

35th

**ANNUAL
REPORT**

2016-17



**PS IT INFRASTRUCTURE &
SERVICES LIMITED**

(Formerly Known as Parag Shilpa Investments Ltd.)

DIRECTORS :

| | |
|-----------------------------------|------------------------------|
| Mr. KAWARLAL OJHA | Chairman & Managing Director |
| Mr. JOHARPAL SINGH | Whole Time Director |
| Mr. KASHI PRASAD BAJAJ | Independent Director |
| Mr. PRADEEPKUMAR PUSHKARMAL GUPTA | Independent Director |
| Mrs. VANDANA NEERAJKANT SAHU | Independent Director |

CORPORATE IDENTIFICATION NO. - L72900MH1982PLC027146

BANKERS :

Dena Bank
Axis Bank
Kotak Bank

AUDITORS :

M/s B. S. Kedia & Co., Chartered Accountants
Bikaner Building, 1st Floor, R.N. 8, 8/1, Bazar Street, Kolkata- 700 001.

SECRETARIAL AUDITORS :

M/s. H V Gor & Co, Practicing Company Secretaries,
51A, Shree Manoshi Complex, Plot No. 5/6, Sector 3,
Opp. Ghansoli Railway Station, Ghansoli, Navi Mumbai - 400 709

REGISTERED OFFICE :

Office no. 308, B2B Agarwal Centre, Near Malad Industrial Estate,
Kanchpada, Malad (west), Mumbai- 400064

R & T AGENTS:

Sharex Dynamic India Private Limited
Unit 1, Luthra Industrial Premises, Safed Pool,
Andheri Kurla Road, Andheri (East),
Mumbai, Maharashtra - 400072.

LISTING

The Bombay Stock Exchange Ltd.

ANNUAL GENERAL MEETING

Date : 29th September, 2017

Time : 11.00 A.M.

Venue : Office no. 308, B2B Agarwal Centre,
Near Malad Industrial Estate, Kanchpada,
Malad (west), Mumbai- 400064.

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PS IT INFRASTRUCTURE & SERVICES LIMITED

NOTICE

NOTICE is hereby given that the 35th Annual General Meeting of the shareholders of the Company will be held on Friday, 29th September, 2017 at 11.00 A.M. at the registered office of the Company situated at Office No. 308, B2B Agarwal Centre, Near Malad Industrial Estate, Kanchpada, Malad west Mumbai - 400064, Maharashtra, India to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2017 and the Audited Profit and Loss Account of the Company for the period ended on that date together with Directors' Report and Auditors' Report thereon.

2. To consider and if thought fit, to pass with or without modifications, the following, resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Johar Pal Singh (DIN: 00113986), a Director liable to retire by rotation, who seek re-election, be re-appointed as the director of the Company."

3. To consider and, if thought fit, to pass the following resolution, with or without modification, as **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to Section 139(1) of the Companies Act, 2013 read with Rules 3 & 4 of the Companies (Audit & Auditors) Rules, 2014 and any other applicable provisions of law if any, for the time being in force in India, hereby ratify the appointment of M/s. B S Kedia & Co, Chartered Accountants, Kolkata (FRN: 317159E) as the Statutory Auditor of the Company for the financial year 2017-2018 who were appointed from the conclusion of 34th Annual General Meeting till the conclusion of 39th Annual General Meeting of the Company, subject to ratification of appointment by the members of the Company in every AGM till 39th Annual General Meeting of the Company."

On Behalf of the Board of Directors

Sd/-

Mr. Kawarjal Ojha
Managing Director
(Din: 07459363)

Place: Mumbai
Date: 05/09/2017

NOTES:

1. A Member entitled to attend and vote on a poll is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be effective must be received by the Company not less than 48 hours before the meeting. The Register of Members and Share Transfer Books will remain closed from 20th September, 2017 to 22nd September, 2017 (both days inclusive).
2. Members are requested to address all communication regarding transfer of shares, change of address etc. directly to the Share Transfer Agent of the Company, Sharex Dynamic India Private Limited Unit 1 Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai, Maharashtra - 400 072 and in case their shares are held in the dematerialized form, this information should be passed on to their respective Depository Participants without any delay.
3. The Equity Shares of the Company are listed on the Bombay Stock Exchange Ltd., Mumbai, Sir. P. J. Towers, Dalal Street, Mumbai. The listing fee up to March 2017 has been paid by the Company. The ISIN No. of the Company is: INE953M01033.
4. Members desirous of availing nomination facility may send their nomination in the prescribed form. Nomination forms can be obtained from the Registrars/ Company.

5. Members desirous of obtaining any information concerning the account and operations of the Company are requested to address their queries to the Chairmen, so as to reach the Registered Office of the Company at least Seven days before the date of the Meeting, to enable the Company to make available the required information at the Meeting, to the extent possible.
6. On dematerialization of shares, the nomination registered by the Company automatically stands cancelled. In the case of shares held in electronic (dematerialized) form, the Members are given an option of nomination at the time of opening a demat account. If no nomination is made at the time of opening the demat account, they should approach their respective Depository Participant.
7. As part of the Green Initiative in Corporate Governance, the Ministry of Corporate Affairs("MCA"), Government of India, through its Circular nos. 17/2011 and 18/2011, dated 21st April, 2011 and 29th April, 2011 respectively, has allowed companies to send official documents through electronic mode. In the spirit of the above circulars and as part of the Company's Green Initiative, we henceforth propose to send documents like Notice convening the general meetings, Financial Statements, Directors Report, etc. to the e-mail address provided by the members. We, therefore, appeal to the members to register their name in getting the documents in electronic mode by sending an e mail giving their Registered Folio No. and/or DP Id/Client Id to the dedicated e-mail address at psitinfra@gