANIES ACT 2013 ("Act"), A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/ HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.**

A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10 (ten) percent of the total share capital of the Company carrying voting rights. A member holding more than 10 (ten) percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy Form is enclosed herewith.

The Explanatory statement setting out all the material facts and reasons pursuant to 102 of the Companies Act, 2013 (the 'Act') is annexed hereto.

2. Members/ Proxies should fill the Attendance Slip for attending the meeting and bring their Attendance Slip along with their copy of the annual report to the meeting.
3. The Register of Members and Share Transfer Books shall remain closed from 25th June ,2017 to 05th July,2017(both days inclusive) for payment of dividend on equity shares. The dividend on Equity Shares, if declared at the Meeting, will be credited / dispatched to those members whose names shall appear on the Company's Register of Members on 24th June 2017; in respect of the shares held in dematerialized form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.
4. Corporate members are requested to send a duly certified copy of the Board resolution/ authority letter, authorizing their representative(s) to attend and vote on their behalf at the meeting.
5. All documents referred to in the notice are open for inspection at the registered office of the Company between 10.00 a.m. to 5.00 p.m. on any working day prior to the date of the meeting and will also be available at the venue of the meeting on the date of the meeting. The register of Director's and Key Managerial Personnel and their shareholding will be available for inspection at the meeting.
6. The Register of contracts or arrangements, in which Directors are interested, will be available for inspection by the members at the annual general meeting.
7. Members intending to require information about accounts to be explained at the meeting are requested to write to the Company at least 10 (ten) days in advance of the annual general meeting.
8. The shares of the Company are under compulsory demat list of Securities & Exchange Board of India w.e.f. November 11, 1999. The trading in equity shares can now only be in demat form. In case you do not hold shares in demat form, you may do so by opening an account with a depository participant and complete dematerialisation formalities.
9. Members holding shares in the dematerialized mode are requested to intimate all changes with respect to their bank details, mandate, nomination, power of attorney, change of address, e-mail address, change in name etc. to their depository participant. These changes will be automatically reflected in the Company's records which will help the Company to provide efficient and better service to the Members.
10. Members holding shares in physical form are requested to intimate changes with respect to their bank account (viz, name and address of the branch of the bank, MICR code of branch, type of account and account number, mandate, nomination, power of attorney, change of address, e-mail address, change in name etc. immediately to the Company.
11. 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 as amended, and regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is arranging to provide members, facility to exercise their right to vote at the 56th annual general meeting by electronic means and the business may be transacted through e-voting services provided by National Securities Depository Limited (NSDL).
- ii) If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote.
- iii) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date).
- iv) The facility for voting, through ballot paper, will also be made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper.
- v) The members who have cast their voting by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- vi) The Board of Directors have appointed Mr. P P Zibi Jose, Practicing Company Secretary, as the Scrutinizer, who has also given his consent for the same, for conducting the voting process and remote e-voting in a fair and transparent manner.
- vii) The scrutinizer shall within forty eight hours of conclusion of the e-voting period unblock the votes in the presence of at least 2 (two) 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.
- viii) The Results shall be declared by the Chairman or the person authorised by him within forty eight hours of conclusion of the annual general meeting of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.ptlenterprise.com](http://www.ptlenterprise.com) and on the website of NSDL immediately after the result is declared by the Chairman. Members may also note that the Notice of the 56th Annual General Meeting and the Annual Report 2017 will be available on the Company's and NSDL website.
- ix) Members are requested to carefully read the instructions for remote e-voting before casting their vote.
- x) The remote e-voting facility will be available during the following voting period after which the portal shall forthwith be blocked and shall not be available:
 

Commencement of remote e-voting	From 10:00 a.m. (IST) on 02nd July,2017
End of remote e-voting	Up to 5:00 p.m. (IST) on 04th July,2017
- xi) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. .

**The procedure and instructions for remote e-voting are as under:**

(A) In Case of Members' receiving e-mail from NSDL –

- i) Open e-mail and PDF file viz. "PTL e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user id and password for e-voting. Please note that the password is an initial password.
- ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- iii) Click on Shareholder – Login
- iv) Put user id and password as initial password in step (i) above. Click Login.

- v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vi) Home page of e-voting opens. Click on e-voting: Active Voting Cycles.
- vii) Select "EVEN" of PTL Enterprises Ltd.
- viii) Now you are ready for e-voting as Cast Vote page opens.
- ix) Cast your vote by selecting appropriate option and click on "Submit" and also click "Confirm" when prompted.
- x) 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. together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the scrutinizer through e-mail investors@ptlenterprise.com with a copy marked to e-voting@nsdl.co.in.

(B) In Case of Members' receiving physical copy of the Notice of annual general meeting and attendance slip:

- i) Initial password is provided below the attendance slip
- ii) Please follow all steps from Sl. No (ii) to (x) above, to cast vote.

12. Electronic copy of the Notice of the 56th annual general meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 56th annual general meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

13. Those members who have so far not encashed their dividend warrants for the below mentioned financial years, may claim or approach the Company for the payment thereof as the same will be transferred to the 'Investor Education and Protection Fund' of the Central Government pursuant to the Provisions of the Companies Act, 2013 on the dates mentioned below. Kindly note that after such transfer, the members will not be entitled to claim such dividend:-

<b>Financial Year Ended</b>	<b>Due Date of Transfer</b>
31.03.2008	17.08.2015
31.03.2009	22.08.2016
31.03.2010	28.08.2017
31.03.2011	10.09.2018
31.03.2012	12.10.2019
31.03.2013	05.09.2020
31.03.2014	21.10.2021
31.03.2015	09.09.2022
31.03.2016	07.08.2023

14. Pursuant to section 101 and section 136 of the Companies Act, 2013 read with relevant rules made thereunder, Companies can serve annual reports and other communications through electronic mode to those members who have registered their e-mail address with the Company or with the Depository, Members who have not registered their e-mail address with the Company can now register the same by submitting the duly filled in "E-mail Registration Form", available on the website of the Company, to the Company. Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who

have registered their e-mail address, are entitled to receive such communication in physical form upon request.

The notice of annual general meeting and the copies of the audited financial statements, directors' report, auditors' report etc. will also be displayed on the website ([www.ptlenterprise.com](http://www.ptlenterprise.com)) of the Company.

15. The unclaimed/ undelivered shares lying in the possession of the Company had dematerialised and transferred into an "Unclaimed Suspense Account". Shareholders who have not yet claimed their shares are requested to immediately approach the Company by forwarding a request letter duly signed by the shareholder(s) furnishing the necessary details to enable the Company to take necessary action.

As per the requirement of Rule 6 of the IEPF Rule 2016, the Company has sent information to all the shareholders who has not claimed/ encashed dividends in the last seven years intimating amongst other things, the requirements of the IEPF Rules, 2016 with regard to transfer of shares and that in the event those shareholders do not claim any unclaimed/unpaid dividends for the past seven years, the Company will be required to transfer the respective shares to the IEPF Suspense Account by the due date prescribed as per the IEPF Rules, 2016 or such other extended date as may be notified. The Company also simultaneously published notice in the leading newspaper in English and regional language having wide circulation on 23rd May, 2017 to such shareholders and uploaded on the "Investors Section" of the Website of the Company viz. [www.ptlenterprise.com](http://www.ptlenterprise.com) in giving details of such shareholders and shares due to transfer.

16. The Ministry of Corporate Affairs ('MCA') had notified the Investor Education and Protection Fund authority (Accounting, Audit, Transfer and Refund) Rules, 2016 effective from 07th September, 2016 ('IEPF Rule 2016'). Amongst other things, the rules provides for the manner of transfer of the unpaid and unclaimed dividends to the IEPF and the manner of transfer of shares in case any dividend has not been encashed by the shareholder on such shares during the last seven years to the designated Suspense Account as prescribed by the IEPF Authority.
17. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintain their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the Company.
18. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or staying abroad or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participants and holdings should be verified.
19. Kindly register your email address and contact details with us, by writing to us addressed to the Secretarial Department at our corporate office, or at our e-mail ID: [investors@ptlenterprise.com](mailto:investors@ptlenterprise.com). This will help us in prompt sending of notices, annual reports and other shareholder communications in electronic form.
20. Details of Director Seeking Re-appointment at the Annual General Meeting

Particulars	
Name	Mr. Sanjay M Kaul
Date of Birth and AGE	15.08.1969 and 47
Date of Appointment	18.01.2017
Qualifications	IAS
Terms and Conditions of Reappointment	Nominee Director of Govt. of Kerela
Date of first appointment on the Board	18.01.2017
Remuneration last drawn	Nil
Number of meetings of the Board attended during the financial year	0



Particulars	
Number of meetings of the Board attended during the financial year	0
Relationship with other Directors/Key Managerial Personnel	No
Expertise in Specific Function areas	Special Secretary Industries Govt. of Kerela
Numbers of Shares held in the Company	NIL
Directorships held in other public Companies (excluding foreign Companies and Section 8 Companies)	3
Memberships/Chairmanships of Committees of other public Companies (includes only Audit Committee and Stakeholders' Relationship Committee)	NIL

For other details please refer to the Corporate Governance Report Director details section.

21. The route map of the venue for the Annual General Meeting is given on the last page and also available on the website of the Company.

For **PTL Enterprises Ltd**

Sd/-

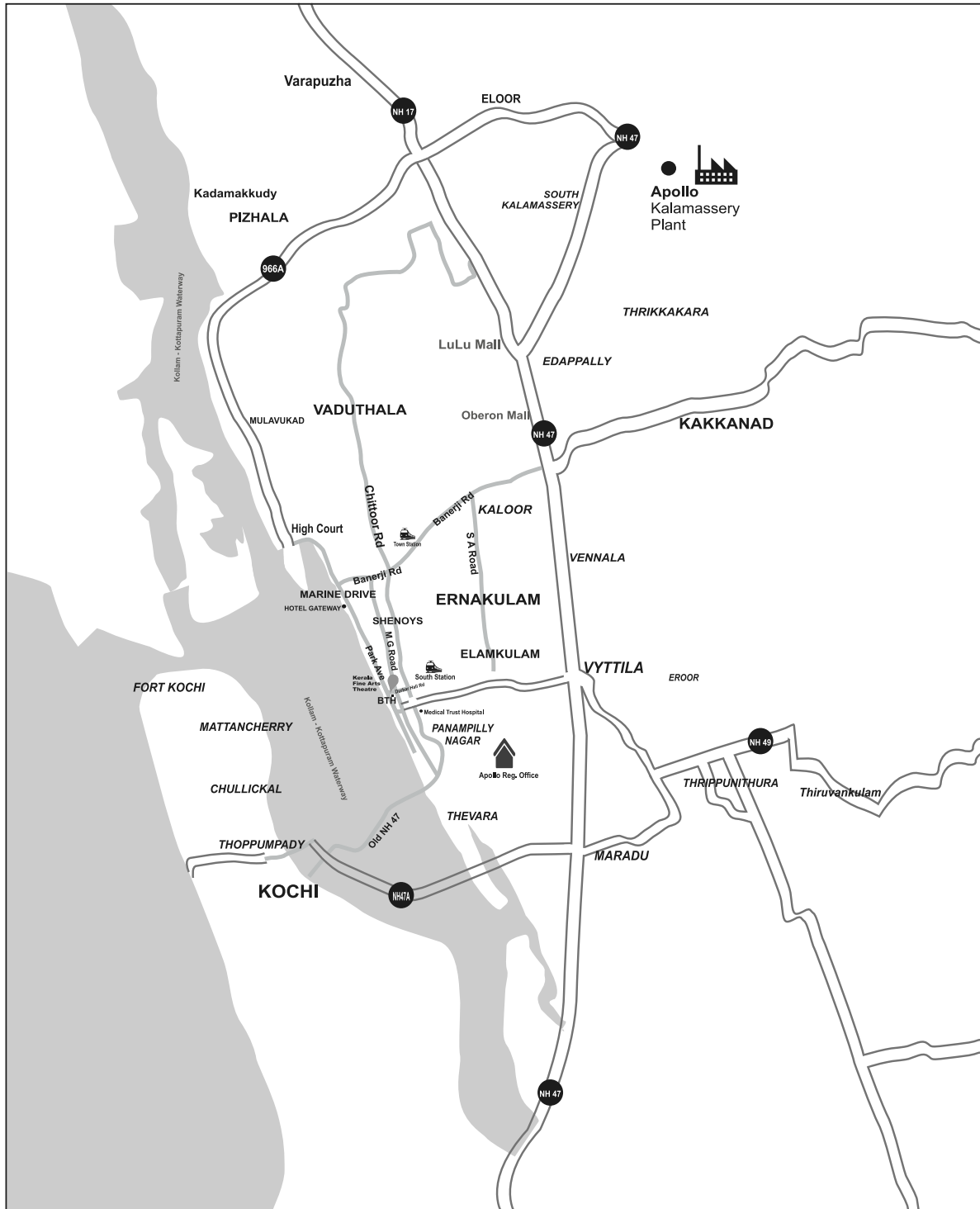
Place : Gurgaon

Dated : June 1, 2017

**(PRADEEP KUMAR)**  
**COMPANY SECRETARY**

## Route Map to the Venue of the AGM

 **Bharat Tourist Home**  
Durbar Hall Rd,  
Ernakulam, Kerala  
Pin - 682016



**ANNEXURE TO THE NOTICE****The Explanatory Statement setting out the material facts and reasons pursuant to Section 102 of the Companies Act, 2013**

## Item 5

Apollo Tyres Limited is related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2 of the LODR

Company's plant at Kalamassery has been leased to Apollo Tyres Ltd in terms of Lease Agreement dated 01.05.2012 for a period of Eight years from 01.04.2014 to 31.03.2022 on the lease rental of Rs. 50 Crore per annum and reimbursement of expenses.

The Board of Directors of the Company had, on the recommendation of the Audit Committee, passed a resolution at its meeting held on 4th May 2017, enhanced the term of Lease till 31st March 2030 and Lease Rent from Rs. 50 Crore p.a. to Rs. 60 Crore p.a. and security deposit equivalent to one year rent or such other increased amount and at such terms and conditions as may be mutually agreed with Apollo Tyres Limited (Lessee)

The increase in lease rent is necessary as the company would have to expand its infrastructure and facilities which are currently provided to Lessee, for installation of additional machinery by Lessee required for enhancement of production capacity of the plant.

Since the transaction is a related party transaction under Section 188 of the Companies Act, this would be subject to the approval from the shareholders of the company. Valuation of the transaction is at arm's length basis as certified by an independent valuer .

Name of the related party and Nature of Relationship;	Apollo Tyres Limited ,
Nature of Relationship	Common Directors
The nature, duration of the contract and particulars of the contract or arrangement;	Lease Agreement, from 01.04.2014 to 31.03.2030 for leasing of PTL's Land Building and Plant and Machinery on lease rental
The material terms of the contract or arrangement including the value, if any	Lease Agreement, from 01.04.2014 to 31.03.2030, Lease rental of Rs. 60 crore per annum and security deposit equivalent to one year rent or such other amount as may be mutually agreed between the parties on the basis of contemporaneous arm's length analysis conducted from time to time.
Any advance paid or received for the contract or arrangement, if any;	One year rent or such other amount as may be mutually agreed between the parties on the basis of contemporaneous arm's length analysis conducted from time to time.
The manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract;	The transaction is at arm's length and valuation has been done by independent valuer
Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors; and	yes
Any other information relevant or important for the Board to take a decision on the proposed transaction.	NA

The Board is of the opinion that the aforesaid related party transaction is in the best interests of the Company.

Except Mr. Onkar S Kanwar, Mr. Neeraj Kanwar and Mr. Akshay Kumar Narendrasinhji Chudasama, who may deem to be interested being the directors of the Board of the Lessee, none of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested in the resolution.

The Board of Directors recommend resolution set out at item no. 5 for your consideration and approval as a Special Resolution.

Item 6

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other body corporate or as and when required.

Pursuant to the provisions of section 186(3) of the Companies Act, 2013 and rules made there under, the Company needs to obtain prior approval of shareholders / members by way of special resolution passed at the General Meeting in case the amount of investment, loan, guarantee or security proposed to be made is more than the higher of sixty percent of the paid up share capital, free reserves and securities premium account or one hundred percent of free reserves and securities premium account.

Accordingly, the Board of Directors of the Company proposes to obtain approval of shareholders by way of special resolution as contained in the notice of the Extra-Ordinary General Meeting for an amount not exceeding INR 30,00,000,000 (Indian Rupees Three Hundred crores Only) outstanding at any time notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

The Directors therefore, recommend the Special Resolution for approval of the shareholders. None of the Directors, Key Managerial Personnel of the Company or their relatives or any of other officials of the Company as contemplated in the provisions of Section 102 of the Companies Act, 2013 is, in any way, financially or otherwise, concerned or interested in the resolution.

By order of the Board  
For **PTL Enterprises Ltd**

Sd/-

Place : Gurgaon

Dated : June 1, 2017

**(PRADEEP KUMAR)**  
**COMPANY SECRETARY**

## DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in sharing with you the 56<sup>th</sup> Annual Report on the business and operations of the Company, alongwith the audited financial accounts for the financial year ended March 31, 2017.

### FINANCIAL RESULTS

(Rs. in lacs)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Total Revenue (Other Income)	5213.79	4723.06
Profit Before Depreciation	4748.56	3825.57
Depreciation	87.70	64.27
Profit Before Tax	4660.86	3761.30
Provision for Tax – Current	1668.01	1356.00
Provision for Tax – Deferred	(69.13)	(18.53)
Net Profit after Tax	3061.98	2423.83
Balance brought forward from previous year	7384.25	5757.05
Demerger Adjustment	(84.85)	-
Profit Available for Appropriation:-	10361.38	8180.88
- Dividend to Equity Shareholders	827.36	661.89
- Dividend Tax	168.43	134.74
- Balance Carried Forward	9365.60	7384.25

### OPERATIONS

The turnover of your Company for the year ended March 31, 2017 amounted to Rs. 5213.79 lacs as against Rs. 4723.06 lacs during the previous year. It includes lease rental of Rs. 5000 lacs received from Apollo Tyres Ltd. (ATL), in accordance with the terms of the Lease Agreement executed with ATL. After providing for depreciation and tax, net profit for the year under review amounted to Rs. 3061.98 lacs as against Rs. 2423.86 lacs in the previous year.

### MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of your Company have occurred between the end of the financial year of the Company to which the financial statements relate and on the date of this report.

Your Directors are proposing to extend the Lease arrangement of Company's plant at Kalamassary, with Apollo Tyres Ltd till 2030 on the increased Lease rent from Rs.50 Cr. to Rs.60 Cr. per annum on the terms and conditions as may be mutually agreed with Apollo Tyres Ltd. This would be subject to your approval in the ensuing Annual General Meeting.

### SCHEME OF ARRANGEMENT/DEMERGER OF SUBSIDIARY

The Scheme of Demerger/Arrangement between your company and Artemis Global Life Sciences Ltd (AGLSL) approved by the Kerala High Court and National Company Law Tribunal, New Delhi become operative w.e.f 01<sup>st</sup> April 2016, being appointed date in term of the Demerger Scheme. Therefore your company has ceased to be holding company of Artemis Health Sciences Ltd, Artemis Medicare Services Ltd, Artemis Global Life Sciences Ltd (Formerly PTL Projects Ltd) and Athena Eduspark Ltd. w.e.f 01<sup>st</sup> April 2016. In view of the above accounts have been prepared on Standalone basis.

In consideration of the demerger of the Medicare and Healthcare Undertaking, AGLSL has issued and allotted equity shares to the shareholders of PTL Enterprises Ltd. in the share entitlement ratio of 1:1 i.e. one (1) equity

share of Rs. 2/- (Indian Rupees Two only) each in AGLSL for every one (1) equity share of Rs. 2/- (Indian Rupees Two only) each in PTL Enterprises Ltd, held by each shareholder as on record date of 29<sup>th</sup> March, 2017.

Consequent to the demerger, the existing share capital of AGLSL (held by PTL Enterprises Ltd) has been cancelled. The AGLSL has made necessary application to both BSE (designated stock exchange) and NSE for Listing of Equity Shares.

## **DIVIDEND**

Your Company is regularly paying dividend to shareholders. Your Directors recommend payment of dividend of Rs.1.25 (One Rupee Twenty Five paise) per equity share for the FY 2016-17, for your approval. Your Company will have to pay dividend distribution tax amounting to Rs.168.43 lacs, inclusive of surcharge. The total outgo on account of Dividend would be Rs 995.79 Lacs.

The dividend, if approved, shall be payable to the shareholders registered in the books of the Company and the beneficial owners as per details furnished by the depositories, determined with reference to the book closure, from 25<sup>th</sup> June 2017 to 5<sup>th</sup> July 2017.

## **CORPORATE GOVERNANCE**

The Company is committed to maintain the highest standards of Corporate Governance and adhere to Corporate Governance requirements set out by the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Corporate Governance Report forms part of this Annual Report.

The Certificate on Corporate Governance dated 04<sup>th</sup> May, 2017 received from the statutory auditors, M/s. H. N. Mehta Associates, is enclosed as Annexure- 1.

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

As required under Regulation 34 (3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, a detailed Management Discussion and Analysis Report has been given separately forming part of the Annual Report.

## **DIRECTORS**

During the year, Mr. Sanjay M Kaul IAS , (DIN- 01260911), Special Secretary Industries Government of Kerala, was nominated by the Government of Kerala as a director in place of Mr. P.H. Kurien.

Pursuant to Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, Mr. Sanjay M Kaul , Nominee Director of Govt. of Kerala will retire by rotation at the ensuing Annual General Meeting, and being eligible, offers himself for re-appointment.

Pursuant to the requirement under Section 134(3) (d) of the Companies Act, 2013, with respect to statement on declaration given by independent directors under section 149(6) of the Act, the Board hereby confirms that all the independent directors of the Company have given a declaration and have confirmed that they meet the criterion of independence as provided in the said section 149(6).

Familiarisation programme for independent directors was completed by the company during the year 2016-17.

## **KEY MANAGERIAL PERSONNEL**

During the year, there was no change in the office of Key Managerial Personnels (KMPs)-

At present, KMP in the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows:

Mr. Balakrishnan G.	-	Manager
Mr. Amit Gautam	-	Chief Financial Officer (CFO)
Mr. Pradeep Kumar	-	Company Secretary (CS)

## PARTICULARS W.R.T. RATIO OF REMUNERATION OF DIRECTORS AND KMP

In terms of the provisions of Section 197 of the Companies Act, 2013 including Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the required information with respect to ratio of remuneration of directors, key managerial personnel and employees is set out as Annexure – II which forms part of this report. There were no employees during the year under review, drawing remuneration specified under Section 197 of the Companies Act, 2013 read with applicable rules.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, the Directors confirm:

- i) That in the preparation of the annual accounts, for the year ended 31<sup>st</sup> March, 2017, the applicable accounting standards have been followed and no material departures have been made from the same;
- ii) That they had selected such accounting policies and applied them consistently, and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at 31.03.2017 and of the profit and loss of the Company for that period;
- iii) That they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) That they had prepared the annual accounts on a going concern basis; and
- v) That they had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi) That they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## COMMITTEES OF BOARD

Pursuant to requirement under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has constituted various committees of Board such as Audit Committee, Nomination & Remuneration Committee, Stake Holders Relationship Committee, Risk Management Committee and Corporate Social Responsibility Committee. The details of composition and terms of reference of these committees are mentioned in the Corporate Governance Report.

## DISCLOSURE ON COMPOSITION OF AUDIT COMMITTEE & NON ACCEPTANCE OF ITS RECOMMENDATION

The composition of Audit Committee of the Company as on 31.03.2017 is as under:

Name of the Member	Category	Status
Mr. U.S. Anand	Independent Director	Chairman
Mr. Neeraj Kanwar	Non Executive Director	Member
Mr. B.K. Singh	Independent Director	Member

There was no instance when the recommendation of Audit Committee was not accepted by the Board of directors.

## NUMBER OF MEETINGS OF THE BOARD

During the Financial Year 2016-17, 4 (four) Board meetings were held. For details thereof, refer to the section `Board of Directors` - Number of Board Meetings, in Corporate Governance Report which forms integral part of this report.

## **STATUTORY AUDITORS**

M/s. H. N. Mehta Associates, Chartered Accountants, Statutory Auditors of your Company, will retire at the conclusion of the ensuing Annual General Meeting. Since M/s H N Mehta Associates has completed a term of 10 years they would not be eligible for re appointment under the provisions of Section 139 of the Companies Act, 2013.

Based on the recommendations of the Audit Committee and as per the provisions of Section 139 (1), the Board of Directors of your Company proposes to appoint M/s S.P Puri & Co., Chartered Accountants, Statutory Auditors of your Company for a period of five consecutive years i.e. till the conclusion of the sixth consecutive AGM (2022), who have confirmed their willingness as well. Pursuant to Section 141 of the Companies Act, 2013 and relevant Rules prescribed there under, the Company has received certificate dated May, 03, 2017 from the proposed Auditors to the effect, inter-alia, that their appointment, if made, would be within the limits laid down by the Act, shall be as per the term provided under the Act, that they are not disqualified for such appointment under the provisions of applicable laws and also that there is no proceeding against them or any of their partners pending with respect to professional matter of conduct. This appointment will be subject to approval of the shareholders in the ensuing Annual General Meeting of the Company.

## **AUDITORS' REPORT**

The Audit Report does not contain any qualification, reservation or adverse remarks requiring any comment or explanation from the company.

No fraud has been reported by the Auditors to the Audit Committee or the Board.

## **SECRETARIAL AUDITORS AND THEIR REPORT**

M/s RSMV & Co., Practising Company Secretaries, were appointed as Secretarial Auditors of the Company for the Financial year 2016-17 pursuant to Section 204 of the Companies Act, 2013. The Secretarial Audit Report submitted by them for the Financial Year 2016-17 in the prescribed form MR- 3 is attached as Annexure - III and forms part of this report.

There are no qualifications or observations or other remarks of the Secretarial Auditors in the Report issued by them for the financial year 2016-17 which call for any explanation from the Board of Directors.

## **FIXED DEPOSITS**

During the year under review, your Company has neither accepted nor renewed any deposits during the Financial Year 2016-17 in terms of Chapter V of the Companies Act, 2013 and no amount of principal or interest was outstanding in respect of deposits from the public as on the date of balance sheet.

## **COST AUDIT**

Your Company does not have its own production and its facility has been leased out to Apollo Tyres Ltd. Under the Companies (Cost Records and Audit) Rules, as prescribed under the new Companies Act, 2013, company's lease income is not classified under the aforesaid Rules; hence Cost Audit is not applicable in respect of your company.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

As the Company's facility has been leased out to Apollo Tyres Ltd. and the Company is not carrying out any manufacturing activity of its own, no information is required to be furnished under section 134 (3) (m) of the Companies Act, 2013.

## **ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS**

The Company has in place adequate internal Financial Control with reference to Financial Statement.

The policies and procedures adopted by the company ensures orderly and efficient conduct of the business, including adherence to company's policies, safeguarding the assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information.



## EXTRACT OF ANNUAL RETURN

The extract of Annual Return as on 31.03.2017 in the prescribed form MGT.9, pursuant to section 92(3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014 is attached herewith as Annexure – IV.

## POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

Pursuant to the requirement under Section 134(3) (e) and 178 (3) of the Companies Act, 2013, the policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and the policy on remuneration of directors, KMP and other employees is attached as Annexure - V which forms part of this report.

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Pursuant to the requirement under Section 134(3) (g) of the Companies Act, 2013 the particulars of loans, guarantees or investments under Section 186 of the Act as at end of the Financial Year 2016-17 are attached as Annexure - VI which forms part of this report.

## PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013

The Policy on Related Party Transactions as approved by the Board has been uploaded on the Companies Website at [www.ptlenterprise.com](http://www.ptlenterprise.com). Pursuant to the requirement under Section 134(3) (h) of the Companies Act, 2013, the particulars of contracts or arrangements with related parties referred to in section 188(1) of the Act, are attached as Annexure - VII which forms part of this report.

## DISCLOSURE ON VIGIL MECHANISM

The Company has formulated a vigil mechanism through which Directors, employees and business associates may report unethical behavior, malpractices, wrongful conduct, fraud, violation of Company's code of conduct without fear of reprisal. The details of the policy can be referred to in section `Disclosures` - Whistle-Blower Policy / Vigil Mechanism of the Corporate Governance Report.

## FORMAL ANNUAL EVALUATION

Pursuant to applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, *inter alia*, the criteria for performance evaluation of the entire Board of the Company, its committees and individual directors, including independent Directors.

For annual performance evaluation of the Board as a whole, its Committee(s) and individual Directors including the Chairman of the Board, the Company has formulated a questionnaire to assist in evaluation of the performance. The tool takes the form of a series of assertions/questions which should be awarded a rating on a scale of 1 to 5 by all individual Directors. Every Director has to fill the questionnaire related to the performance of the Board, its Committees and individual Directors except himself. On the basis of the questionnaire, a formal annual evaluation has been made by the Board of its own performance and that of its Committees and individual Directors.

The independent directors had met separately without the presence of Non-Independent directors and the members of management and discussed, *inter alia*, the performance of Non-Independent directors and Board as a whole and the performance of the Chairman of the Company.

The Nomination and Remuneration committee has also carried out evaluation of every director's performance.

## **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERNS STATUS AND COMPANY'S OPERATIONS IN FUTURE**

No significant and material orders has been passed by any regulatory authority, court or tribunal which shall impact the going concern status and company's operations in future.

## **CORPORATE SOCIAL RESPONSIBILITIES (CSR) INITIATIVES**

Your company has constituted a CSR Committee which functions under direct supervision of Mr. Onkar S Kanwar, Chairman. Other members of the Committee are Mr. U.S. Anand and Mr. Harish Bahadur.

The CSR Committee has formulated and recommended to the Board, corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company which had been approved by the Board. The CSR policy, may be accessed on the company's website at any time [www.ptlenterprise.com](http://www.ptlenterprise.com). During the Financial Year under review your company has spent Rs. 108.56 Cr. on its CSR activities, which includes amount to Rs.50.08 Lacs carried over from the financial year 2015-16.

CSR initiative undertaken by your company along with other details form part of the Annual Report on CSR activities for FY 2016-17 which annexed and form part of this Report as Annexure .

The annual report on CSR activities is furnished in Annexure - VIII which forms part of this report.

## **RISK MANAGEMENT POLICY**

Your Company has laid down a comprehensive risk assessment and minimization procedures, which are reviewed by the Audit Committee/ Board periodically.

## **LEGAL COMPLIANCE REPORTING**

The Board of directors reviews in detail, on a quarterly basis, the reports of compliance to all applicable laws and regulations. Any non-compliance is seriously taken up by the Board, with fixation of accountability and reporting of steps taken for rectification of non-compliance.

In the opinion of the Board, there has been no identification of elements of risk that may threaten the existence of the company.

## **SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

Your Company has in place a formal policy for prevention of sexual harassment of its women employees in line with "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

## **ACKNOWLEDGEMENTS**

Your Directors record their appreciation for continued support received from the Central Government, State Governments of Kerala and Haryana. We also thank our bankers, business partners, stakeholders and employers for their co-operation during the year under review.

**For and on behalf of the Board of Directors**

Place : Gurgaon  
Dated : 4<sup>th</sup> May, 2017

**(ONKAR S KANWAR)**  
**CHAIRMAN**

## ANNEXURE – I

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

As per Regulation 34(3) read with Schedule V Part E of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**To,**

**The Members,**

**PTL Enterprises Ltd.,**

We have examined the compliance of conditions of corporate governance by the **PTL Enterprises Ltd.** for the year ended **31<sup>st</sup> March, 2017**, as stipulated in Regulation 34(3) read with Schedule V Part E of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Regulations.

**We further state that such compliance is neither an assurance as to the future viability of company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.**

**For and on behalf of**

**H. N. MEHTA ASSOCIATES**

Firm Registration No. 106219W  
Chartered Accountants

**Kiran Pancholi**

PARTNER

Membership No. 33218

Place : Gurgaon

Dated : 4<sup>th</sup> May, 2017

## ANNEXURE – II

Details under section 197 of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and remuneration of Managerial personnel) Rules, 2014						
Rule	Particulars		Details of Remuneration			
5.1	The Ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year.	a	All the directors have not received the remuneration, except the sitting fees, during the F.Y. 2016-17			
5.2	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary.	a b c	For Mr. Balakrishnan G. (11 %) For Mr. Amit Gautam (10.00%) For Mr. Pradeep Kumar (7%)			
5.3	The percentage increase in the median remuneration of employees in the financial year.		4.89			
5.4	The number of permanent employees on the rolls of the company		768			
5.5	The explanation on the relationship between average increase in remuneration and company performance		The average increase is based on the objectives of our Remuneration policy that is designed to attract,motivate and retain the employees who are the drivers of organization success and helps us to retain our industry competitiveness.			
5.6	Comparison of the remuneration of the Key Managerial Personnel against the performance of the company	a	% Increase in Net Sales (including other incomes) in 2016 -17 as compared to 2015 -16			10.39%
		b	% Increase in PAT in 2016 -17 as compared to 2015 -16			26.33%
		c	% Increase in EBIDTA in 2016 -17 as compared to 2015 -16			22.06%
5.7	Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year.		Closing share Price (NSE)	Mkt cap	Net profit	PE
		31.03.2017	47.10	31174.78 Lacs	3061.98 Lacs	10.18
		31.03.2016	136.10	90,082.54 Lacs	2423.83 Lacs	37.18
	Closing share price as on 31 <sup>st</sup> March 2017 was Rs. 47.10 PTL's offer price during its public issue in year 1960 was Rs. 100/- per equity share. However these are not comparable as PTL Enterprise Ltd has done stock splits and issued Bonus shares during the intervening period. The Closing price of shares is after record date of 29 <sup>th</sup> March,2017, for allotment of shares of resulting company in the ratio of 1:1. Pursuant to Scheme of Arrangement /Demerger.					
5.8	Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof.		The average % managerial increase has been 11 % while for others it is about 4.89 %.This is based on our Remuneration policy that rewards people differentially based on their contribution to the success of the company and also ensures that external market competitiveness and internal relativities are taken care of.			
5.9	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company.		Same as 5.6			
5.10	The key parameters for any variable component of remuneration availed by the Directors		The key parameters are a) Net Sales b) PAT c) EBIDTA d) Net Operating Cash Flow from Business			
5.11	The ratio of the remuneration of the highest paid Director to that of the employee who are not Directors but receive remuneration of the highest paid Director during the year		N.A. No remuneration is being paid to Directors except sitting fee.			

## ANNEXURE – II

**SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED **31<sup>st</sup> March, 2017***[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies Appointment and Remuneration Personnel Rules 2014]*

To

The Board of Directors

**PTL ENTERPRISES LIMITED**6<sup>th</sup> Floor Cherupushpam Building,  
Shanmugham Road,  
Kerala-682031

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PTL ENTERPRISES LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information, details and explanation provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2017** complied with the statutory provisions listed hereunder in general and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **PTL ENTERPRISES LIMITED** ("the Company") for the financial year ended on **31<sup>st</sup> March 2017** according to the provisions of the following Acts and Rules there under. We had also discussed with the management of the Company on the various aspects of compliances by the Company of the Acts and Rules:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- v. Further report that the Company has, in my opinion, in general complied with the provisions of Companies Act, 2013 and the rules made under that the Act and the Memorandum and Articles of Association of the Company, with regard to:
  - a) Maintenance of the various Statutory registers and documents making necessary entries therein;
  - b) Closure of the register of members;
  - c) forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;

- d) Service of documents by the Company on its Members, Auditors and the Registrar of Companies;
  - e) Notice of Board Meetings and Committee Meetings of directors.
  - f) The 55<sup>th</sup> Annual General Meeting held on 08<sup>th</sup> August, 2016.
  - g) Minutes of proceedings of General Meetings and of the Board and its Committee meetings;
  - h) Approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
  - i) Constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and re-appointment of Directors including the Managing Director and Whole-time Director;
  - j) Payment of remuneration to Directors including the Managing Director and Whole-time Director;
  - k) Appointment and remuneration of Auditors;
  - l) transfers and transmissions of the Company's shares and debentures, and issue and dispatch of duplicate certificates of shares;
  - m) Borrowings and registration, modification and satisfaction of charges wherever applicable;
  - n) Form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule VI to the Act;
  - o) Directors' report;
  - p) Contracts, common seal, registered office and publication of name of the Company; and
  - q) Generally, all other applicable provisions of the Act and the Rules made under the Act.
- vi. The following are the various laws applicable to the Company. Accordingly to the information/details/explanation provided to us, the Company has generally complied with the provisions of the said Acts and the Company has a mechanism to monitor the compliances of the said laws.
- Ø The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - Ø Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder;
  - Ø The Factories Act, 1948
  - Ø The Payment of Wages Act, 1936
  - Ø The Minimum Wages Act, 1948
  - Ø Employees Provident Fund And Misc. Provisions Act, 1952
  - Ø Employees State Insurance Act, 1948
  - Ø The Payment of Bonus Act, 1965
  - Ø The Environment (Protection) Act, 1986
  - Ø Income Tax Act 1961, Wealth Tax Act, Service Tax Act, and rules made thereof.
  - Ø Negotiable Instrument Act, 1881
  - Ø Maternity Benefits Act 1961
  - Ø Payment of Gratuity Act, 1972
  - Ø The Industrial Disputes Act, 1947
  - Ø The Child Labour (Regulation and Abolition) Act, 1970

- Ø The Weekly Holidays Act, 1942
- Ø Water (Prevention & Control of Pollution) Act 1974 and rules thereunder
- Ø Air (Prevention & Control of Pollution) Act 1981 and rules thereunder
- Ø The Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India.

We have also examined compliance with the listing agreement executed with the Stock Exchanges as well as the modified agreement in terms of SEBI (LODR) Regulation, 2015. The company has complied with the provisions of the Listing Regulations executed on 14<sup>th</sup> December, 2015.

vii. The following are the legal cases filed by / against the company:

- Ø PTL Enterprises Limited Vs State of Kerala & others (Kochi Metro Rail Limited)

Observation by the Hon'ble High Court has been given in matter of the case and also Govt. has been directed to take final decision within one month from the date of receipt of the copy of the judgement. PTL has filed an application with Chief Secretary, "Govt. Of Kerala" for compliance of High Court order and for release of an early payment.

- Ø Two Cases Filed by Mr. Ombir Saini & Hari Ram & others are in Civil Court, Gurgaon, in respect of land at Sona Road, in which PTL Enterprises Limited has also been made respondent.

We further report that:

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

Adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

The company during the period under review has passed a resolution for Shifting of Registered office within the local limit of the city, town and village at its Board Meeting held on 11.05.2016.

The company during the period under review make Appointment of Sanjay Mool Chand Kaul as Nominee Director of the company with effect from 18.01.2017

#### **Scheme of Arrangement / Demerger of Subsidiary**

The National Company Law Tribunal (NCLT) heard the matter of scheme of arrangement / demerger of subsidiary on 01st March, 2017 and passed the order sanctioning of the scheme. Copies of the order of the Kerala High Court and NCLT have been filed with office of ROC's.

Consequent to the approval of the scheme of Demerger /Arrangement by Kerala High court and NCLT, New Delhi the Scheme of Demerger has become effective from 08th March, 2017.

For and on behalf of **RSMV & Co.**

**Manoj Sharma**  
PARTNER

Place : Gurgaon  
Dated : 24<sup>th</sup> April, 2017

FCS: 7516 CP No.: 11571

**FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN****as on the financial year ended on 31.03.2017****Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration ) Rules, 2014.****I REGISTRATION & OTHER DETAILS:**

i	<b>CIN</b>	<b>L25111KL1959PLC009300</b>
ii	Registration Date	19th October, 1959
iii	Name of the Company	PTL ENTERPRISES LIMITED
iv	Category/Sub-category of the Company	Public Company
v	Address of the Registered office & contact details	3rd Floor, Areekal Mansion, Near Manaorama Junction, Panampilly Nagar, Kochi, Earnakulam, KL- 682036 Tel: +[0484] -4012046 Fax: [0484]- 4012048
vi	Whether listed company	Listed
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Alankit Assignments Limited 205-208, Anarkali Complex, Jhandewalan Extension, New Delhi - 110055. Fax No. – 011-23552001 Phone No. – 011 - 42541234/ 011 - 23541234 Website - www.alankit.com e-mail - info@alankit.com

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated

<b>SL No</b>	<b>Name &amp; Description of main products/ services</b>	<b>NIC Code of the Product /service</b>	<b>% to total turnover of the company</b>
1	Income From Lease	6491	97.23%

**III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES -**

<b>Sl No</b>	<b>Name &amp; Address of the Company</b>	<b>CIN/GLN</b>	<b>HOLDING/ SUBSIDIARY/ ASSOCIATE</b>	<b>% OF SHARES HELD (directly)</b>	<b>APPLICABLE SECTION OF COMPANIES ACT, 2013</b>
		NIL			



**IV SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK UP AS PERCENTAGE OF TOTAL EQUITY)****i Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2016				No. of Shares held at the end of the year 31.03.2017				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	2500	0	2500	0.00	2500	0	2500	0.00	0.00
b) Central Govt.or State Govt.	0	0	0	0.00	0	0	0	0.00	0
c) Bodies Corporates	46212899	0	46212899	69.82	46212899	0	46212899	69.82	0.00
d) Bank/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL:(A) (1)</b>	<b>46215399</b>	<b>0</b>	<b>46215399</b>	<b>69.82</b>	<b>46215399</b>	<b>0</b>	<b>46215399</b>	<b>69.82</b>	<b>0.00</b>
(2) Foreign									
a) NRI- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>46215399</b>	<b>0</b>	<b>46215399</b>	<b>69.82</b>	<b>46215399</b>	<b>0</b>	<b>46215399</b>	<b>69.82</b>	<b>0.00</b>
<b>B. PUBLIC SHAREHOLDING</b>									
(1) Institutions									
a) Mutual Funds/UTI	538110	0	538110	0.81	1963	0	1963	0.00	0.08
b) Banks/FI	598500	2600	601100	0.91	599400	2600	602000	0.91	0.08
c) Central govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.	1500000	0	1500000	2.27	1500000	0	1500000	2.27	0.00
e) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIIS	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify) *	149175	0	149175	0.23	59166	0	59166	0.09	0.14
<b>SUB TOTAL (B)(1):</b>	<b>2785785</b>	<b>2600</b>	<b>2788385</b>	<b>4.22</b>	<b>2160529</b>	<b>2600</b>	<b>2163129</b>	<b>3.27</b>	<b>-0.95</b>
(2) Non Institutions									
a) Bodies corporates									
i) Indian	6928199	7950	6936149	10.48	6430049	7650	6475699	9.72	-0.76
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2016				No. of Shares held at the end of the year 31.03.2017				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.2 lakhs	2588047	966844	3554891	5.37	4176615	938494	5115109	7.72	2.35
ii) Individuals shareholders holding nominal share capital in excess of Rs. 2 lakhs	4692058	436750	5128808	7.75	4175456	1926750	6102206	9.21	1.46
Clearing Members	0	0	0	0.00	0	0	0	0.00	0.00
Non Resident Indians	63618	1501250	1564868	2.36	143708	154958	1644958	2.48	0.12
Overseas Corporate Bodies	0	0	0	0	0	0	0	0.00	0.00
Trusts	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL (B)(2):</b>	14271922	2912794	17184716	25.96	14925828	2886744	17809972	26.90	0.00
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>17057707</b>	<b>2915394</b>	<b>19973101</b>	<b>30.18</b>	<b>17086357</b>	<b>2886744</b>	<b>19973101</b>	<b>30.18</b>	<b>-0.95</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0.00
<b>Grand Total (A+B+C)</b>	63273106	2915394	66188500	100.00	63301756	2886744	66188500	100.00	-0.95

\* Foreign Portfolio Investors

**ii SHAREHOLDING OF PROMOTERS**

Sl No.	Shareholders Name	Shareholding at the beginning of the year 01.04.2016			Shareholding at the end of the year 31.03.2017			% change in share holding during the year	Remarks
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged/ encumbered to total shares		
INDIVIDUALS/HINDU UNDIVIDED FAMILY									
1	Mr. Onkar S Kanwar	2500	0.00	0.00	2500	0.00	0.00	0.00	
	Sub-total	2500	0.00	0.00	2500	0.00	0.00	0.00	
BODY CORPORATES									
1	Constructive Finance (P) Ltd	33017575	49.88	0.00	0	0.00	0.00	0.00	
2	Sunrays Properties & Investment Co. (P) Ltd	13195324	19.94	0.00	46212899	69.82	0.00	-49.88	
	Sub-total	46212899	69.82	0.00	46212899	69.82	0.00	0.00	
	Non Resident Individuals								
	Sub-Total	0	0.00	0.00	0	0.00	0.00	0.00	
	Grand Total	46215399	69.82	0.00	46215399	69.82	0.00	0.00	

**iii CHANGE IN PROMOTERS' SHAREHOLDING ( PLEASE SPECIFY, IF THERE IS NO CHANGE)**

Sl. No.		Share holding at the beginning of the Year 01.04.2016		Cumulative Share holding during the year 31.03.2017	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
1	<b>Constructive Finance Pvt Ltd</b>				
	At the Beginning of the year 01.04.2016	33017575	49.88	33017575	49.88
	Add:Interse	13195324	19.94	46215399	69.82
	Less:Interse Date: 30.03.2017	46215399	69.82	0	0
	At the end of the year 31.03.2017	0	0	0	0
2	<b>Sunrays Properties &amp; Investment Co. Pvt Ltd</b>				
	At the Beginning of the year 01.04.2016	13195324	19.94	13195324	19.94
	Less: Interse	13195324	19.94	0	0
	Add:Interse Date:30.03.2017	46215399	69.82	46215399	69.82
	At the end of the year 31.03.2017	46215399	69.82	46215399	69.82

**iv Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)**

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No.of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Governor Of Kerala	3374800	5.09	3374800	5.09
2	Keral State Industrial Development Corporation	1500000	2.27	1500000	2.27
3	Rafique Dawood	1490000	2.25	1490000	2.25
4	Expert Global Ventures Pvt Ltd	1277596	1.93	1277596	1.93
5	TTJ Ventures Pvt Ltd	1274137	1.92	1274137	1.92
6	PTL Enterprises Ltd - Unclaimed Supsense Account	1097550	1.66	1091450	1.65
7	S S Texofab Private Limited	741864	1.12	741864	1.12
8	Bank of India	598500	0.90	598500	0.90
9	Alok Agarwal	380530	0.57	380530	0.57
10	Kampani Consultants Ltd	337717	0.51	337717	0.51

\* there is change in the shareholding

**v Shareholding of Directors & Key Managerial Personnel**

Sl. No.	For Each of the Directors and KMP *	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
<b>1.</b>	<b>Mr. Onkar S Kanwar (Director)</b>				
	<b>At the beginning of the year 01.04.2016</b>	<b>2500</b>	0.00	<b>2500</b>	0.00
	<b>At the end of the year 31.03.2017</b>	<b>2500</b>	0.00	<b>2500</b>	0.00
2	Mr. Neeraj Kanwar #	<b>0</b>	0.00	<b>0</b>	0.00
3	Mr. Akshay Chudasama #	<b>0</b>	0.00	<b>0</b>	0.00
4	Mr. Sanjay M Kaul #	<b>0</b>	0.00	<b>0</b>	0.00
5	Mr. B K Singh #	<b>0</b>	0.00	<b>0</b>	0.00
6	Mr. Harish Bahadur #	<b>0</b>	0.00	<b>0</b>	0.00
7	Ms. Shivi Mohan Rastogi #	<b>0</b>	0.00	<b>0</b>	0.00
8	Mr. U S Anand #	<b>0</b>	0.00	<b>0</b>	0.00

#did not hold any shares in the company during the year.

**V INDEBTEDNESS**

Rupees in lacs

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans (PCFC + Bank Overdraft)	Deposits	Total Indebtedness
<b>Indebtness at the beginning of the financial year</b>				
i) Principal Amount	-	-		-
ii) Interest due but not paid	-			-
iii) Interest accrued but not due				-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
Additions	-	-		-
Reduction	-	-		-
<b>Net Change</b>	-	-		-
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	-		-
ii) Interest due but not paid	-			-
iii) Interest accrued but not due				-
<b>Total (i+ii+iii)</b>	-	-	-	-

## VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole time director and/or Manager:

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager			Total Amount
1	<b>Gross salary</b>	Mr. Balakrishnana G.- Manager			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	Rs.13.43 Lacs			<b>Rs. 13.43 Lacs</b>
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	—	—	—	—
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	—	—	—	—
2	Stock option	—	—	—	—
3	Sweat Equity	—	—	—	—
4	Commission	—	—	—	—
	as % of profit	—	—	—	—
	others (specify)	—	—	—	—
5	Others, please specify	—	—	—	—
	<b>Total (A)</b>	Rs.13.43 Lacs			<b>Rs. 13.43 Lacs</b>
	<b>Ceiling as per the Act</b>	Rs. 376.13 Lacs			

\*[being 10% of the net profit of the company calculated as per Section 198 of the Companies Act, 2013.

### B. Remuneration to other directors:

(Amt in Rs.)

Sl.No	Particulars of Remuneration		Name of the Directors			
1	Independent Directors	Mr. U.S. Anand	Mr. B.K. Singh	Ms. Shivi Mohan Rastogi	Mr. Akshay Chudasama	
	(a) Fee for attending Board / Committee meetings	400,000	215,000	95,000	120,000	
	(b) Commission					
	(c) Others, please specify					
	<b>Total (1)</b>	<b>400,000</b>	<b>215,000</b>	<b>95,000</b>	<b>120,000</b>	<b>830,000</b>
2	Other Non Executive Directors	Mr. Onkar S. Kanwar	Mr. Neeraj Kanwar	Mr. Harish Bahadur	Mr. P.H. Kurain	
	(a) Fee for attending board/ committee meetings	155,000	175,000	280,000	-	
	(b) Commission					
	(c) Others, please specify.					
	<b>Total (2)</b>	<b>155,000</b>	<b>175,000</b>	<b>270,000</b>	<b>-</b>	<b>600,000</b>
	<b>Total (B)=(1+2)</b>	<b>555,000</b>	<b>390,000</b>	<b>365,000</b>	<b>120,000</b>	<b>1,430,000</b>
	<b>Total Managerial Remuneration</b>					
	<b>Overall Ceiling as per the Act.</b>	37.61 Lacs *				

\* Being 1% of the net profit of the Company calculated as per Section 198 of the Companies Act, 2013.

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		CEO	Company Secretary	CFO
1	<b>Gross Salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	N.A.	Rs. 28.43 Lacs	Rs. 18.15 Lacs
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	N.A.		
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	N.A.		
2	Stock Option	N.A.		
3	Sweat Equity	N.A.		
4	Commission	N.A.		
	- as % of profit	N.A.		
	- others, specify	N.A.		
5	Others, please specify	N.A.		
	<b>Total</b>	N.A.	<b>Rs. 28.43 Lacs</b>	<b>Rs. 18.15 Lacs</b>

**VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/ NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty	NONE				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	NONE				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	NONE				
Punishment					
Compounding					

For and on the behalf of the Board of Directors

Place : Gurgaon  
Dated : 04<sup>th</sup> May, 2017

**Onkar S Kanwar**  
Chairman  
FCS: 7516 CP No.: 11571

**ANNEXURE-V****NOMINATION AND REMUNERATION POLICY****1. Introduction**

In terms of Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosures Requirements) Regulation, 2015 entered into by the Company with Stock Exchanges, as amended from time to time, this policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company has been formulated by the Nomination and Remuneration Committee of the Company and approved by the Board of Directors.

**2. Applicability:-**

The Policy is applicable to:

- Directors (Executive and Non Executive)
- Key Managerial Personnel
- Senior Management Personnel
- Other employees

**3. Objective**

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and SEBI (Listing Obligations & Disclosures Requirements) Regulation, 2015. The objective of this policy is to lay down a framework in relation to remuneration of directors, KMP, senior management personnel and other employees. The Key Objectives of the committee would be:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- To carry out evaluation of the performance of Directors.
- To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.
- To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- To ensure that the remuneration to Directors, Key Managerial Personnel (KMP), and senior management of the Company involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- To assist the Board in ensuring that the plans are in place for orderly succession for appointments to the Board and to senior management.

#### 4. Definitions

- 4.1 'Act' means Companies Act, 2013 and rules relating thereto.
- 4.2 'Board of Directors' or 'Board', in relation to the Company, means the collective body of the directors of the Company.
- 4.3 'Committee' means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board
- 4.4 'Company' means PTL Enterprises Ltd.
- 4.5 'Directors' means a director appointed to the Board of a company.
- 4.6 'Independent Director' means a director referred to in Section 149 (6) of the Companies Act, 2013 and/or as defined under SEBI (Listing Obligations & Disclosures Requirements) Regulation, 2015.
- 4.7 'Key Managerial Personnel' (KMP) means:
- Chief Executive Officer or the Managing Director or the Manager
  - Company Secretary
  - Whole-time Director
  - Chief Financial Officer
  - Such other officer as may be prescribed under the applicable statutory provisions/regulations.
- 4.8 "**Senior Management**" means the personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

#### 5. Constitution of Committee

- 5.1 The Board of Directors of the Company (the Board) constituted the committee known as "Nomination and Remuneration Committee" consisting of three or more non-executive directors out of which not less than one-half are independent Directors.
- 5.2 At present, the Nomination and Remuneration Committee comprises of following Directors:
- Mr. U S Anand, Chairman
  - Mr. Onkar S Kanwar, Member
  - Mr. Neeraj Kanwar, Member
  - Mr. Birendra Kumar Singh, Member
- 5.3 The Chairman of the Committee shall be an Independent Director.
- 5.4 The chairperson of the company (whether executive or non executive) may be appointed as a member of the Nomination and Remuneration Committee but shall not chair such Committee.
- 5.5 In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- 5.6 The Chairperson of the Committee or in his absence, any other member of the committee authorized by him in this behalf shall attend the General Meetings of the Company to answer the shareholders' queries.



- 5.7 The Company Secretary shall act as the secretary for Committee meetings.
- 5.8 Minutes: Minutes of the meetings shall be recorded and maintained by the Company Secretary and shall be presented to the Committee for approval at its subsequent meeting.
- 5.9 Quorum: The quorum for the Committee meeting shall be one third of its total strength or two directors, whichever is higher, and the participation of the directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum.
- 5.10 The meetings of the Committee shall be held as and when required and as statutorily required under the provisions of Companies Act, 2013 and Rules made there under and as per the applicable law, if any, for the time being.

## **6. Criteria for Appointment & Removal of Director and Senior Management**

- 6.1 The Committee shall consider the following factors for identifying the person who are qualified to becoming Director and who can be appointed in senior management:
- 6.2 The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director or at Senior Management level and recommend to the Board his / her appointment
- 6.3 A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
- 6.4 An independent director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the company's business.
- 6.5 The Company shall not appoint or continue the employment of any person as Wholetime Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.
- 6.6 The Company should ensure that the person so appointed as Director/Independent Director/Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made thereunder, or any other enactment for the time being in force.
- 6.7 The Director/ Independent Director/ Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made thereunder, or under listing agreement or any other enactment for the time being in force.
- 6.8 Independent Director shall meet all criteria specified in Section 149(6) of the Companies Act, 2013 and rules made thereunder and/or as specified in SEBI (Listing Obligations & Disclosures Requirements) Regulation, 2015. The Nomination and Remuneration Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate/s.

### **6A. Disqualifications for Appointment of Directors**

Pursuant to section 164 of the Companies Act, 2013, a person shall not be eligible for appointment as a director of a company if:

- a) He is of unsound mind and stands so declared by a competent court;
- b) He is an undischarged insolvent;

- c) He has applied to be adjudicated as an insolvent and his application is pending;
- d) He has been convicted by a court of any offence, whether involving moral turpitude or otherwise, and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence: Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be appointed as a director in any company;
- e) An order disqualifying him for appointment as a director has been passed by a court or Tribunal and the order is in force;
- f) He has not paid any calls in respect of any shares of the company held by him, whether alone or jointly with others, and six months have elapsed from the last day fixed for the payment of the call;
- g) He has been convicted of the offence dealing with related party transactions under section 188 at any time during the last preceding five years; or
- h) He has not complied with Section 152(3) ie. he has not been allotted the Director Identification Number under Section 154 of the Act.

No person who is or has been a director of a company which:

- Has not filed financial statements or annual returns for any continuous period of three financial years; or
- Has failed to repay the deposits accepted by it or pay interest thereon or to redeem any debentures on the due date or pay interest due thereon or pay any dividend declared and such failure to pay or redeem continues for one year or more, shall be eligible to be reappointed as a director of that company or appointed in other company for a period of five years from the date on which the said company fails to do so

## **6B. Term / Tenure**

### **6B.1 Managing Director/Whole-time Director:**

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

### **6B.2 Independent Director:**

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

## **6C. Removal**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations or any other reasonable ground, the Committee may recommend to the Board for removal of a Director or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

## **6D. Retirement**

The Director and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director or Senior Management

Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

## **7. Criteria for Determining Positive Attributes & Independence of Directors Criteria for determining positive attributes:**

The Committee shall consider the following factor for determining positive attributes of Directors (including independent directors):

- 7.1 Directors are to demonstrate integrity, credibility, trustworthiness, ability to handle conflict constructively, and the willingness to address issues proactively.
- 7.2 Actively update their knowledge and skills with the latest developments in the Tyre/Automobile/ Health care industry, market conditions and applicable legal provisions.
- 7.3 Willingness to devote sufficient time and attention to the Company's business and discharge their responsibilities
- 7.4 To assist in bringing independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct.
- 7.5 Ability to develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior management of the Company.
- 7.6 To act within their authority, assist in protecting the legitimate interests of the Company, its shareholders and employees

### **Criteria for determining Independence:**

The Independent Director shall qualify the criteria of independence mentioned in Section 149(6) of the Companies Act, 2013 and rules related thereto and in SEBI (Listing Obligations & Disclosures Requirements) Regulation, 2015.

## **8. Performance Evaluation**

The provisions relating to the performance evaluation of the Directors and the Board are as follows:

1. Nomination and Remuneration Committee to carry out evaluation of every Directors' Performance - Sec 178(2) of the Act.
2. Independent Directors to bring objective view in evaluation of performance of Board- Schedule IV (II) of the Act.
3. Performance evaluation of Independent Directors shall be done by entire Board of Directors excluding the Director being evaluated - Schedule IV of the Act and SEBI (Listing Obligations & Disclosures Requirements) Regulation, 2015.
4. Disclosure in Board Report by way of a statement indicating the manner in which formal annual evaluation has been made by the Board of its own and that of its Committees and individual Directors - Section 134(3)(p) of the Act.

## **8A. CRITERIA FOR EVALUATION OF DIRECTORS AND THE BOARD**

The Committee shall carry out evaluation of performance of every Director and the Board, atleast once in a year.

Following are the Criteria for evaluation of performance of Directors and the Board:

### **1. Executive Directors:**

The Executive Directors may be evaluated on the basis of targets / Criteria given to executive Directors by the board from time to time or may be evaluated on the basis of the questionnaire or any other method as the committee may deem fit.

**2. Non Executive Director (including Independent Director):**

The Non Executive Directors (including Independent Director) shall be evaluated on the basis of the following criteria i.e. whether they:

- a. act objectively and constructively while exercising their duties;
- b. exercise their responsibilities in a bona fide manner in the interest of the company;
- c. devote sufficient time and attention to their professional obligations for informed and balanced decision making;
- d. do not abuse their position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- e. refrain from any action that would lead to loss of his independence (applicable for Independent Directors);
- f. inform the Board immediately when they lose their independence (applicable for Independent Directors);
- g. assist the company in implementing the best corporate governance practices;
- h. strive to attend all meetings of the Board of Directors and the Committees;
- i. participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- j. strive to attend the general meetings of the company;
- k. keep themselves well informed about the company and the external environment in which it operates;
- l. do not unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- m. moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.
- n. abide by Company's Memorandum and Articles of Association, company's policies and procedures including code of conduct, insider trading guidelines etc.

**8B. Evaluation of Board Performance**

A regular process of evaluating the board's performance can help to identify strengths and weaknesses of its processes and procedures. The Company has formulated a questionnaire to assist in assessing the effectiveness of the board. The tool takes the form of a series of assertions/ questions which should be awarded a rating on a scale of 1 to 5 by individual directors or by the board as a whole. Once complete, the matters should be discussed at a board meeting.

**9. Remuneration of Directors, Key Managerial Personnel and other Employees**

The Committee will recommend the remuneration to be paid to the Managing Director, Whole-time Director, KMP and Senior Management Personnel to the Board for their approval. The remuneration to be paid to the other employees shall be as per HR policy of the company.

The level and composition of remuneration as determined by the Committee shall be reasonable and sufficient to attract, retain and motivate directors, Key Managerial Personnel and Senior Management of the quality required to run the company successfully.

The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term

performance objectives appropriate to the working of the company and its goals:

### **9.1 General:**

- 9.1.1 Nomination and Remuneration Committee shall recommend the remuneration, including the commission based on the net profits of the Company for the Non- Executive Directors and

Whole-time Director and other Executive Directors. This will be then approved by the Board and shareholders. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

- 9.1.2 Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.

- 9.1.3 Directors' and officers' Insurance : Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

### **9.2 Remuneration to Whole-time / Executive / Managing Director**

- 9.2.1 Fixed pay:

The Whole-time Director shall be eligible for remuneration as may be approved by the Shareholders of the Company on the recommendation of the Committee and the Board of Directors. The break-up of the pay scale, performance bonus and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and shall be within the overall remuneration approved by the shareholders and Central Government, wherever required.

- 9.2.2 Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of the Companies Act, 2013.

- 9.2.3 Provisions for excess remuneration:

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

### **9.3 Remuneration to Non- Executive / Independent Director:**

- 9.3.1 Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed INR One lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time. The quantum of sitting fees will be determined as per the recommendation of Nomination and Remuneration Committee and approved by the Board of Directors of the Company. Further the boarding and lodging expenses shall be reimbursed to the Directors.

- 9.3.2 Commission:

The profit-linked Commission shall be paid within the monetary limit approved by the shareholders of the Company subject to the same not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Regulations.

#### 9.3.3 Stock Options:

Pursuant to the provisions of the Act, an Independent Director shall not be entitled to any stock option of the Company. Only such employees of the Company and its subsidiaries as approved by the Nomination and Remuneration Committee will be granted ESOPs.

### 9.4 Remuneration to KMP, Senior Management Personnel and Other Employees

The KMP, Senior Management Personnel and other employees of the Company shall be paid monthly remuneration as per the Company's HR policies and / or as may approved by the Committee. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be as per the Company's HR policies. The annual variable pay of managers is linked to the performance of the Company in general and their individual performance for the relevant year measured against Company's objectives fixed in the beginning of the year. This Remuneration Policy shall apply to all future / continuing employment / engagement(s) with the Company. In other respects, the Remuneration Policy shall be of guidance for the Board.

## 10. Disclosures

The following disclosures are required under Companies Act, 2013 and the listing Agreement with the stock exchanges:

- 10.1 Nomination and Remuneration Policy shall be disclosed in the Board Report. (Proviso to Section 178(4) of the Act)
- 10.2 Company shall disclose the Criteria for performance evaluation, as laid down by Nomination Committee, in its Annual Report. SEBI (Listing Obligations & Disclosures Requirements) Regulation, 2015.
- 10.3 Company shall disclose the remuneration policy in its Annual report- SEBI (Listing Obligations & Disclosures Requirements) Regulation, 2015.
- 10.4 All pecuniary relationship or transactions of the non-executive Directors vis-à-vis the company shall be disclosed in the Annual Report. SEBI (Listing Obligations & Disclosures Requirements) Regulation, 2015.
- 10.5 In addition to the disclosures required under the Companies Act, 2013, the following disclosures on the remuneration of directors shall be made in the section on the corporate governance of the Annual Report:
  - (a) All elements of remuneration package of individual directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc.
  - (b) Details of fixed component and performance linked incentives, along with the performance criteria.
  - (c) Service contracts, notice period, severance fees.
  - (d) Stock option details, if any - and whether issued at a discount as well as the period over which accrued and over which exercisable. SEBI (Listing Obligations & Disclosures Requirements) Regulation, 2015.

**ANNEXURE - VI****Particulars of Loans, Guarantees or investments under section 186 of the Companies Act, 2013 as on 31.03.2017****Rupees in lacs**

Name of the Body Corporate		Loans given	Investments	Guarantees given	Aggregate as on 31.03.2017
<b>1.</b>	<b>In Wholly Owned subsidiaries</b>				
<b>2.</b>	<b>In subsidiaries</b>		N.A.		N.A.
<b>3.</b>	<b>In JV/ Associates</b>		N.A.		N.A.
<b>4.</b>	<b>In Others</b>				
<b>4.1</b>	<b>Guarantees</b>			NIL	<b>NIL</b>
<b>4.2</b>	<b>Shares</b>				
	Cochin Co-operative Hospital Society 1 Share of Rs. 10,000/- each.		0.10		<b>0.10</b>
	Premier Tyres Employees' Co-operative Stores 10 Shares of Rs.100/- each.		0.01		<b>0.01</b>
<b>TOTAL</b>		<b>0.00</b>	<b>0.11</b>	<b>0.00</b>	<b>0.11</b>

## ANNEXURE - VII

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188 (1) OF THE COMPANIES ACT, 2013	
Form No. AOC - 2	
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)	
Form for disclosure of particulars of contracts/ arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto	
1 Details of contracts or arrangements or transactions not at arm's length basis	Not Applicable
(a) Name(s) of the related party and nature of relationship	
(b) Nature of contracts/arrangements/transactions	
(c) Duration of the contracts / arrangements / transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	
(e) Justification for entering into such contracts or arrangements or transactions	
(f) Date(s) of approval by the Board	
(g) Amount paid as advances, if any	
(h) Date of which the special resolution was passed in general meeting as required under first proviso to section 188	
2 Details of material contracts or arrangement or transactions at arm's length basis	
(a) Name(s) of the related party and nature of relationship	Apollo Tyres Limited (Associates)
(b) Nature of contracts / arrangements / transactions	Lease agreement
(c) Duration of the contracts / arrangements / transactions	Valid upto March 31, 2022.
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	As per the agreement
(e) Date(s) of approval by the Board, if any	May 12, 2015
(f) Amount paid as advances, if any	N.A.



## ANNEXURE – VIII

## CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY

**[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies  
(Corporate Social Responsibility) Rules, 2014]**

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs. Please refer to Corporate Governance report, Section on Board Committee for CSR.

2. The Composition of the CSR Committee is as follows –

Mr. Onkar S Kanwar (Chairman & Non-Executive Director)

Mr. Neeraj Kanwar (Non-Executive Director)

Mr. U.S. Anand (Independent Director)

3. Average net profit of the company for last three financial years -

Financial Year	Amount (in Lacs)	Amount (2% of net profit)
2015-16	2423.83	48.48
2014-15	2323.57	46.47
2013-14	2686.62	53.73

4. Prescribed CSR Expenditure -

Financial Year	Net Profit Amount (in Lacs)	Amount (in Lacs)	Spent %age
2015-16	2423.83	50.08	49.12
2014-15	2323.57	52.00	52.69
2013-14	2686.62	N.A.	N.A.

5. Details of CSR spent during the financial year -

(a) Total amount to be spent for the financial year –

Financial Year	Planned Budget (Amount in Lacs)	Spent (Amount in Lacs)	Unspent (Amount in Lacs)
2016-17	58.48	108.56	NIL

(b) Amount unspent till 31st March 2017, if any;

Rs.NIL

**Manner in which the amount spent during the financial year is detailed below:****(All figures are in Lacs)**

(1) S. No	(2) CSR project or activity identified	(3) Sector in which the Project is covered	(4) Projects or programs (1) Local area or other district where projects or programs was undertaken	(5) Amount outlay (budget) project or programs wise	(6) Amount spent on the projects or programs Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads	(7) Cumulative expenditure up to the reporting period	(8) Amount spent: Direct or through Implementing agency*
1	General health awareness camp in community	Promoting Preventive Health	Kalamassery, Kerala	0.43	0.13	<b>0.13</b>	Apollo Tyres Foundation
2	General health & cancer treatment support to the under privileged rural community	Promoting Preventive Health	Kalamassery, Kerala	56.81	44.95	<b>44.95</b>	Indian Cancer Society
3	Terrace farming project in Kalamassery	Livelihood Enhancement Projects	Kalamassery, Kerala	6.07	6.15	<b>6.15</b>	Tropical Institute of Ecological Science
4	Community solid waste management project	Ensuring environmental sustainability	Kalamassery, Kerala	18.39	18.43	<b>18.43</b>	Plan@Earth
5	Biodiversity-Science park maintenance <sup>2</sup>	Ensuring environmental sustainability	Kalamassery, Kerala	21.00	21.65	<b>21.65</b>	Tropical Institute of Ecological Science
6	Baseline for environmental need assesment survey	Ensuring environmental sustainability	Kalamassery, Kerala	5.85	5.86	<b>5.86</b>	Environmental Resources Foundation
	Amount lying unutilised with the CSR implementing agency					<b>11.39</b>	
					<b>Total</b>	<b>108.56</b>	
					Unspent amount utilised by Apollo tyres Foundation during the current year	<b>(0.00)</b>	
					<b>CSR Expenses booked by PTL Enterprises Limited during the current year</b>	<b>108.56</b>	

6. The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

**Date : 4th May, 2017**  
**Place : Gurgaon**

**BALAKRISHNAN G**  
**(Manager under the Companies Act, 2013)**

**ONKAR S KANWAR**  
**(Chairman of the CSR Committee)**

## REPORT ON CORPORATE GOVERNANCE

PTL Enterprises Limited's corporate governance system has the highest standards of ethical and responsible conduct of business to create value for all stakeholders. It continues to focus on good corporate governance, in line with emerging national standards. It understands and respects its fiduciary role in the corporate world. Besides following prescribed corporate governance norms as per the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Companies Act, 2013, the company voluntarily governs itself as per best standards of ethical and responsible conduct of business in all facets of its operations and in all interactions with its stakeholders, including shareholders, employees, consumers, lenders and the community at large.

This report, along with the report on Management Discussion and Analysis and additional shareholders information provides the information on the corporate governance compliance by your company as contained in SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Companies Act, 2013.

### CORPORATE GOVERNANCE PHILOSOPHY

PTL philosophy is to view corporate governance principles in true letter and genuine spirit rather than mere compliances of norms. Corporate Governance has been considered as a business strategy as this adds considerable value to the company both internally and externally. Ideal governance practices have rewarded the Company with improved share valuations, stakeholder's confidence, market capitalization, environmental protection, etc. These have helped PTL to pay uninterrupted dividends to its shareholders.

The Company has established systems and procedures to ensure that its Board of Directors is well informed and well equipped to discharge its overall responsibilities and to provide the management with the strategic direction catering to exigency of long term shareholders value. Your Company seeks to execute the practices of corporate governance by maintaining strong business fundamentals and by delivering high performance through relentless focus on the following:

- (a) Transparency: - By classifying and explaining the Company's policies and actions to those towards whom it has responsibilities, including its employees. This implies the maximum possible disclosures without hampering the interests of the Company and those of its shareholders.
- (b) Accountability is a key pillar, where there cannot be a compromise in any aspect of accountability and full responsibility, even as the management pursues profitable growth for the Company.
- (c) Professionalism ensures that management teams at all levels are qualified for their positions, have a clear understanding of their roles and are capable of exercising their own judgment, keeping in view the Company's interests, without being subject to undue influence from any external or internal pressures.

### BOARD OF DIRECTORS

#### Composition of the Board

As on March 31, 2017, PTL's composition of the Board is in conformity with SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Companies Act, 2013 enjoining specified combination of four Independent & four Non Independent Directors (including a woman Director and a Nominee Director by Govt. of Kerala). The Board is chaired by non-executive promoter Director.

#### Number of Board Meetings

Minimum four prescheduled Board meetings are held every year. Additional meetings are held to address specific needs of the Company. During the financial year 2016-17 the board of Directors met four times on- 11.05.2016, 08.08.2016, 07.11.2016 and 01.02.2017. The maximum gap between any two meetings was less than one hundred and twenty days, as stipulated under Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

**Directors' Attendance Record and their other Directorships/ Committee memberships**

As mandated in Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, none of the directors is a member of more than ten board level committees or chairman of more than five committees across companies in which he/she is a director. Relevant details of the Board as on March 31, 2017 are given below:

Name of the Director	Category	Attendance Particulars			No. of other Directorships and Committee memberships /chairmanships held*		
		Number of Board Meetings		Last AGM 08.08.2016	Other Directorships	Committee Memberships	Committee Chairmanships
		Held	Attended				
Mr. Onkar S. Kanwar	Chairman/ Non Executive Director	4	3	Yes	6	4	3
Mr. Neeraj Kanwar	Non Executive Director	4	3	Yes	5	3	-
Mr. Akshay Chudasama	Independent Director	4	4	Yes	8	-	-
Mr. B.K. Singh	Independent Director	4	3	No	2	2	-
Mr. Harish Bahadur	Non Executive Director	4	4	Yes	9	3	-
Mr. P.H. Kurian**	Non Executive Director	4	0	No	9	-	-
Mr. Sanjay M Kaul **	Non Executive Director	4	0	N.A.	3	-	-
Ms. Shivi Mohan Rastogi	Independent Director	4	3	Yes	1	-	-
Mr. U.S. Anand	Independent Director	4	4	Yes	2	5	3

\* Excluding foreign companies and companies under Section 8 of the companies Act, 2013.

\*\*Mr. Sanjay Kaul Nominee of Govt. of Kerela in place of Mr. P.H. Kurien w.e.f 18<sup>th</sup> January 2017.

**Shareholding of Non-Executive Directors**

Mr. Onkar S Kanwar, non-executive promoter Director is holding 2500 equity shares of Re. 2/- each in the Company. None of the other Directors hold any shares in the Company.

**Independent Directors**

As mandated under Regulation 16 (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Independent Directors on PTL's Board:

- Are persons of integrity and possess relevant expertise and experience;
- Are not a promoter of the company or its holding, subsidiary or associate company;
  - Are not related to promoters or directors in the company, its holding, subsidiary or associate company;
- Apart from receiving director's remuneration, have no material pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- None of their relatives have or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;

e. Neither themselves nor any of their relatives —

- (i) hold or have held the position of a key managerial personnel or are or have been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which they are proposed to be appointed;
  - (ii) are or have been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which they are proposed to be appointed, of —
    - A. a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
    - B. any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
  - (iii) hold together with their relatives two per cent or more of the total voting power of the company; or
  - (iv) is a Chief Executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company;
  - (v) is a material supplier, service provider or customer or a lessor or lessee of the company;
- f. is not less than 21 years of age.

### **Performance evaluation of Independent Directors**

The Board of Directors upon recommendation of Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Board of the Company, its Committees and the individual Board members, including Independent Directors.

In compliance with Regulation 17 (10) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 of the Listing Agreement, the performance evaluations of all the Independent Directors have been done by the entire Board, excluding the director being evaluated.

On the basis of the performance evaluation done by the Board, it shall be determined whether to extend or continue their term of appointment, whenever the respective term expires.

### **Separate Meeting of the Independent Directors**

The Independent Directors of the Company met separately on 24<sup>th</sup> March, 2017 without the presence of Non-Independent Directors and the members of management. The meeting was conducted informally to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their combined views to the Board of Directors of the Company. In accordance with the Listing agreement, following matters were, *inter alia*, discussed in the meeting:

- Performance of Non-Independent Directors and Board as a whole.
- Performance of the Chairman of the Company after taking into consideration the views of Directors.
- Assessment of the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

### **Familiarization Programme for the Independent Directors**

The Company conducts Familiarization Programme for the Independent Directors to provide them an opportunity to familiarize with the Company, its management and its operations so as to gain a clear understanding of their roles and responsibilities and contribute significantly towards the growth of the Company. They have full opportunity to interact with senior management personnel and are provided all the documents required and sought by them for enabling them to have a good understanding of the Company, its various operations and the industry of which it is a part.

## Board Membership Criteria

The Nomination and Remuneration Committee in consultation with directors/ others determine the appropriate characteristics, skills and experience for the Board as a whole, as well as its individual members. The selection of Board members is based on recommendations of the Nomination and Remuneration Committee.

The skill profile of independent board members is driven by the key performance indicators defined by the Board, broadly based on:

- Independent corporate governance
- Guiding strategy and enhancing shareholders' value
- Monitoring performance, management development & compensation
- Control & compliance

## The constitution of the Board is as follows:

A Promoter Non Executive Director/ Chairman. Three Non Executive Directors. Four Non Executive Independent Directors (including a woman Director) constituting at least 50% of the Board.

## Remuneration paid to Directors

Details of remuneration/sitting fees paid to the Directors for the financial year 2016-2017 is as under:

Name of the Director	Sitting Fees	Salary & Perquisites	Superannuation Fund	Commission	Total
Mr. Onkar S Kanwar	155000	0	0	0	155000
Mr. Neeraj Kanwar	175000	0	0	0	175000
Mr. Akshay Chudasama	120000				120000
Mr. B.K. Singh	215000	0	0	0	215000
Mr. Harish Bahadur	280000	0	0	0	280000
Mr. Samay M. Koul*	0	0	0	0	0
Ms. Shivi Mohan Rastogi	95000	0	0	0	95000
Mr. U.S. Anand	400000	0	0	0	400000
<b>Total</b>	<b>1440000</b>				<b>1440000</b>

\*Govt. of Kerala nominee Director

Apart from payment of sitting fee for attending the meetings of the Board/Committee of Directors, no other remuneration has been paid to the Directors.

During 2016-17, the Company did not advance any loan to any of its Directors.

## Profile of the Management

The detailed profile of the company management is linked with the company's website at <http://www.ptlenterprise.com/pdf/Management-Profile.pdf>

## CODE OF CONDUCT

Adherence to ethical professional conduct is a must for every employee, including Board members and senior management personnel of PTL Enterprises Limited. The Code is intended to serve as a basis for ethical decision-making in conduct of professional work. The Code of Conduct enjoins that each individual in the organization must know and respect existing laws, accept and provide appropriate professional views, and be upright in his conduct and

observe corporate discipline. The duties of Directors including duties as an Independent Director as laid down in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 also forms part of the Code of Conduct.

The Code of Conduct is available on the website of the Company [www.ptlenterprise.com](http://www.ptlenterprise.com). All Board members and senior management personnel affirm compliances with the Code of Conduct annually. A declaration signed by the Chairman to this effect is placed at the end of this report.

## COMMITTEES OF THE BOARD

PTL has five Board level committees:

- A) Audit committee,
- B) Nomination and Remuneration committee,
- C) Corporate Social Responsibility committee,
- D) Risk Management Committee, and
- E) Stakeholders Relationship committee.

The Board is responsible for constituting, assigning, co-opting and fixing the terms of reference for members of various committees. Details on the role and composition of these committees, including the number of meetings held during the financial year and the related attendance, are provided below.

### A) AUDIT COMMITTEE

#### Composition

As on March 31, 2017, the Audit committee comprises of the following 3 Members:

1. Mr. U.S. Anand (Chairman)
2. Mr. Neeraj Kanwar
3. Mr. B.K.Singh

#### Meetings and Attendance

During the financial year 2016-17, the Audit Committee met 4 times on 11.05.2016; 08.08.2016; 07.11.2016 and 01.02.2017. The time gap between any two meetings was less than four months.

The details of attendance of Audit committee meetings are as under:

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
Mr. U.S. Anand	Independent Director	Chairman	4	4
Mr. Neeraj Kanwar	Non - Independent Director	Member	4	3
Mr. B.K.Singh	Independent Director	Member	4	3

The KMP responsible for the finance function, the internal auditors are permanent invitees to the Audit committee. Mr. Pradeep Kumar, Company Secretary, is Secretary to the committee.

All members of the Audit committee have accounting and financial management expertise. The Chairman of the committee attended the Annual General Meeting (AGM) held on 08.08.2016 to answer shareholders' queries.

Terms of reference of Audit committee:

1. Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board the appointment, re-appointment, terms of appointment/ reappointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees/remuneration.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the Management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of sub section (5) of section 134 of the Companies Act, 2013.
  - ii. Changes, if any, in accounting policies and practices and reasons for the same.
  - iii. Major accounting entries involving estimates based on the exercise of judgment by the Management.
  - iv. Significant adjustments made in the financial statements arising out of audit Findings.
  - v. Compliance with listing and other legal requirements relating to financial statements.
  - vi. Disclosure of any related party transactions.
  - vii. Qualifications in the draft audit report.
5. Review/examine, with the Management, the quarterly/year to date financial statements and auditor's report thereon, before submission to the Board for approval.
6. Reviewing with the Management, the financial statements of subsidiaries and in particular the investments made by each of them.
7. Reviewing/Monitoring, with the Management, the statement of uses/application/end use of funds raised through an issue (public issue, rights issue, preferential issue, etc.) and related matters, the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of the proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
8. Reviewing/evaluating, with the Management, performance of statutory and internal auditors, internal financial controls, risk management system and adequacy of the internal control systems.
9. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
10. Discussion with internal auditors any significant findings and follow-ups there on.
11. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
12. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
13. To look into the reasons for substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.



14. To review the functioning of the Whistle- Blower mechanism.
15. Approval of appointment of CFO (i.e. the whole time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
16. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
17. Review and monitor the Auditor's independence, performance and effectiveness of Audit process.
18. Approval or any subsequent Modification of transactions of the company with related parties.
19. Scrutiny of inter- corporate loans and investments.
20. Valuation of undertakings or assets of the Company, wherever it is necessary.

The Audit committee is empowered, pursuant to its terms of reference to:

- Investigate any activity within its terms of reference and to seek any information it requires from any employee.
- Obtain legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, wherever considered necessary.
- PTL has systems and procedures in place to ensure that the Audit committee mandatorily reviews:
- Management discussion and analysis of financial conditions and results of operations.
- Statement of significant related party transactions (as defined by the Audit committee), submitted by management.
- Management letters / letters of internal control weaknesses issued by the statutory auditors.
- Internal audit reports relating to internal control weaknesses.
- Appointment, removal and terms of remuneration of the internal auditor.
- The uses/applications of funds raised through public issues, rights issues, preferential issues by major category (capital expenditure, sales and marketing, working capital, etc), as part of the quarterly declaration of financial results (whenever applicable).
- On an annual basis, statement certified by the statutory auditors, detailing the use of funds raised through public issues, rights issues, preferential issues for purposes other than those stated in the offer document/prospectus/ notice (whenever applicable).

### **Role of Internal Auditor**

PTL Enterprises has an adequate Internal Control framework, which has been instituted considering the nature, size and risk in the business. The framework comprises, inter alia, of a well-defined organisation structure, roles and responsibilities, documented policies and procedures etc. Information Technology policies and processes were also updated to ensure that they satisfy the current business needs. This is complemented by a management information and monitoring system, which ensures compliance to internal processes, as well as with applicable laws and regulations. The operating management is not only responsible for revenue and profitability, but also for maintaining financial discipline and hygiene.

In order to ensure efficient Internal Control systems, the Company also has a well established independent in-house Internal Audit function that is responsible for providing, assurance on compliance with operating systems, internal policies and legal requirements, as well as, suggesting improvements to systems and processes. The Internal Audit has a well laid down internal audit methodology, which emphasis on risk based internal audits using data analytics and tools.

Mr. Praveen Moon, the Internal Auditor prepares a rolling annual internal audit plan, comprising of operational, financial, compliance and information systems audits.

**B) NOMINATION AND REMUNERATION COMMITTEE****Composition**

As on March 31, 2017, the Nomination and Remuneration Committee comprises of the following 4 Members:

1. Mr. U.S. Anand (Chairman)
2. Mr. Onkar S Kanwar
3. Mr. Neeraj Kanwar
4. Mr. B.K.Singh

**Meetings and Attendance**

During the financial year 2016-17, the Nomination and Remuneration Committee met once on 10.05.2016.

The details of attendance of the Nomination and Remuneration Committee meetings are as under:

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
Mr. U.S. Anand	Independent Director	Chairman	1	1
Mr. Onkar S Kanwar	Non Independent Director	Member	1	-
Mr. Neeraj Kanwar	Non Independent Director	Member	1	1
Mr. B.K.Singh	Independent Director	Member	1	1

The Chairman of the committee attended the annual general meeting (AGM) held on 08.08.2016 to answer shareholders` queries.

**The roles and responsibilities of the committee include the following:**

1. Formulate the criteria for determining qualifications, positive attributes and independence of a director.
2. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.
3. Formulate the criteria for evaluation of director's and Board's performance and to carry out the evaluation of every director's performance.
4. Devising a policy on Board diversity.
5. To decide the remuneration of consultants engaged by the Committee.
6. Framing, recommending to the Board and implementing, on behalf of the Board and on behalf of the Shareholders, policy on remuneration of Directors, Key Managerial Persons (KMP) & other Employees, including ESOP, pension rights and any other compensation payment.
7. Considering, approving and recommending to the Board changes in designation and increase in salary of the Directors, KMP and other employees.
8. Framing the Employees Share Purchase Scheme / Employees Stock Option Scheme and recommending the same to the Board/ shareholders for their approval and implementing/administering the scheme approved by the shareholders.
9. Suggesting to Board/ shareholders changes in the ESPS/ ESOS.

### Non-Executive Directors (including Independent Directors)

All the non executive directors including the Independent Directors only received the sitting fees during the F.Y. 2016-17.

In accordance with the relevant provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the following Policies/Framework have been adopted by the Board upon recommendation of the Nomination and Remuneration Committee:

1. Remuneration Policy relating to remuneration of Directors, Key Managerial Personnel and other employees.
2. Framework for evaluation of the Board, its committees and individual Board members including Independent Directors.
3. Policy on appointment of Board Members.

The Remuneration Policy and the evaluation criteria have been disclosed in the Director's Report which forms part of the Annual Report.

### C) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

#### Composition

As on March 31, 2017, the Corporate Social Responsibility (CSR) committee consists of the following members:

1. Mr. Onkar S Kanwar (Chairman)
2. Mr. Harish Bahadur
3. Mr. U.S. Anand

#### Meetings and Attendance

During the financial year 2016-17 the committee met 1 times on 10.05.2016. The details of attendance of committee meeting are given below:

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
Mr. Onkar S Kanwar	Non Executive Director	Chairman	1	-
Mr. Harish Bahadur	Non Executive Director	Member	1	1
Mr. U.S. Anand	Independent Director	Member	1	1

#### The role of Corporate Social Responsibility (CSR) committee is as under:-

- (a) Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company in compliance with the Companies Act, 2013 and rules thereunder.
- (b) Recommend the amount of expenditure to be incurred on the activities as above, and
- (c) Monitor the CSR Policy of the company from time to time.

The Company has formulated the CSR Policy in line with schedule VII of the Companies Act, 2013.

#### CSR Policy of the Company

The CSR activities shall be focused not just around the plants and offices of the company, but also in other geographies based on the needs of the communities. The key focus areas where special Community Development programmes would be run are:

1	General health awareness activity
2	General health & cancer treatment
3	Terrace farming project in Kalamassery
4	Community solid waste management project; Baseline
5	Biodiversity- Science park maintenance
6	Baseline for environmental need assesmental survey

The formal CSR policy of the Company is available on the website of the Company [www.ptlenterprise.com](http://www.ptlenterprise.com).

## **D) RISK MANAGEMENT COMMITTEE**

### **Composition**

As on March 31, 2017, the Risk Management Committee consists of the following members:

1. Mr. Onkar S Kanwar (Chairman)
2. Mr. Harish Bahadur
3. Mr. U.S. Anand

### **The role of the committee is as under:-**

1. Preparation of Risk Management Plan, reviewing and monitoring the same on regular basis.
2. To update Risk Register on quarterly basis.
3. To review critical risks identified.
4. To report key changes in critical risks to the Board.
5. To report critical risks to Audit Committee in detail.
6. To perform such other functions as may be deemed or prescribed fit by the Board.

## **E) STAKEHOLDERS' RELATIONSHIP/GRIEVANCES COMMITTEE**

### **Composition**

As on March 31, 2017, the Stakeholders Relationship/Grievances committee consists of the following members:

1. Mr. Onkar S. Kanwar (Chairman)
2. Mr. Neeraj Kanwar
3. Mr. Harish Bahadur
4. Mr. U.S. Anand

Mr. Pradeep Kumar, Company Secretary, is the Compliance Officer.

The Committee ensures cordial investor relations and oversees the mechanism for redressal of investors' grievances. The committee specifically looks into redressing shareholders'/ investors' complaints/ grievances pertaining to share transfers, non-receipts of annual reports, non- receipt of dividend and other allied complain.

The Committee performs the following functions:

- Transfer/ transmission of shares.
- Split up/ sub-division and consolidation of shares.
- Dematerialization/ rematerialization of shares.
- Issue of new and duplicate share certificates.
- Registration of Power of Attorneys, Probate, Letters of transmission or similar other documents.
- To open/ close bank account(s) of the Company for depositing share/ debenture applications, allotment and call monies, authorize operation of such account(s) and issue instructions to the Bank from time to time in this regard.
- To look into redressal of shareholders' and investors' complaints like transfer of shares, non- receipt of annual report, non- receipt of declared dividends, etc.
- Any allied matter(s) out of and incidental to these functions and not herein above specifically provided for.

## **INVESTOR GRIEVANCE REDRESSAL**

During the Financial Year 2016-17, no complaints were received relating to services from the investors.

In order to provide efficient services to investors, and for speedy redressal of the complaints, the Board of directors has delegated the power of approving transfer and transmission of shares and other matters like split up / sub-division and consolidation of shares, issue of new certificates on re-materialization, sub-division, consolidation and exchange, subject to a maximum of 10000 shares per case, to the Company Secretary and the Registrar & Share Transfer Agent.

## **MANAGEMENT**

### **Management Discussion and Analysis**

The Annual Report has a detailed chapter on Management Discussion and Analysis, which forms part of this report.

## **DISCLOSURES**

### **Related Party Transactions**

The Company has formulated a Policy on materiality of Related Party Transactions and on dealing with Related Party Transactions, in accordance with relevant provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. The policy has been disclosed on the website of the Company at [www.ptlenterprise.com](http://www.ptlenterprise.com).

All Related Party Transactions are approved by the Audit Committee prior to the transaction. Related Party Transactions of repetitive nature are approved by the Audit committee on omnibus basis for one financial year at a time. All omnibus approvals are reviewed by the Audit Committee on a quarterly basis, where ever necessary.

- a) A confirmation as to material Related Party Transactions as per SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, is sent to the Stock Exchanges along with the quarterly compliance report on Corporate Governance.

Disclosures by Senior management & KMPs

The senior management personnel make disclosures to the Board periodically regarding

- their dealings in the Company's share; and
- all material financial and commercial and other transaction with the Company where they have personal interest, stating that the said dealings and transactions, if any, had no potential conflict with the interests of the Company at large.

The material, financial and commercial transactions where Key Management Personnel have personal interest forms part of the disclosure on related parties referred to in Notes to Annual Accounts, which were reported to the Board of Directors.

### **Disclosure of accounting treatment in preparation of financial statements**

The Company has followed prescribed accounting standards as laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.

### **Details of non-compliance by the Company**

PTL has complied with all the requirements of regulatory authorities. No penalties/strictures were imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to capital market during the last three years.

Company is regular in filing all the required documents as per SEBI (Listing Obligations and Disclosures Requirement) Regulation, 2015. The company has also complied with the requirements specified in Regulation 17 to 27 relating to corporate Governance under SEBI (Listing Obligations and Disclosures Requirement) Regulation, 2015. In terms of the provisions of the Regulation 46 of SEBI (Listing Obligations and Disclosures Requirement) Regulation, 2015 and companies Act, 2013, Company has maintained proper working website and has uploaded all the required documents.

### **Code for prevention of insider-trading practices**

In compliance with the SEBI regulations for Insider Trading and the provisions of Companies Act, 2013, the Company has formulated a comprehensive code of conduct for Prevention of Insider Trading, for its management and staff. The Code lays down guidelines advising them on procedures to be followed and disclosures to be made while dealing with the shares of PTL, and cautioning them of the consequences of violations. The Company Secretary has been appointed as the Compliance Officer.

The Company has also formulated a Code of Conduct for Prevention of Insider Trading and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015.

### **Disclosure in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015**

There are no *inter-se* relationships between the Board members except Mr. Onkar S. Kanwar and Mr. Neeraj Kanwar being father and son.

### **Whistle-Blower Policy / Vigil Mechanism**

The Company promotes ethical behaviour in all its business activities and in line with the best international governance practices, PTL has established a system through which directors, employees and business associates may report unethical behavior, malpractices, wrongful conduct, fraud, violation of Company's code of conduct without fear of reprisal. The Company has set up a Direct Touch initiative, under which all directors, employees / business associates have direct access to the Chairman of the Audit committee. The Whistle-Blower Protection Policy aims to:

- Allow and encourage stakeholders to bring to the management notice concerns about unethical behavior, malpractice, wrongful conduct, actual or suspected fraud or violation of policies.
- Ensure timely and consistent organizational response.
- Build and strengthen a culture of transparency and trust.
- Provide protection against victimization.

The above mechanism has been appropriately communicated within the Company across all levels and has been displayed on the Company's intranet as well as on the Company's website [www.ptlenterprise.com](http://www.ptlenterprise.com).

## Prevention of Sexual Harassment Policy

The Company is committed to provide a protective environment at workplace for all its women employees. To ensure that every woman employee is treated with dignity and respect and as mandated under "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" the Company has in place a formal policy for prevention of sexual harassment of its women employees.

## CEO/CFO Certification

The CEO and CFO Certification on the financial statements, as per Regulation 17(8) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is attached at the end of this report.

## Legal Compliance Reporting

The Board of Directors reviews in detail, on a quarterly basis, the report of compliance with respect to all applicable laws and regulations. Any non-compliance is seriously taken up by the Board, with fixation of accountability and reporting of steps taken for rectification of non-compliance.

## MEANS OF COMMUNICATION WITH SHAREHOLDERS

**Financial Results:** PTL recognizes communication as a key element of the overall Corporate Governance framework, and therefore emphasizes on prompt, continuous, efficient and relevant communication to all external constituencies. All the company information are normally published in the leading English Newspaper and in a Malayalam language newspaper in the State of Kerala.

Full version of the Annual/ Quarterly, Results, Report etc. for FY 2016-17 containing inter-alia, audited Financial Statements, Directors Report (including Management Discussion and Analysis, Corporate Governance Report, Business Responsibility Report) was sent via email to all shareholders who have provided their email ids and is also available at the Company's website at [www.ptlenterprise.com](http://www.ptlenterprise.com).

**Website:** The Company's website [www.ptlenterprise.com](http://www.ptlenterprise.com) contains a separate section 'Investor Centre' for use of investors. The quarterly, half yearly and annual financial results, official news releases and presentations made to institutional investors and to analysts are promptly and prominently displayed on the website. Annual Reports, Quarterly Corporate Governance Report, Shareholding Pattern and other Corporate Communications made to the Stock Exchanges are also available on the website.

**Communication to shareholders on email:** As mandated by the Ministry of Corporate Affairs (MCA) documents like Notices, Annual Report, ECS advices for dividends, etc. were sent to the shareholders at their email address, as registered with their Depository Participants/ Company/ RTA. This helped in prompt delivery of document, reduce paper consumption, save trees and avoid loss of documents in transit.

**NEAPS (NSE Electronic Application Processing system) and BSE Corporate Compliance & Listing centre:** NSE and BSE have developed web based applications for corporates. Periodical compliances like financial results, Shareholding Pattern and Corporate Governance Report, etc are also filed electronically on NEAPS/ BSE Listing centre portal.

**SCORES (SEBI complaints redressal system):** SEBI processes investor complaints in a centralized web based complaints redressal system i.e. SCORES. Through this system a shareholder can lodge complaint against a company for his grievance. The company uploads the action taken on the complaint which can be viewed by the shareholder. The company and shareholder can seek and provide clarifications online through SEBI.

**Exclusive email ID for investors:** The Company has designated the email id [investors@ptlenterprise.com](mailto:investors@ptlenterprise.com) exclusively for investor servicing, and the same is prominently displayed on the Company's website [www.ptlenterprise.com](http://www.ptlenterprise.com).

## INVESTOR RELATIONS

Investor Relations (IR) at PTL aims at providing accurate, transparent and timely information to the investors and serves as a bridge for two-way communication. All efforts are made to provide efficient services to the shareholders. Every important information is displayed at the company's website, [www.ptlenterprise.com](http://www.ptlenterprise.com)

## GENERAL BODY MEETINGS

Details of the last three general body meetings held are given below:

Financial Year	Category	Location of the meeting	Date	Time
2013-2014	Annual General Meeting	Aangan, 5 <sup>th</sup> Floor, Bharat Tourist House (BTH), D H Road, Gandhi Square, Kochi, Kerala	22.09.2014	10.00 AM
2014-2015	Annual General Meeting	"Willingdon Hall", Vivanta Malabar (Taj), Willingdon Island, Kochi (Kerala).	10.08.2015	02.00 PM
2015-2016	Annual General Meeting	"Willingdon Hall", Vivanta Malabar (Taj), Willingdon Island, Kochi (Kerala).	08.08.2016	02.00 PM

The following special resolutions were taken up in the last three AGMs and were passed with requisite majority:

1. No Special resolution was passed in the Annual General Meeting for the year 2014 and 2016.
2. In the Annual General Meeting for the year 2015, Special Resolution was passed approving, Lease Agreement (Pursuant to the provisions of Section 180(1)(a), Section 188 of the Companies Act, 2013) dated 01.05.2012 with Apollo Tyres limited, for a period of Eight years from 01.04.2014 to 31.03.2022, on the lease rental of Rs. 40 Crore per annum was ratified and the Lease Rental from Rs. 40 Crore p.a. was enhanced to Rs. 50 Crores p.a. with Apollo Tyres Limited (Lessee, which is a related party to the company) for the remaining period of lease agreement.
3. No Special resolution was passed in the Annual General Meeting for the year 2014 and 2016.

### Adoption of mandatory and non-mandatory requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015

The Company has complied with all mandatory requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015. The Company has adopted following non-mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015:-

#### a.) Risk Management Committee

#### b.) Reporting of Internal Auditors (The Internal Auditors of the Company report directly to the Audit Committee)

## ADDITIONAL SHAREHOLDER INFORMATION

### Company Registration Details

The Company is registered in the State of Kerala, India. The Corporate Identification Number (CIN) allotted by the Ministry of Corporate Affairs (MCA) is L25111KL1959PLC009300.

### Annual General Meeting

Date: 5<sup>th</sup> July, 2017

Time: 11:00 AM.

Venue: Aangan, 5<sup>th</sup> Floor, Bharat Tourist House (BTH), D H Road, Gandhi Square, Kochi, Kerala .

### Financial Calendar

Financial year: April 1 to March 31

For the financial year ended March 31, 2017, results were announced on:

- First Quarter Results – 08.08.2016



- Second Quarter and Half Yearly Results – 07.11.2016
- Third Quarter Results– 01.02.2017
- Fourth Quarter and Annual Results – 04.05.2017

For the financial year ending March 31, 2018, results will be announced by:

- First Quarter Results - (Tentative) -04.08.2017
- Second Quarter and Half Yearly Results - (Tentative)- 01.11.2017
- Third Quarter Results - (Tentative)- 06.02.2018
- Fourth Quarter and Annual Results - (Tentative)- 08.05.2018

### Book Closure

The dates of Book Closure are from the 25<sup>th</sup> June , 2017 to the 5<sup>th</sup> July, 2017 inclusive of both days.

### Dividend Payment

Final Dividend of Rs. 1.25 per equity share for the financial year 2016-17 has been recommended by the Board of Directors to shareholders for their approval.

### Dates of Transfer of Unclaimed Dividend

Pursuant to Section 205A of the Companies Act, 1956, unclaimed dividend for the financial year 2008-2009 was transferred to the general revenue account of the Central Government/investor education and protection fund (IEPF) established by the Central Government on 23.09.2016. The unclaimed dividend for the financial year 2009-2010 is to be transferred to the general revenue account of the Central Government/investor education and protection fund (IEPF) established by the Central Government. The dividends for following years, which remain unclaimed for seven years, will be transferred to IEPF in accordance with the schedule given below. Shareholders who have not encashed their dividend warrants relating to the dividends specified below are requested to immediately send their request for issue of duplicate warrants. The details of unclaimed dividends upto the financial year ended 31.03.2016 are also available on the website of the Company [www.ptlenterprise.com](http://www.ptlenterprise.com). Once unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof with the Company.

### Dividends declared in the past

Financial year	Type of dividend	Dividend rate %	Date of declaration	Due date for transfer to IEPF
2008-2009	Final	20	22.07.2009	22.08.2016
2009-2010	Final	25	28.07.2010	28.08.2017
2010-2011	Final	50	10.08.2011	10.09.2018
2011-2012	Final	50	08.08.2012	12.10.2019
2012-2013	Final	50	06.08.2013	05.09.2020
2013-2014	Final	50	29.09.2014	21.10.2021
2014-2015	Final	50	10.08.2015	09.09.2022
2015-2016	Final	50	08.08.2016	07.09.2023

### Unclaimed/ Undelivered Share Certificates

As per the requirement of Listing Regulations, the unclaimed shares lying in the possession of the Company are required to be dematerialized and transferred into a special demat account held by the Company. Accordingly unclaimed shares lying with the Company have been transferred and dematerialized in a `Unclaimed Suspense Account` of the Company. This account is being held by the Company purely on behalf of the shareholders entitled for these shares.

It may also be noted that all the corporate benefits accruing on these shares like bonus, split etc., if any, shall also be credited to the said `Unclaimed Suspense Account` and the voting rights on these shares shall remain frozen until the rightful owner has claimed the shares.

Shareholders who have not yet claimed their shares are requested to immediately approach the Registrar & Transfer Agents of the company by forwarding a request letter duly signed by all the joint holders furnishing self attested copies of their complete postal address along with PIN code, a copy of PAN card & proof of address and for delivery in demat form, a copy of Demat Account - Client Master Report duly certified by the Depository Participant (DP) and a recent Demat Account Statement, to enable the Company to release the said shares to the rightful owner.

The status of equity shares lying in the unclaimed suspense account is given below:

Sl. No.	Particulars	No. of shareholders	No. of equity shares held
1	Aggregate number of shareholders and the outstanding shares lying in the suspense account at the beginning of the year	825	1097550
2	No. of shares transferred in the suspense account during the year	-	-
3	Number of shareholders along with shares held who approached the Company for transfer of shares from the suspense account during the year	5	6100
4	Number of shareholders along with shares held to whom shares were transferred from the suspense account during the year	5	6100
5	Aggregate number of shareholders and the outstanding shares lying in the suspense account at the end of the year	820	1091450

## Listing

At present, the equity shares of the Company are listed at Bombay Stock Exchange Ltd. (\*BSE) and the National Stock Exchange of India Ltd. (\*\*NSE). The annual listing fees for the financial year 2016-2017 to NSE and BSE has been paid.

\*BSE - Bombay Stock Exchange Ltd

Phiroze Jeejeebhoy Towers,

Dalal Street,

Mumbai – 400001

\*\*NSE- National Stock Exchange of India Ltd

Exchange Plaza,

Bandra-Kurla Complex,

Bandra (E),

Mumbai – 400051

## PTL's Stock Exchange codes –

ISIN No	INE034D01031
BSE Stock Code	509220
NSE	PTL

## Equity Evaluation during the year

As on March 31, 2017 the paid up equity share capital of the Company was Rs. 13,23,77,000 /- consisting of 66188500 equity shares of Re. 2/- each.

## Stock Market Data

The table and chart A & B below give details of Stock Market data.

Details of High, Low and Volume of PTL's shares for 2016-17 at BSE and NSE:

Month	BOMBAY STOCK EXCHANGE LTD.			NATIONAL STOCK EXCHANGE OF INDIA LTD.		
	High (Rs.)	Low (Rs.)	Volume (No. of shares) (in lacs)	High (Rs.)	Low (Rs.)	Volume (No. of shares) (in lacs)
April 2016	145.0	132.30	0.97	146.70	131.80	595.65
May 2016	139.50	111.0	0.71	116.35	108.0	447.23
June 2016	130.40	111.60	1.62	126.25	110.10	556.55
July 2016	133.90	118.60	1.14	136.0	118.0	551.48
Aug 2016	129.80	117.0	0.96	129.80	116.30	383.10
Sep 2016	128.55	114.0	1.68	128.95	110.0	200.08
Oct 2016	128.0	117.05	0.78	127.85	119.40	168.00
Nov 2016	135.80	112.0	0.65	127.90	106.10	269.97
Dec 2016	145.20	126.0	1.67	149.85	125.0	287.09
Jan 2017	155.60	138.0	0.24	157.00	136.35	285.42
Feb 2017	150.50	127.0	0.60	151.50	135.05	343.08
Mar 2017	177.25	48.85	3.18	169.30	46.05	4507.97

### Distribution of Shareholding

Details of distribution of shareholding of the equity shares of the Company by size and by ownership class on March 31, 2017 along with the top 10 shareholders of the Company is given below:

### Shareholding pattern by size as on March 31, 2017

Share Holding of nominal value of Rs.	Shareholders		Shareholding in Rs./Lacs	
	Number	% to Total	No.	% of Total
1-5000	7252	97.42	29.93	4.53
5001-10000	89	1.19	6.59	0.99
10001-20000	42	0.56	6.20	0.94
20001-30000	16	0.21	3.94	0.60
30,001-40000	6	0.08	2.07	0.31
40001-50000	4	0.05	1.83	0.27
50001-60000	14	0.19	9.90	1.49
100001-500000	12	0.16	25.81	3.90
500001 to above	9	0.12	575.61	86.97
<b>TOTAL</b>	<b>7444</b>	<b>100</b>	<b>661.88</b>	<b>100.00</b>

### Shareholding Pattern by ownership-

Table I - Summary Statement holding of specified securities						
Category (I)	Category of shareholder (II)	No. of Shares Underlying Outstanding convertible securities (X)	No. of Warrants (Xi)	No. of Shares Underlying Outstanding convertible securities & No. of Warrants) (X)	shareholding , as a % of Equity capital.	Number of equity shares held in dematerialized form (XIV)
(A)	Promoter & Promoter Group		0		69.82	46215399
(B)	Public		0		30.18	19973101

### Dematerialization of Shares and Liquidity

Trading in equity shares of the Company in dematerialized form became mandatory from May 31, 1999. To facilitate trading in demat form, in India, there are two depositories i.e. National Securities Depository Limited (NSDL) and Central

Depository Services (India) Limited (CDSL). PTL has entered into agreement with both these depositories. Shareholders can open their accounts with any of the Depository Participant registered with these depositories.

- As on March 31, 2017, 95.60% shares of the Company were held in dematerialized form.
- The equity shares of the Company are frequently traded at Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd.

### **Dematerialization of Shares**

For convenience of shareholders, the process of getting the shares dematerialized is given hereunder:

- a) Demat account should be opened with a depository participant (DP).
- b) Shareholders should submit the dematerialization request form (DRF) along with share certificates in original, to their DP.
- c) DP will process the DRF and will generate a dematerialization request number (DRN).
- d) DP will submit the DRF and original share certificates to the Registrar and Transfer Agents (RTA), which is Alankit Assignments Limited.
- e) RTA will process the DRF and confirm or reject the request to DP/ depositories.
- f) Upon confirmation of request, the shareholder will get credit of the equivalent number of shares in his demat account maintained with the DP.

### **Consolidation of folios and avoidance of multiple mailing**

In order to enable the company to reduce costs and duplicity of efforts for providing services to investors, members who have more than one folio in the same order of names, are requested to consolidate their holdings under one folio. Members may write to the Registrars & Transfer Agents indicating the folio numbers to be consolidated along with the original shares certificates to be consolidated.

### **Registrar and Transfer Agent**

Securities and Exchange Board of India (SEBI), through its Circular No. D& CC/FITTC/CIR-15/2002 dated December 27, 2002, has made it mandatory for all work related to share registry, both in physical and electronic form, to be handled either wholly 'in-house' by companies or wholly by a SEBI-registered external registrar and transfer agent. PTL had appointed MCS Limited as its Registrar and Transfer agent in 1994 for both segments, much before this was mandated by SEBI. The Company has subsequently appointed Alankit Assignments Limited as its Registrar. Details of the Registrar and Transfer Agent are given below-

Alankit Assignments Limited

Alankit Heights,

1/13, Jhandewalan Extension,

New Delhi – 110055

Tel: 011 – 42541234 / 23541234

Fax: 011 – 23552001

Email: info@alankit.com

Website: www.alankit.com

### **Share Transfer System**

All share transfer and other communications regarding share certificates, change of address, dividends, etc should be addressed to Registrar and Transfer Agents.

Stakeholders Relationship Committee is authorized to approve transfer of shares in the physical segment. The committee has delegated authority for approving transfer and transmission of shares and other related matters to the authorized officers of the Company. Such transfers take place on weekly basis. A summary of all the transfers/ transmissions etc. so approved by authorized officers of the Company is placed at every committee meeting. All share transfers are completed within statutory time limit from the date of receipt, provided the documents meet the stipulated requirement of statutory provisions in all respects. The Company obtains from a Company Secretary in practice half yearly certificate of compliance with the share transfer formalities as required under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, and files a copy of the same with the Stock Exchanges.

### Reconciliation of Share Capital Audit

As stipulated by SEBI, a qualified Company secretary in practice conducts the Reconciliation of Share Capital Audit of the Company for the purpose of reconciliation of total admitted capital with the depositories, i.e. NSDL and CDSL, and the total issued and listed capital of the Company.

The Company secretary in practice conducts such audit in every quarter and issues a Reconciliation of Share Capital Audit Certificate to this effect to the Company. A copy of such audit report is submitted to the stock exchanges, where the Company's shares are listed and is also placed before the Board.

### Company's Registered Office Address

3<sup>rd</sup> Floor, Areekal Mansion,  
Near Manorama Junction,  
Panampilly Nagar,  
Kochi- 682036

### PLANT LOCATIONS

Kerala Kalamassery, Alwaye, Kerala – 683104

### ADDRESS FOR CORRESPONDENCE

For share transfer / dematerialisation of shares, payment of dividend and any other query relating to the shares	Alankit Assignments Limited Alankit Heights, 1E/13, Jhandewalan Extension, New Delhi – 110055. INDIA Tel: + 91-11- 42541234 / 42541958 Fax: + 91-11-42541201 / 23552001 Email: lalitap@alankit.com Website: www.alankit.com
Compliance Officer	Mr. Pradeep Kumar Company Secretary, PTL Enterprises Ltd, Apollo House, 7, Institutional Area, Sector 32, Gurgaon - 122001. Tel: 0124 – 2383002, 2383003 Fax: 0124 – 2383021, 2383017

## CEO AND CFO CERTIFICATE

**[Under Regulation 17 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015]**

To  
The Board of Directors  
PTL Enterprises Ltd

Dear Sir/ Madam,

Pursuant to Regulation 17 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, we wish to certify here as under that–

- 1) We have reviewed financial statements and the cash flow statement for the year ended on 31.03.2017 and to the best of our knowledge and belief:
  - a) the said statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b) the said statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulators.
- 2) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year ended on 31.03.2017 which are fraudulent, illegal or violate of the company's code of conduct.
- 3) We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- 4) We have indicated to the auditors and the Audit committee:
  - a) significant changes in internal control over financial reporting during the year ended on 31.03.2017;
  - b) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**Date : 10<sup>TH</sup> April , 2017**  
**Place : Gurgaon**

**Sd/-**  
**BALAKRISHNAN G**  
**(Manager under the Companies Act, 2013)**

**Sd/-**  
**AMIT GAUTAM**  
**(CFO)**

**Declaration Affirming Compliance of provisions of the Code of Conduct**

To the best of my knowledge and belief and on the basis of declarations given to me, I hereby affirm that all the Board members and the Senior Management Personnel have fully complied with the provisions of the Code of Conduct for Directors and Senior Management Personnel during the financial year ended March 31, 2017.

**Declaration Affirming Compliance of Whistle blower policy**

To the best of my knowledge and belief, I hereby affirm that no personnel of the Company have been denied access to the Audit committee during FY 17.

For and on behalf of the Board of Directors

Sd/-

Place : Gurgaon  
Date : 04<sup>th</sup> May, 2017

(Onkar S Kanwar)  
Chairman & Managing Director

# MANAGEMENT DISCUSSION AND ANALYSIS REPORT

## MARKET OVERVIEW

The economy of India is the seventh-largest in the world measured by nominal GDP and the third-largest by purchasing power parity (PPP). The country is classified as a newly industrialised country, and one of the G-20 major economies, with an average growth rate of approximately 7% over the last two decades.

The World Bank is forecasting 7% economic growth in India this year, making the country the fastest growing large economy. The implementation of the goods and services tax (GST) and government expansion of infrastructure investments, as indicated in the recent budget, should further support economic expansion.

The long-term growth prospective of the Indian economy is positive due to its young population, corresponding low dependency ratio, healthy savings and investment rates, and increasing integration into the global economy. The Indian economy has the potential to become the world's 3rd-largest economy by the next decade, and one of the two largest economies by mid-century. And the outlook for short-term growth is also good as according to the IMF, the Indian economy is the «bright spot» in the global landscape. India also topped the World Bank's growth outlook for 2015-16 for the first time with the economy having grown 7.6% in 2015-16. Growth is expected to decline slightly to 7.1% in the 2016-17 fiscal year.

## Automotive

The auto sector, which saw a revival last year after two years of turbulence, is set to continue the momentum this year with demand picking up across all segments, says a report. The growth of the auto industry is expected to continue in 2017 across all vehicle categories-commercial and passenger vehicles, as well as two and three-wheelers.

The auto industry continues to go through challenging times, grappling with the short-term effects of demonetization as well as reduced and postponed purchase decisions. In 2016, auto sales grew 9.2 percent driven by two-wheelers that moved up by 9.6 per cent from 0.7 percent in 2015. At the same time, cars clipped at 7 per cent and commercial vehicles grew 7.8 per cent. Improving economic growth, robust demand from rural and semi-urban markets and lower cost of ownership have driven sales in 2016, bringing in a much-needed recovery for the industry, after growth slumped in 2015," the report said.

The positive sentiment is driven primarily by the rural and semi-urban demand for two-wheelers and cars, driven on the back of good monsoons. Another boost up will be the 7th pay commission that will infuse around Rs. 1.02 trillion of disposable income of over 1 crore employees. Another reason is the aggressive play by the cab aggregators who are expanding their operations extensively.

On commercial vehicles sales which recovered in 2015 with a growth of 6.3 per cent and 7.7 per cent in 2016, demand will be driven by replacement demand, construction and mining, increasing freight movement and moderation in fuel prices and firm freight rates, while increased government focus on infra sector will drive demand for specialised heavy goods vehicles such as construction trucks, mining tippers etc.

## INDUSTRY STRUCTURE AND DEVELOPMENTS

### Tyre Industry

The overall Tyre Industry is estimated to have grown by 7% in 2016-17 on the back of increased demand from both OEM (6% growth) and replacement segments (11%). OEM demand has improved during the year for all segments, barring MHCV's (medium and heavy commercial vehicles).

Pick-up in rural demand, above-normal monsoon, and implementation of 7<sup>th</sup> pay commission has led to higher OEM offtake from the rural-driven two-wheeler, tractor segments and also passenger cars segment.



Likewise demand in the replacement market was seen across all categories but remained subdued in M&HCV tyres due to increasing radialisation. M&HCV radial tyre imports, largely from Chinese manufacturers, grew aggressively until October and then dropped post demonetization accounting for nearly 30% of the replacement market sales. Chinese tyres are 25-30% cheaper than the Indian variants.

## OPPORTUNITIES AND THREATS

### SWOT Analysis

#### Strengths

- Tyre manufacturing facility leased to Apollo Tyres Ltd – a global player.
- Experienced team of workers.
- Fixed Income from lease rent of the tyre unit.

#### Weakness

- A relatively old tyre manufacturing unit with not very modern machinery.
- No direct presence in the tyre market.
- Dependence on Apollo Tyres Limited.

#### Opportunities

- Production of Apollo Tyres leading to technology up gradation.
- Diversification into other sector through its subsidiaries or through new investments.

#### Threats

- Gradually growing trend of radial tyres in the commercial vehicle segment.
- Competition with established corporate brands tyre industry
- Impact of slow growth in tyre industry.

## SEGMENT WISE PERFORMANCE

The truck-bus, cross ply tyres manufactured at the Company's plant – leased to Apollo Tyres Ltd- under the brand name 'Apollo' are sold/exported by Apollo Tyres Ltd.

## OUTLOOK

Government push on the infrastructure and 24% increase in budget allocation to agriculture and other allied industries is expected to perk up demand. Measures to increase farm credit and other initiatives towards rural infrastructure development are expected to further spur rural demand in FY18.

The CV industry is transitioning from BS III to BS IV emission norms effective April 2017, resulting in 8-10% increase in prices of commercial vehicles. This has led to advancement of purchases in FY17 which might hamper sales in early 2017-18. In FY18, uncertainty regarding the logistics and compliance adherence scenario post introduction of Goods and Services Tax (GST) is likely to lead to postponement of purchases. On the other hand, improved consumption expenditure and the proliferation of the hub-and-spoke model post

GST will drive long-term CV demand. In the emerging hub and spoke model with fewer primary warehouses, ICVs will gain weightage to cater to secondary distribution.

Automotive Industry body SIAM expects FY2018 to post a better growth compared to FY17. The CV industry is projected to grow by 4-6% in FY2018, led by the voluntary scrappage scheme and improved economic outlook. The passenger vehicle industry is expected to maintain healthy growth rates of 7-9% and the 2W industry is expected to grow by 9-11% as well.

As regards replacement demand, faster execution of infrastructure projects, mining and better freight availability could be accelerating factors for commercial vehicle tyres. GST would bring both positive and negative impact to the tyre industry. While there will be more price consistency given a common tax scenario, the effect of seamless inter-state movement of vehicles on tyre consumption and replacement rate remains to be seen.

Overall in FY2018 the tyre industry is expected to grow at 7-9%.

## **RISK AND CONCERNS**

Demand in the tyre industry is dependent on economic growth and/or infrastructure development. Any slowdown in the economic growth across regions impacts the industry fortunes. In Europe, the company's winter tyre sales are subject to seasonal requirement, which can be adversely impacted in case of a mild winter season.

Slower increase in radialisation level in truck tyre segment, than expected, may impact production. Excess capacity may result in competitive pressures and decline in profit. At the same time, an unexpected quicker increase in the level of radialisation can result in faster redundancy of cross ply capacities and create a need for fresh investments.

## **INFORMATION TECHNOLOGY /INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACIES**

There is an established internal control system in place for the Company and its subsidiaries. The company deploys a robust system of internal controls to allow optimal use and protection of assets, facilitate accurate and timely compilation of financial statements and management reports, and ensure compliance with statutory laws, regulations and Company policies.

The company has an adequate risk management process which involves identification of various risks, setting out mitigation plans and action taken thereto and evaluation of residual risks.

The management acknowledges its overall responsibility to assess and design effective systems of internal control to identify, control and report on major risks, including strategic, people, medical, operational, financial, technological and regulatory risks.

The system of internal control is designed to manage and mitigate the risks faced by the Company. The system comprises a well - defined Organizational Vision, Values, Code of Conduct, an organization structure aligned to business and operations supported by policies, standards and process framework to assist functions and operating units to execute per design. Appropriate and relevant performance management system has been designed to define expectations, responsibility and drive accountability.

The Company maintains adequate internal control system commensurate with the nature of its business, size and complexity of its operations and have been designed to provide reasonable assurance regarding the achievement of objectives in effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations.

## **DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

The financial statements have been prepared in accordance with the requirement of the Companies Act, 2013 and applicable accounting standards issued by the Institute of chartered Accountants of India. The management of the Company accepts the integrity and objectivity of these financial statements as well as the various estimates and judgments used therein. The estimates and judgments relating to financial statements have been made on the prudent and reasonable basis, in order that financial statements reflect in a true and fair manner, the form of transactions and reasonably present the Company's state of affairs and profit for the year.

S. No.	Particulars	Year Ended	
		31.03.2017	31.03.2016
1.	Total Revenue	5213.79	4723.06
2.	Total Expenditure - Manufacturing and Other Expenses	465.23	397.42
3.	Operating Profit	4748.56	4225.64
4.	Interest	0.00	500.07
5.	Depreciation	87.70	64.27
6.	Profit Before Tax	4660.86	3761.30
7.	Provision for Tax Current Deferred	1668.01 (69.13)	1356.00 (18.53)
8.	Profit after Tax/ Net Profit	3061.98	2423.83
9.	Extraordinary Item	-	-
10.	Net Profit after Extraordinary Items	3061.98	2423.83

## MATERIAL DEVELOPMENT IN HUMAN RESOURCES /INDUSTRIAL RELATIONS

The Company' workers are the key drivers for its sustained growth and success. The Company nurtures and trains its employees to further enhance their management and leadership skills, while the same time rewarding them for high-performance; this is done to attract and retain the best talent within the Company. The industrial relations for the year under consideration, by and large, were cordial.

## NOTE

This report contains forward- looking statements that describe our objectives, plans or goals. All statements that address expectations or projections about the future, including, but not limited to statements about the Company's strategy for growth, product development, market position, expenditure and financial results, are forward looking statements. These are subject to certain risks and uncertainties, including but not limited to, government action, local, political or economic development, technological risks, risks inherent in the company, growth strategy, dependence on certain customers, technical personnel and other factors that could cause actual results to differ materially from those contemplated by the relevant forward

looking statements. Investors should bear this in mind as they consider forward- looking statements

# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF PTL ENTERPRISES LIMITED

### Report on the financial statements

We have audited the accompanying financial statements of **PTL ENTERPRISES LIMITED** ("the company"), which comprises the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

## Emphasis of Matters

We draw attention to the following matter in the Notes to the financial statements:

1. Note B-5 for higher depreciation of current year to the extent of Rs. 26.83 Lakhs on the revalued part of Fixed Assets.
2. Note C-5 as regards Scheme of arrangement/ Demerger of Medicare and Healthcare Services Business undertaking.
3. Note C-13 to the financial statements which describes non-recognizing in accounts the transaction on account of the uncertainty related to the outcome of the lawsuit filed by the Company against Govt. of Kerala vis-à-vis Kochi Metro Rail Project for 62.22 Ares (1.50 Acres) of land physically acquired with total stated compensation of Rs. 29.36 Crore deducting TDS but physically the amount is not yet paid.
4. Note C-14 to the financial statement which describes the detail of CSR expenditure.

Our opinion is not modified in respect of the matters to that extent for true & fair view.

## Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ('the order') issued by the Ministry of Company Affairs, Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013; we give in the Annexure-A, as per information & explanations provided by the management, a statement on the matters specified in paragraphs 3 and 4 of the order.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) The company had provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 and these are in accordance with the books of accounts maintained by the company.
  - e) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - f) On the basis of written representations received from the directors as on year end, taken on record by the Board of Directors, none of the directors is disqualified as on year end, from being appointed as a director in terms of Section 164(2) of the Act.
  - g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "B".
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**FOR AND ON BEHALF OF**  
**H.N. MEHTA ASSOCIATES**  
**Chartered Accountants**  
**Firm Reg. No. 106219W**

**(Kiran Pancholi)**  
**PARTNER**

**Membership No. 33218**

**Place : Gurgaon**  
**Dated : 4<sup>th</sup> May, 2017**

**Annexure-A referred to in the Auditors' Report to the members of PTL Enterprises Limited on the accounts for the year ended 31<sup>st</sup> March, 2017**

- (i) a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
  - (b) These fixed assets have been physically verified by the management at reasonable intervals. Material discrepancies noticed on such verification have been properly dealt with in the books of account;
  - (c) The Title Deeds of the Immovable Assets are held in the name of the Company.
- (ii) a) The physical verification of inventory has been conducted at reasonable intervals by the management;
  - (c) The material discrepancies noticed on physical verification have been properly dealt with in the books of account;
- (iii) The company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In respect of Loans, Investments, Guarantees and Security the company has complied with provisions of Section 185 & 186 of The Companies Act, 2013.
- (v) The Company has not accepted deposits from public.
- (vi) As discussed in Board of Directors' meeting, Rule 3 of the Companies (Cost Records and Audit) Rules, 2014 for the cost records maintenance are not applicable to the Company.
- (vii) a) The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.
  - (b) There are no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax or cess which has not been deposited on account of dispute.
- (viii) The company has not defaulted in repayment of loans or Borrowings to Financial Institution, Bank, Government or dues to Debenture Holders.
- (ix) The Company has no Term loans and accordingly the requirement of they were applied for the purpose for which they were obtained does not arise;
- (x) Based upon the audit procedures performed along with information & explanations given by the Management, we report that, no fraud on or by the company has been noticed or reported during the year.
- (xi) The Managerial Remuneration has not been paid or provided and accordingly the requisite approvals mandated by the Provisions of Section 197 read with Schedule V of The Company's Act are not required.
- (xii) The Company is not a Nidhi Company as such clause (xii) of the CARO, 2016 is not applicable to the Company.
- (xiii) All transactions with the related parties are in compliance with Section 177 & 188 of the Company's Act, 2013 and details have been disclosed in the Financial Statements as required.
- (xiv) The Company has not made any preferential allotment or private placement of shares or of convertible Debenture under review.
- (xv) As informed, the Company had not entered into any non-cash transactions with Directors or person connected with them.
- (xvi) As informed, the Company is not required to be registered under section 45- IA of The Reserve Bank of India Act, 1934.

**FOR AND ON BEHALF OF  
H.N. MEHTA ASSOCIATES  
Chartered Accountants  
Firm Reg. No. 106219W**

**(Kiran Pancholi)  
PARTNER  
Membership No. 33218**

**Place : Gurgaon  
Dated : 4<sup>th</sup> May, 2017**

## **Annexure “B” To the Independent Auditor’s Report**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **PTL Enterprises Limited** (“the Company”) as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

**Place : Gurgaon**  
**Dated : 4<sup>th</sup> May, 2017**

**FOR AND ON BEHALF OF**  
**H.N. MEHTA ASSOCIATES**  
**Chartered Accountants**  
**Firm Reg. No. 106219W**  
**(Kiran Pancholi)**  
**PARTNER**  
**Membership No. 33218**



**BALANCE SHEET AS AT MARCH 31, 2017**

	Notes	As at March 31, 2017 Rs. Lacs	As at March 31, 2016 Rs. Lacs
<b>I. EQUITY &amp; LIABILITIES</b>			
1) Shareholders' Funds :			
Share Capital	B1	1,323.77	1,323.77
Reserves and Surplus	B2	52,973.02	66,773.34
		<u>54,296.79</u>	<u>68,097.11</u>
2) Non-Current Liabilities :			
Other Long Term Liabilities	B3	5,032.37	5,042.30
Long-term Provisions	B3	1,922.18	1,821.14
		<u>6,954.55</u>	<u>6,863.44</u>
3) Current Liabilities :			
Trade Payables	B4	664.31	827.05
Other Current Liabilities	B4	376.00	734.60
Short-term Provisions	B4	1,441.19	1,210.86
		<u>2,481.50</u>	<u>2,772.51</u>
<b>TOTAL</b>		<u><b>63,732.84</b></u>	<u><b>77,733.06</b></u>
<b>II. ASSETS</b>			
1) Non-Current Assets :			
Fixed Assets			
- Tangible Assets	B5	59,931.19	59,325.34
- Capital Work-in-Progress		-	266.92
		<u>59,931.19</u>	<u>59,592.26</u>
Non-Current Investments	B6	0.11	16,000.73
Deferred Tax Assets (Net) (Refer Note C-2 )		683.34	595.25
Long-term Loans & Advances	B7	107.39	161.88
		<u>60,722.03</u>	<u>76,350.12</u>
2) Current Assets :			
Inventories	B8	5.52	5.52
Trade receivables	B8	-	1.32
Cash & Cash Equivalents	B8	1,651.96	251.52
Short Term Loans & Advances	B8	1,353.33	1,124.58
		<u>3,010.81</u>	<u>1,382.94</u>
<b>TOTAL</b>		<u><b>63,732.84</b></u>	<u><b>77,733.06</b></u>

The Notes referred to above form an integral part of the Balance Sheet

As per our attached Report of even date

**For and on behalf of**  
**H.N. MEHTA ASSOCIATES**  
Chartered Accountants  
Firm Regn No. 106219W

Onkar S Kanwar  
Chairman  
DIN No.00058921

Harish Bahadur  
Director  
DIN No.00032919

U.S.Anand  
Director  
DIN No.02055913

KIRAN PANCHOLI  
Partner  
M.No. : 033218  
Gurgaon  
May 4, 2017

Amit Gautam  
Chief Financial Officer

Pradeep Kumar  
Company Secretary

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2017**

	Notes	Year Ended March 31, 2017 Rs. Lacs	Year Ended March 31, 2016 Rs. Lacs
I. Revenue from Operations	B9	5,000.00	4,583.33
II. Other Income	B9(2)	213.79	139.73
III. Total Revenue (I + II)		5,213.79	4,723.06
IV. Expenses :			
Employees Benefit Expenses	B10	156.87	83.72
Finance Costs	B11	-	500.07
Depreciation	B5	87.70	64.27
Other Expenses	B10	308.36	313.70
		552.93	961.76
V. Exceptional items		-	-
VI. Profit/(Loss) before Extraordinary Items & Tax (III - IV)		4,660.86	3,761.30
VII. Extraordinary Items		-	-
VIII. Profit before Tax		4,660.86	3,761.30
IX. Tax Expenses			
- Current		1,668.01	1,356.00
- Deferred		(69.13)	(18.53)
Profit / (Loss) For the period		3,061.98	2,423.83
Basic and Diluted Earnings per Share (Face Value of Rs. 2/- each) ( Rs.)		4.63	3.66

The Notes referred to above form an integral part of the Balance Sheet

As per our attached Report of even date

**For and on behalf of**

**H.N. MEHTA ASSOCIATES**

Chartered Accountants

Firm Regn No. 106219W

Onkar S Kanwar  
Chairman  
DIN No.00058921

Harish Bahadur  
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U.S.Anand  
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KIRAN PANCHOLI

Partner

M.No. : 033218

Gurgaon

May 4, 2017

Amit Gautam  
Chief Financial Officer

Pradeep Kumar  
Company Secretary

## CASH - FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

	Year Ended March 31, 2017 Rs. Lacs	Year Ended March 31, 2016 Rs. Lacs
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
(i) Net Profit Before Tax	4,660.86	3,761.30
Add: Adjustments for:		
Depreciation	87.70	64.27
(Profit) / Loss on Sale of Assets (Net)	(2.23)	(1.45)
Interest Income	(79.81)	(57.81)
Loss on w/o CWIP (Irapuram Land)	-	99.74
Finance Charges	-	500.07
	5.66	604.82
(ii) Operating Profit Before Working Capital Changes	4,666.52	4,366.12
Add: Adjustments for:		
(Increase) / Decrease in Loans & Advances	74.60	1,885.15
Increase / (Decrease) in Liabilities	(177.35)	1,490.59
(Increase) / Decrease in Trade Receivables	-	13.83
Increase / (Decrease) in Provisions	125.23	56.28
	22.48	3,445.85
(iii) Cash Generated from Operations	4,689.00	7,811.97
Less: Direct Taxes Paid (Net of Refund)	1,916.79	1,319.66
<b>Net Cash From Operating Activities</b>	<b>2,772.21</b>	<b>6,492.31</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets/CWIP (Including Interest Capitalized)	(645.26)	(658.11)
Proceeds from Sale of Fixed Assets	13.95	236.31
Purchase of Investments (in Artemis Health Sciences Limited)	-	(4,394.50)
Sale of Investments (in Artemis Medicare Services Limited)	-	4,235.00
Interest Received	79.81	57.81
<b>Net Cash Used in Investing Activities</b>	<b>(551.50)</b>	<b>(523.49)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Long Term Borrowings	-	(4,878.85)
Payment of Dividends (including Dividend Tax)	(796.63)	(796.63)
Finance Charges Paid (Net of Interest Capitalized)	-	(500.07)
<b>Net Cash Flow From Financing Activities</b>	<b>(796.63)</b>	<b>(6,175.55)</b>
Net (Decrease) / Increase in Cash & Cash Equivalents	1,424.08	(206.73)
Cash & Cash Equivalents as at Beginning of the period	251.52	434.40
Less: Unpaid Dividend Bank Accounts	175.03	151.18
<b>Adjusted Cash &amp; Cash Equivalents as at Beginning of the period</b>	<b>76.49</b>	<b>283.22</b>
Cash & Cash Equivalents as at the end of the period	1,651.96	251.52
Unpaid Dividend Bank Accounts	151.39	175.03
<b>Adjusted Cash &amp; Cash Equivalents as at the end of the period</b>	<b>1,500.57</b>	<b>76.49</b>

As per our attached Report of even date

For and on behalf of

**H.N. MEHTA ASSOCIATES**

Chartered Accountants

Firm Regn No. 106219W

Onkar S Kanwar

Chairman

DIN No.00058921

Harish Bahadur

Director

DIN No.00032919

U.S.Anand

Director

DIN No.02055913

KIRAN PANCHOLI

Partner

M.No. : 033218

Gurgaon

May 4, 2017

Amit Gautam

Chief Financial Officer

Pradeep Kumar

Company Secretary

## PART A-SIGNIFICANT ACCOUNTING POLICIES

### 1. **Basis of preparation:**

The financial statements have been prepared to comply in all material respects with the Notified accounting standard by Companies Accounting Standards Rules, 2006 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company .

### 2. **Use of Estimate:**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

### 3. **Fixed Assets:**

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Leasehold Land is amortized over the period of lease proportionately.

### 4. **Borrowing Costs:**

Borrowing Costs are capitalized as a part of qualifying asset when it results in future economic benefits. Other borrowing costs are expensed.

### 5. **Impairment of Assets:**

The carrying amounts of assets are reviewed at each balance sheet date. If there is any indication of impairment based on internal/external factors , an impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

### 6. **Investments:**

Investments are stated at Cost and provision for diminution is made if the decline in the value is other than temporary in nature.

### 7. **Inventory Valuation:**

Inventories are valued at lower of cost and net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

### 8. **Depreciation:**

Depreciation on fixed assets is provided on the straight-line basis at the rates specified in Schedule II of the Companies Act, 2013, classifying certain plant and machinery as continuous process plant.

### 9. **Component Accounting:**

The company was previously not identifying components of fixed assets separately for depreciation purposes; rather, a single useful life /depreciation rate was used to depreciate each item of fixed asset. Due to application of Schedule

Il to the Companies Act, 2013, the Company has changed the manner of depreciation for its fixed assets. Now, the Company identifies and determines separate useful life of each major component of the fixed asset, if they have useful life that is materially different from that of the remaining asset. This change in accounting policy did not have any material impact on financial statements of the Company for the current year.

#### 10 **Revenue recognition:**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

#### 11 **Employee Benefits:**

Liability for gratuity to employees is determined on the basis of actuarial valuation as on the balance sheet date.

Liability for long term compensated absences is determined on the basis of actuarial valuation as on the balance sheet date.

Contributions to defined contribution schemes such as provident fund, employee's pension fund and cost of other benefits are recognized as an expense in the year incurred.

Actuarial gains and losses arising from experience adjustments and effects of changes in actuarial assumptions are immediately recognized in the Profit & Loss account as income or expense.

#### 12 **Taxes on Income:**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Unrecognized deferred tax assets of earlier years are re-assessed and recognized to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized.

#### 13 **Expenditure on New Projects:**

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto is charged to the Profit and Loss Account. Income earned during construction period is deducted from the total of the indirect expenditure.

#### 14 **Provisions**

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value, except gratuity and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

#### 15 **Reimbursement of Expenses:**

The manufacturing and operating expenses of the company reimbursed by M/s Apollo Tyres Ltd. in terms of operating lease are deducted from the total expenses and only net expenses are taken to Profit & Loss account.

**B. NOTES FORMING AN INTEGRAL PART OF THE ACCOUNTS****NOTE B1 - SHARE CAPITAL**

	As at March 31, 2017 Rs. Lacs	As at March 31, 2016 Rs. Lacs
<b>AUTHORISED</b>		
10,00,00,000 Nos. (10,00,00,000 Nos.) Equity Shares of Rs 2/-each	<b>2,000.00</b>	2,000.00
	<b>2,000.00</b>	2,000.00
<b>ISSUED, SUBSCRIBED, CALLED AND PAID UP</b>		
6,61,88,500 Equity Shares Equity Shares of Rs 2/- each	<b>1,323.77</b>	1,323.77
	<b>1,323.77</b>	1,323.77

**Details of Shareholders holding more than 5% of the Paid up Share Capital of the Company:**

		As at March 31, 2017		As at March 31, 2016	
S.No.	Name of the Shareholder	No. of Shares	%age	No. of Shares	%age
1	Constructive Finance Private Ltd	<b>46,212,899</b>	<b>69.82%</b>	33,017,575	49.88%
2	Sunrays Properties & Investment Co Pvt Ltd	-	<b>0.00%</b>	13,195,324	19.94%
3	Governor of Kerala	<b>3,374,800</b>	<b>5.10%</b>	3,374,800	5.10%

## NOTE B2 - RESERVES & SURPLUS

	As at March 31, 2017 Rs. Lacs	As at March 31, 2016 Rs. Lacs
<b>1) Capital Reserve</b>	<b>0.10</b>	0.10
<b>2) Capital Redemption Reserve</b>	<b>49.97</b>	49.97
<b>3) Revaluation Reserve</b>		
As per last Balance Sheet	<b>57,639.02</b>	-
Add: During the year on Lands & Buildings	-	57,639.02
Less: Difference of Assets minus Liabilities Transferred to Artemis Global Life Sciences Limited pursuant to the Scheme of Arrangement (Demerger) sanctioned by Kerala High Court & National Company Law Tribunal (NCLT), New Delhi (Refer Note C-5)	<b>15,771.66</b>	-
Less: Investment written off (Cancellation of existing 5,00,000 Equity Shares of Rs 2 each fully paid up by Artemis Global Life Sciences Limited, pursuant to the Scheme of Arrangement (Demerger) sanctioned by Kerala High Court & National Company Law Tribunal (NCLT), New Delhi ) (Refer Note C-5)	<b>10.00</b>	
	<b>41,857.36</b>	57,639.02
<b>4) General Reserve</b>		
As per last Balance Sheet	<b>1,700.00</b>	1,700.00
Add: Transfer from Statement of Profit & Loss	-	-
	<b>1,700.00</b>	1,700.00
<b>5) Surplus in Statement of Profit &amp; Loss</b>		
Balance brought forward from previous year	<b>7,384.25</b>	5,757.05
Less: Transferred to Artemis Global Life Sciences Limited (Resulting Undertaking) pursuant to the Scheme of Arrangement (Demerger) sanctioned by Kerala High Court & National Company Law Tribunal (NCLT), New Delhi (Refer Note C-5)	<b>84.85</b>	-
Add: Net Profit for the period	<b>3,061.98</b>	2,423.83
Balance available for Appropriation	<b>10,361.38</b>	8,180.88
Less: Appropriations made during the period		
Proposed Dividend	<b>827.36</b>	661.89
Dividend Tax	<b>168.43</b>	134.74
	<b>995.79</b>	796.63
Balance carried forward to next period	<b>9,365.60</b>	7,384.25
<b>Total</b>	<b>52,973.02</b>	66,773.34

**NOTE B3 - NON - CURRENT LIABILITIES**

	<b>As at March 31, 2017 Rs. Lacs</b>	<b>As at March 31, 2016 Rs. Lacs</b>
<b>OTHER LONG TERM LIABILITIES:</b>		
Security Deposits Received #	<b>5,025.29</b>	5,036.96
Others	<b>7.08</b>	5.34
	<b>5,032.37</b>	5,042.30
<b>LONG TERM PROVISIONS:</b>		
<b>Provision for Employee Benefits</b>		
Provision for Gratuity	<b>1,765.16</b>	1,677.58
Provision for Leave Encashment	<b>157.02</b>	143.56
	<b>1,922.18</b>	1,821.14
	<b>6,954.55</b>	6,863.44
# Other Long Term Liability include due to Related Parties: Associates	<b>5,000.00</b>	5,000.00



## NOTE B4 - CURRENT LIABILITIES

	As at March 31, 2017 Rs. Lacs	As at March 31, 2016 Rs. Lacs
<b>TRADE PAYABLES</b>		
Sundry Creditors #	664.31	827.05
	<u>664.31</u>	<u>827.05</u>
<b>OTHER CURRENT LIABILITIES:</b>		
Unpaid Dividends	151.39	175.03
<b>Other payables:</b>		
Amount Payable to Statutory Authorities	79.78	88.53
Payable to Employees	144.83	147.75
Others	-	323.29
<i>[Other payables of Rs. 323.29 Lacs Transferred to Artemis Global Life Sciences Limited (Resulting Undertaking) pursuant to the Scheme of Arrangement (Demerger) sanctioned by Kerala High Court &amp; National Company Law Tribunal (NCLT), New Delhi (Refer Note C-5)]</i>		
	<u>376.00</u>	<u>734.60</u>
# Trade Payables Includes due to Related Parties: Associate	564.31	774.44
	As at March 31, 2017 Rs. Lacs	As at March 31, 2016 Rs. Lacs
<b>SHORT TERM PROVISIONS:</b>		
<b>Provision for Employee Benefits:</b>		
Provision for Gratuity	293.63	272.63
Provision for Leave Encashment	29.30	26.11
	<u>322.93</u>	<u>298.74</u>
<b>Others:</b>		
Proposed Dividend on Equity Shares	827.36	661.89
Dividend Tax	168.43	134.74
<b>Outstanding liabilities:</b>		
Statutory Liabilities Provision	45.55	49.57
Employee Related Payables	71.92	65.92
Others	5.00	-
	<u>122.47</u>	<u>115.49</u>
	<u>1,118.26</u>	<u>912.12</u>
	<u>1,441.19</u>	<u>1,210.86</u>

**NOTE B5 - FIXED ASSETS****Tangible Assets****Rs. Lacs**

Description of Assets	GROSS BLOCK			DEPRECIATION / AMORTIZATION			NET BLOCK	
	As at March 31, 2016	Additions	Revaluation	Deductions	As at March 31, 2017	For the year#	Deductions	As at March 31, 2017
<b>Land</b>	<b>56,849.63</b>	-	-	-	<b>56,849.63</b>	-	-	<b>56,849.63</b>
<b>Leasehold Land*</b>	<b>529.37</b>	-	-	6.49	<b>522.88</b>	-	-	<b>522.88</b>
<b>Buildings &amp; Roads</b>	<b>1,988.05</b>	914.78	-	-	<b>2,902.83</b>	73.56	-	<b>2,506.82</b>
<b>Plant &amp; Machinery</b>	<b>566.65</b>	-	-	-	<b>566.65</b>	1.37	-	<b>9.59</b>
<b>Equipments**</b>	<b>208.04</b>	-	-	208.04	-	1.23	-	<b>-</b>
<b>Electrical Installation</b>	<b>36.15</b>	-	-	-	<b>36.15</b>	0.04	-	<b>0.09</b>
<b>Computer, Furniture &amp; Fixtures</b>	<b>65.37</b>	3.35	-	1.42	<b>67.30</b>	1.78	1.15	<b>4.85</b>
<b>Vehicles</b>	<b>82.88</b>	0.53	-	21.88	<b>61.53</b>	10.95	10.34	<b>37.33</b>
	<b>60,326.15</b>	<b>918.66</b>	-	<b>237.83</b>	<b>61,006.98</b>	<b>87.70</b>	<b>12.72</b>	<b>9,931.19</b>
Previous Year	2,564.75	441.26	57,639.02	318.89	60,326.15	64.27	77.53	59,325.34

\* Represents proportionate lease premium Rs. 6.49 Lacs (Rs. 6.49 lacs) amortized.

\*\* Medical Equipments of Gross Block Rs. 208.04 Lacs &amp; Accumulated Depreciation thereon Rs. 1.23 Lacs transferred to Artemis Global Life Sciences Limited (Resulting Undertaking) pursuant to the Scheme of Arrangement (Demerger) sanctioned by Kerala High Court &amp; National Company Law Tribunal (NCLT), New Delhi (Refer Note C-5)]

# Depreciation for the current year includes Rs. 26.83 Lacs (Rs. 6.71 Lacs) towards depreciation on the revalued part of fixed assets

## NOTE B6 - NON CURRENT INVESTMENTS

	As at March 31, 2017 Rs. Lacs	As at March 31, 2016 Rs. Lacs
<b>LONG TERM (AT COST):</b>		
<b>NON TRADE (FULLY PAID)</b>		
<b>UNQUOTED</b>		
Cochin Co-operative Hospital Society		
1 (1) Share of Rs. 10,000/- each.	0.10	0.10
Premier Tyres Employees' Co-operative Stores		
10 (10) Shares of Rs.100/- each.	0.01	0.01
	<b>0.11</b>	<b>0.11</b>
<b>NON TRADE (FULLY PAID)</b>		
<b>UNQUOTED</b>		
<b>SUBSIDIARY</b>		
Artemis Health Sciences Ltd.		
2,44,99,993 (1,65,10,000) Equity shares of Rs 10/-each.	-	15,951.82
<i>(Rs. 15951.82 Lacs Transferred to Artemis Global Life Sciences Limited (Resulting Undertaking) pursuant to the Scheme of Arrangement (Demerger) sanctioned by Kerala High Court &amp; National Company Law Tribunal (NCLT), New Delhi (Refer Note C-5))</i>		
Artemis Health Sciences Ltd.		
38,800 (38,800) 11% Non-cumulative Redeemable Preference Shares of Rs. 100/- each	-	38.80
<i>(Rs. 38.80 Lacs Transferred to Artemis Global Life Sciences Limited (Resulting Undertaking) pursuant to the Scheme of Arrangement (Demerger) sanctioned by Kerala High Court &amp; National Company Law Tribunal (NCLT), New Delhi (Refer Note C-5))</i>		
Artemis Global Life Sciences Limited (formerly known as PTL Projects Ltd.)		
500,000 (100,000) Equity Shares of Rs 2/- each (Rs 10/-each).	-	10.00
<i>(Rs. 10.00 Lacs of Investment written off with the Revaluation Reserves (Cancellation of existing 5,00,000 Equity Shares of Rs 2 each fully paid up by Artemis Global Life Sciences Limited, pursuant to the Scheme of Arrangement (Demerger) sanctioned by Kerala High Court &amp; National Company Law Tribunal (NCLT), New Delhi (Refer Note C-5))</i>		
	-	16,000.62
	<b>0.11</b>	<b>16,000.73</b>

**NOTE B7 - LONG TERM LOANS AND ADVANCES**

	As at March 31, 2017 Rs. Lacs	As at March 31, 2016 Rs. Lacs
<b>Long-Term Loans &amp; Advances:</b>		
<b>Unsecured, Considered Good</b>		
<b>Others:</b>		
Capital Advances	0.78	60.78
Security Deposits	101.09	101.10
Other Loans and Advances	5.52	-
	<b>107.39</b>	<b>161.88</b>

**NOTE B8 - CURRENT ASSETS**

	As at March 31, 2017 Rs. Lacs	As at March 31, 2016 Rs. Lacs
<b>Inventories :</b>		
Stores and Spares	5.52	5.52
<b>Trade receivables*</b>	-	1.32
<i>(Opening Trade receivables of Rs. 1.32 Lacs Transferred to Artemis Global Life Sciences Limited (Resulting Undertaking) pursuant to the Scheme of Arrangement (Demerger) sanctioned by Kerala High Court &amp; National Company Law Tribunal (NCLT), New Delhi) (Refer Note C-5))</i>		
<b>Cash and Cash Equivalents</b>		
Cash on hand	0.00	0.15
Balances with Banks:		
Current Accounts	43.19	76.34
Unpaid Dividend Accounts	151.39	175.03
Deposit Accounts#	1,457.38	-
	<b>1,651.96</b>	<b>251.52</b>
<b>Short-Term Loans &amp; Advances:</b>		
<b>Unsecured, Considered Good</b>		
<b>Others:</b>		
Employee Advances	27.50	43.85
Service Tax Recoverable	4.10	8.09
Others	5.45	5.46
Prepaid Expenses	1.17	0.85
	38.22	58.24
Advance Tax	11,969.26	10,052.47
Less: Provision for Taxation	10,654.15	8,986.14
	<b>1,315.11</b>	<b>1,066.33</b>
	<b>1,353.33</b>	<b>1,124.58</b>

\* Trade Receivable Include due from Related Parties  
Subsidiary

- 1.32

# Includes accrued interest on Sweep-in Fixed Deposits Rs. 17.38 Lacs (Rs.NIL)

**NOTE B9 - REVENUE FROM OPERATIONS**

	Year Ended March 31, 2017 Rs. Lacs	Year Ended March 31, 2016 Rs. Lacs
<b>a) Other Operating Income</b>		
Income from Lease/services	5,000.00	4,583.33
	<u>5,000.00</u>	<u>4,583.33</u>

**NOTE B9(2) - OTHER INCOME**

	Year Ended March 31, 2017 Rs. Lacs	Year Ended March 31, 2016 Rs. Lacs
<b>OTHER INCOME:</b>		
<b>(a)Interest Income</b>	79.81	57.81
<b>(b)Other Non-Operating Income:</b>		
Credit Balances written/back	-	0.83
Profit on Sale of Assets (Net)	2.23	1.45
Income from Lease	-	23.78
Miscellaneous Receipts	131.75	55.86
	<u>133.98</u>	<u>81.93</u>
	<u>213.79</u>	<u>139.73</u>

**NOTE B10 - MANUFACTURING AND OTHER EXPENSES**

	Year Ended March 31, 2017 Rs. Lacs	Year Ended March 31, 2016 Rs. Lacs
<b>Employee Benefit Expenses</b>		
Salaries, Wages and Bonus	4,266.10	5,074.00
Contribution to Provident and Other Funds	384.67	389.47
Welfare expenses	34.88	35.15
	4,685.65	5,498.62
Less: Reimbursement of Expenses from Apollo Tyres Ltd.	4,528.78	5,414.90
	156.87	83.72
Power and Fuel	953.33	917.14
Rent	3.35	1.17
Insurance	4.33	5.06
Rates and Taxes	12.80	15.00
Directors' Sitting Fees	14.40	13.40
Travelling, Conveyance and Vehicle Expenses	8.59	8.61
Printing, Stationery & Communication Expenses	15.24	7.20
Advertisement & Publicity	23.76	3.42
CSR expenses	108.56	24.60
Legal & Professional Expenses	83.27	118.74
Bank Charges	0.03	0.09
Re-imbursement towards utilisation of Computer & other ATL Facilities	8.74	8.77
Repairs	0.04	-
Donation	-	-
Lease premium on Lease hold Land-amortized	6.49	6.49
Loss on w/o Capital work in progress (Irapuram Land- civil work)	-	99.74
Miscellaneous Expenses	20.56	5.89
	1,263.49	1,235.32
Less: Reimbursement of Expenses from Apollo Tyres Ltd.	955.13	921.62
	308.36	313.70

**NOTE B11 - FINANCE COST**

	Year Ended March 31, 2017 Rs. Lacs	Year Ended March 31, 2016 Rs. Lacs
Interest Expense	-	414.02
Other Borrowing Costs	-	86.05
	-	500.07

## PART C. NOTES ON ACCOUNTS

### 1. Contingent Liabilities

(Rs. Lacs)

Particulars	2016-17	2015-16
Income Tax	NIL	1,855.00
Service Tax	NIL	2,880.62
Employee Liability	1.14	1.14
Corporate Guarantee	NIL	18.79

- 2 a) A deferred tax asset (Net) amounting to Rs.683.34 Lacs (previous year 595.25) Lacs has been recognized in the accounts for the year in accordance with the Accounting standard "Accounting for taxes on Income" (AS 22). The deferred tax asset in respect of gratuity and leave encashment liability has been recognized during the year in view of the sustained profitability and regular tax payouts.

- b) The Components of Net Deferred Tax Asset/ (Liability) as on 31<sup>st</sup> March 2017 are as under:

(Rs. Lacs)

PARTICULARS	31 <sup>st</sup> March 2017	31 <sup>st</sup> March 2016
a) Deferred Tax Liability on timing difference arising on Depreciation	(112.60)	(138.22)
b) Deferred Tax Asset on timing difference arising on provision for Gratuity & Leave encashment Liability	776.99	733.47
c) Deferred Tax Liability Transferred to Artemis Global Life Sciences Limited (Resulting Undertaking) pursuant to the Scheme of Arrangement (Demerger) sanctioned by Kerala High Court & National Company Law Tribunal (NCLT), New Delhi (Refer Note C-5))	18.95	-
<b>Net Deferred Tax Rs.</b>	<b>683.34</b>	<b>595.25</b>

- 3 The Company had taken 20.78 acres of land on 90 years lease w.e.f. 24.05.2007 at a premium of Rs 519.50 lacs and the premium with other capitalized cost is amortized over a period of 90 years. Monthly lease rental, lighting expenses, water charges etc. are debited as revenue expenditure.
- 4 The Company has leased out its plant to Apollo Tyres Ltd. The lease is extended for a period of 8 years up to March 31, 2022 vide agreement dated May 1, 2012. The lease rent, which is renewable annually as per the lease agreement at a rate to be mutually agreed, amounting to Rs 5,000 Lacs for the year, has been credited to statement of Profit & Loss.

### 5 Scheme of arrangement/ Demerger of Medicare and Healthcare Services Business undertaking

The scheme of arrangement under sections 391 to 394 of the Companies Act, 1956 read with section 230 to 232 Companies Act, 2013 (the Scheme) between Company (the Demerged Company) and its wholly owned subsidiary Artemis Global Life Sciences Limited (AGLSL) (formerly known as PTL Projects Limited) (the Resulting Company) and their respective shareholders and the creditors of the two companies for demerger of the Medicare and Healthcare Services Business undertaking of the Demerged Company into Resulting Company with the Appointed Date at the opening of business hours on 01<sup>st</sup> April 2016, has been sanctioned by the Honble High Court of Judicature at Kerala vide its Order dated 16<sup>th</sup> December, 2016, and the Honble National Company Law Tribunal, New Delhi vide its Order dated 1<sup>st</sup> March, 2017. Certified copies of the order of the Honble High Court of Judicature at Kerala and Honble National Company Law Tribunal, New Delhi have been filed with the Registrar of Companies at Kerala and Delhi respectively and the scheme has become effective from 8<sup>th</sup> March 2017. The scheme, being effective from the Appointed Date, provides for:

- a) Issue of one (1) Equity Share of face value 2/- (Indian Rupees Two only) each in Resulting Company for every one (1) equity share of face value Rs. 2/- (Indian Rupees Two only) each in Demerged Company held by its shareholders on the record date i.e. 29<sup>th</sup> March 2017.

- b) Cancellation of 5,00,000 equity shares of Rs. 2 each of Resulting Company held by the Demerged Company under the provisions of Sections 100 to 103 of the Companies Act 1956 and / or Section 66 of the Companies Act, 2013 and same has been adjusted with Revaluation Reserves. In respect of the above adjustments it is deemed that the special resolution as contemplated under Article 57 of the Article of Association of the Demerged Company and under section 100 of the Companies Act 1956 and / or Section 66 of the Companies Act, 2013 has been passed and all the procedures required under section 100 of the Companies Act, 1956 and / or Section 66 of the Companies Act, 2013 for reduction of share capital have been complied with.
- c) All the assets and liabilities of the Medicare and Healthcare Services Business undertaking has been transferred as a going concern at the values appearing in the books of the Demerged Company at the opening of business hours on 01st April 2016.

The particulars of assets and liabilities transferred are as follows:

<b>Assets</b>	<b>Amount (Rs. Lacs)</b>
Fixed Assets - Medical Equipment	206.81
Investments in Subsidiary	15,990.62
Trade Receivable	1.32
<b>Total</b>	<b>16,198.75</b>
<b>Liabilities</b>	
Reserves & Surplus (Profit & Loss A/c)	84.85
Other Current Liabilities	323.29
Deferred Tax Liability	18.95
<b>Total</b>	<b>427.09</b>

- d) Surplus of Rs. 15771.66 Lacs assets over liabilities pertaining to Medicare and Healthcare Services Business undertaking transferred to Resulting Company have been adjusted against the Revaluation Reserve of the Demerged Company as per the Scheme.
- 6 Post Scheme of arrangement/ Demerger of Subsidiary the Company's operation comprises of only one segment –Income from lease of plant to Apollo Tyres Ltd and there are no other business/ geographical segments to be reported as required under Accounting Standard (AS17) "Segmental Reporting" issued by The Institute of Chartered Accountants of India.
- 7 Sundry Creditors and Unsecured Loans are subject to confirmation.
- 8 As per information available with the company
- a) Amount due to Micro, Medium & Small Enterprises – Nil (Previous year Nil )
- b) Amount due to Labour Welfare Fund – Rs Nil (Previous year-Rs Nil )

**9 Payments to Statutory Auditors:**

	<b>Rs.Lacs</b>	
	<b>2016-17</b>	<b>2015-16</b>
(1) Audit fee	1.30	1.30
(2) Taxation Matter	0.30	0.30
(3) Other Services	1.20	2.91
<b>Total</b>	<b>2.80</b>	<b>4.51</b>



- 10 The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service receives gratuity on leaving the Company at 15 days salary (last drawn salary) for each completed year of service.

The following table summaries the components of net benefit expense recognized in the profit and loss account and amounts recognized in the balance sheet. (Net of reimbursement from Apollo Tyres Ltd.)

### Profit & Loss Account

#### Employee benefit expenses

(Rs. Lacs)

Particulars	2016-17	2015-16
Current Service Cost	96.45	91.43
Interest Cost	156.02	152.04
Net Actuarial gain /Loss	(142.88)	(193.79)
Benefit Paid	(221.84)	(206.17)
Benefit Reimbursed	220.83	206.17
	108.57	49.69

### Balance Sheet

#### Details of Provision for Gratuity

(Rs. Lacs)

Particulars	2016-17	2015-16
Defined benefit obligation (As on 31.03.2017)	2,058.79	1,950.22
Net Asset/(Liability) recognized	(2,058.79)	(1,950.22)

Changes in the present value of the defined benefit obligation are as follows:

(Rs. Lacs)

Particulars	2016-17	2015-16
Present value of obligations as at the beginning of the year	1,950.22	1,900.53
Interest cost	156.02	152.04
Current Service Cost	96.45	91.43
Actuarial (Gain)/Loss on obligation	(142.88)	(193.79)
Benefit Paid	(221.84)	(206.17)
Benefit Reimbursed	220.83	206.17
Present value of obligations as at the end of the years	2,058.79	1,950.22

### Principal actuarial assumptions

Particulars	Rate (%)	Rate (%)
	2016-17	2015-16
a) Discount rate as on 31.03.2017	7.20	8.00
b) Future salary increase	4.00	4.00

The estimate of future salary increase takes into account inflation, seniority, promotions and other relevant factors.

- 11 The following table set out the status of leave encashment as required under the Accounting Standard 15:

The following table summaries the components of net benefit expense recognized in the profit and loss account and amounts recognized in the balance sheet. (Net of reimbursement from Apollo Tyres Ltd.)

**Profit & Loss Account****Employee benefit expenses****(Rs. Lacs)**

Particulars	2016-17	2015-16
Current Service Cost	10.34	9.69
Interest Cost	13.57	13.05
Net Actuarial (Gain) /Loss	(7.26)	(16.15)
Benefit Paid	(120.57)	(105.38)
Benefit Reimbursed	120.57	105.38
Expenses Recognized in the Statement of Profit & Losses	16.66	6.59

**Balance Sheet****Details of Provision for Leave Encashment****(Rs. Lacs)**

Particulars	2016-17	2015-16
Defined benefit obligation (As on 31.03.2017)	186.33	169.67
Net Asset/(Liability) recognized	(186.33)	(169.67)

Changes in the present value of the defined benefit obligation are as follows:

**(Rs. Lacs)**

Particulars	2016-17	2015-16
Present value of obligations as at the beginning of the year	169.67	163.08
Interest cost	13.57	13.05
Current Service Cost	10.34	9.69
Actuarial (Gain)/Loss on obligation	(7.26)	(16.15)
Benefit Paid	(120.57)	(105.38)
Benefit Reimbursed	120.57	105.38
Present value of obligations as at the end of the years	186.33	169.67

**Principal actuarial assumptions**

Particulars	Rate (%)	Rate (%)
	2016-17	2015-16
a) Discount rate as on 31.03.2017	7.20	8.00
b) Future salary increase	4.00	4.00

The estimate of future salary increase takes into account inflation, seniority, promotions and other relevant factors.

- 12 Disclosure of the relationship and transactions in accordance with Accounting standard 18- Related Party Disclosures issued by the Institute of Chartered Accountants of India.

Particulars	2016-17	2015-16
<b>Subsidiaries</b>	<b>Artemis Health Sciences Ltd.(AHSL)*</b>	Artemis Health Sciences Ltd.(AHSL)
	<b>Artemis Medicare Services Ltd. (AMSL)*</b>	Artemis Medicare Services Ltd. (AMSL)
	<b>Artemis Global Life Sciences Limited (Formerly known as PTL Projects limited)*</b>	Artemis Global Life Sciences Limited (Formerly known as PTL Projects limited)
	<b>Athena Eduspark Ltd*</b>	Athena Eduspark Ltd

Particulars	2016-17	2015-16
<b>Associates</b>	<b>Apollo Tyres Ltd. (ATL)</b>	Apollo Tyres Ltd. (ATL)
	<b>Apollo International Ltd.</b>	Apollo International Ltd.
	<b>Neeraj Consultants Ltd.</b>	Neeraj Consultants Ltd.
	<b>Sunrays Properties &amp; Investments Co. Pvt. Ltd.</b>	Sunrays Properties & Investments Co. Pvt. Ltd.
	<b>Sacred Heart Investments Co Pvt. Ltd.</b>	Sacred Heart Investments Co Pvt. Ltd.
	<b>Motlay Finance Pvt Ltd.</b>	Motlay Finance Pvt Ltd.
	<b>Ganga Kaveri Credit &amp; Holding Pvt. Ltd.</b>	Ganga Kaveri Credit & Holding Pvt. Ltd.
	<b>Global Capital Ltd.</b>	Global Capital Ltd.
	<b>Indus valley Investment &amp; Finance Pvt Ltd.</b>	Indus valley Investment & Finance Pvt Ltd.
	<b>Apollo Finance Ltd.</b>	Apollo Finance Ltd.
	<b>Kenstar Investment &amp; Finance Pvt Ltd.</b>	Kenstar Investment & Finance Pvt Ltd.
	<b>Bespoke Tours &amp; Travels Ltd</b>	Bespoke Tours & Travels Ltd
	<b>Constructive Finance (P) Ltd</b>	Constructive Finance (P) Ltd
	<b>Kewaldeep Consultants Pvt. Ltd.</b>	Kewaldeep Consultants Pvt. Ltd.
	<b>Nanak Consultants Pvt. Ltd.</b>	Nanak Consultants Pvt. Ltd.
	<b>Osiatic Consultants &amp; Investments Pvt. Ltd.</b>	Osiatic Consultants & Investments Pvt. Ltd.
	<b>OSK Holdings Pvt. Ltd.</b>	OSK Holdings Pvt. Ltd

\*Not a Subsidiary of PTL Enterprises Limited as on 31st March, 2017

### Transactions with Related Parties

2016-17

(Rs. Lacs)

Particulars	Subsidiaries	Associates	Key Management Personnel	Total
Lease income, Apollo Tyres Ltd.		5,000.00		5,000.00
Lease Income Artemis Medicare Services Limited	-			-
Reimbursement of Expenses received, Apollo Tyres Ltd.		5,483.92		5,483.92
Reimbursement towards utilization of Computer and other Apollo Tyres Ltd. Facilities (net) paid (Including Swatch Bharat Cess-Rs. 0.04 Lacs)		8.74		8.74
Reimbursement towards staff travelling expenses, Apollo Tyres Ltd.		0.19		0.19
Rent paid, Apollo Tyres Ltd. (Including Swatch Bharat Cess-Rs. 0.03 Lacs)		3.35		3.35
Security Deposit received, Apollo Tyres Ltd.		-		-
Purchase of fixed assets (Apollo Tyres Ltd.)		-		-
Sale of fixed assets (Artemis Medicare Services Limited)		-		-
Travelling Expenses paid to Bespoke Tours & Travels Limited		1.32		1.32
Directors' Fees paid			3.30	3.30
Investment in Artemis Health Sciences Limited	-			-
Sale of Investment in Artemis Medicare Services Limited to Artemis Medical Health Sciences Limited	-			-
Unsecured Loan to Artemis Health Sciences Limited	-			-
Unsecured Loan to Artemis Medicare Services Limited	-			-
Refund of Unsecured Loan from Artemis Medicare Services Limited	-			-
Refund of Unsecured Loan from Artemis Health Sciences Limited	-	-		-
<b>Amount Outstanding Dr./[Cr.]-31.03.2017</b>				
<b>Other long Term Liabilities</b>				
Apollo Tyres Ltd		(5,000.00)		
<b>Trade Receivable/ (Payable)</b>				
Apollo Tyres Ltd		(564.31)		
Artemis Medicare Services Ltd .	-			

Particulars	Subsidiaries	Associates	Key Management Personnel	Total
<b>Long Term Loans &amp; Advances</b>				
Artemis Medicare Services Ltd .	-			
Artemis Health Sciences Ltd.	-			

**2015-16****(Rs. Lacs)**

Particulars	Subsidiaries	Associates	Key Management Personnel	Total
Lease income, Apollo Tyres Ltd.		4,583.33		4,583.33
Lease Income Artemis Medicare Services Limited	23.78			23.78
Reimbursement of Expenses received, Apollo Tyres Ltd.		6,336.52		6,336.52
Reimbursement towards utilization of Computer and other Apollo Tyres Ltd. Facilities (net) paid (Including Swatch Bharat Cess-Rs. 0.59 Lacs)		27.27		27.27
Rent paid, Apollo Tyres Ltd. (Including Swatch Bharat Cess-Rs. 0.003 Lacs)		1.17		1.17
Security Deposit received, Apollo Tyres Ltd.		1,000.00		1,000.00
Sale of fixed assets (Artemis Medicare Services Limited)		214.09		214.09
Travelling Expenses paid to Bespoke Tours & Travels Limited		3.59		3.59
Directors' Fees paid			3.35	3.35
Investment in Artemis Health Sciences Limited	4,394.50			4,394.50
Sale of Investment in Artemis Medicare Services Limited to Artemis Medical Health Sciences Limited	4,235.00			4,235.00
Refund of Unsecured Loan from Artemis Medicare Services Limited	1,886.28			1,886.28
Refund of Unsecured Loan from Artemis Health Sciences Limited	6.00			6.00
<b>Amount Outstanding Dr./(Cr.)-31.03.2016</b>				
<b>Other long Term Liabilities</b>				
Apollo Tyres Ltd		(5,000.00)		
<b>Trade Receivable/ (Payable)</b>				
Apollo Tyres Ltd		(774.44)		
Artemis Medicare Services Ltd .	1.32			
<b>Long Term Loans &amp; Advances</b>				
Artemis Medicare Services Ltd .	-			
Artemis Health Sciences Ltd.	-			

- 13 Govt. of Kerala, proposed to acquire 62.22 Ares (1.50 Acres) of land held by the company, comprised in Survey No. 369/1 of Trikkakara North Village for the Kochi Metro Rail Project (KMRP), through an agreement to sale dated 03.09.2014 for Rs 2936.28 Lacs. The rate for the above piece of land was fixed in a tripartite meeting of Kochi Metro officials, District Revenue Officials and representatives of PTL Enterprises Ltd through negotiation at District Level Purchase Committee (DLPC) on 16.12.2013. The rate was fixed on the same basis at which the land acquired from a private party on the opposite side of the road. KMRP has issued D form cheques for 80% of the compensation on 18.09.2014 amounting to Rs 2325.54 Lacs after deducting TDS of Rs 23.49 Lacs, however the same were not allowed

to be presented by the KMRP and they have filed a complaint to Finance Department (Govt. of Kerala) to reexamine the rates fixed by DLPC. The company has filed a WRIT petition against KMRP in Kerala High court. The Kerala high court disposed off the WRIT petition filed by the company by its judgment dated 21st March 2016, directing the Govt. to examine whether any revisionary right has been reserved with the Govt. at the time of assignment of land in favour and take a decision. The Additional Chief Secretary (General Administration,) Kerala Govt. has passed its decision vide order no Ext.P19 dated 31st March 2017 holding that the Govt. is having revisionary right over the land assigned to PTL Enterprises Limited and the Company is entitled to get compensation only the amount paid by it at the time of assignment. The Company has again filed a WRIT petition on 5th April 2017 challenging the order dated 31st March, 2017 of the Govt. and the court has passed an interim order directing the Govt. to deposit the amount of Rs 2325.54 Lacs in Fixed Deposit earning maximum interest in a Nationalised bank/ Treasury Deposit and produce the receipt before the High Court. The Govt. has also sought time for filing counter in the WRIT petition at the end of May, 2017. In view of above since the revenue is not certain, the company has not recognised this income and related TDS.

#### 14 Expenditure towards Corporate Social Responsibility (CSR) Activities -

**Rs. Lacs**

<b>Nature of Activities</b>	<b>Implementing Agency/ Partner</b>	<b>2016-17</b>	<b>2015-16</b>
Promoting Preventive Health	Apollo Tyres Foundation	<b>0.13</b>	0.33
Promoting Preventive Health	Tropical Institute of Ecological Science	-	6.04
Promoting Preventive Health	Hindustan Latex Family Planning Trust	-	1.29
Promoting Preventive Health	Indian Cancer Society	<b>44.95</b>	-
Livelihood enhancement projects	Rajagiri Outreach	-	8.47
Livelihood enhancement projects	Tropical Institute of Ecological Science	<b>6.15</b>	2.78
Ensuring environmental sustainability	Plan@Earth	<b>18.43</b>	3.21
Ensuring environmental sustainability	Tropical Institute of Ecological Science	<b>21.65</b>	-
Ensuring environmental sustainability	Environmental Resources Foundation	<b>5.85</b>	-
Sustainability Expense	Tropical Institute of Ecological Science	-	6.80
Sustainability Expense	Apollo Tyres Foundation	-	0.44
Unspent amount lying with Apollo Tyres Foundation		<b>11.40</b>	-
<b>Total</b>		<b>108.56</b>	29.35
Unspent amount utilised by Apollo Tyres Foundation during the current year		-	(4.75)
CSR expenses booked by PTL during Current year		<b>108.56</b>	24.60
Amount required to be spent u/s 135 of the Companies Act, 2013 (Including last year's shortfall (if any))		<b>108.56</b>	74.68
Shortfall in spend till 31.03.2017		-	50.08

#### 15 Earnings Per Share (EPS) – The numerator and denominator used to calculate Basic and Diluted Earnings Per Share:

<b>Particulars</b>	<b>2016-17</b>	<b>2015-16</b>
<b>Basic &amp; Diluted</b>		
Profit attributable to the equity shareholders used as numerator (Rs. Lacs) - (A)	<b>3,061.98</b>	2,423.83
The weighted average number of equity shares outstanding during the year used as denominator -(B)	<b>66,188,500</b>	66,188,500
Basic / Diluted earnings per share (Rs.) – (A) / (B) (Face Value of Rs. 2 each)	<b>4.63</b>	3.66

16 Management have ensured that all specified Domestic transactions have been taken place at Arm's Length Price only.

17 Details of Specified Bank Note (SBN) held and transacted during the period 08/11/2016 to 30/12/2016:

**Rs. Lacs**

<b>Particulars</b>	<b>SBNs</b>	<b>Other denomination notes</b>	<b>Total</b>
Closing cash in hand as on 08.11.2016	0.26	0.01	0.27
(+) Permitted receipts	0.01	0.51	0.52
(-) Permitted payments	-	(0.05)	(0.05)
(-) Amount Deposited in Banks	(0.27)	(0.00)	(0.27)
Closing cash in hand as on 30.12.2016	-	0.46	0.46

18 Previous years figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

As per our attached Report of even date.

**For and on behalf of**  
**H.N. MEHTA ASSOCIATES**

Chartered Accountants  
Firm Regn No. 106219W

Onkar S Kanwar  
Chairman  
DIN No.00058921

Harish Bahadur  
Director  
DIN No.00032919

U.S.Anand  
Director  
DIN No.02055913

KIRAN PANCHOLI  
Partner  
M.No. : 033218  
Mumbai  
May 4, 2017

Amit Gautam  
Chief Financial Officer

Pradeep Kumar  
Company Secretary

## NOTES

## NOTES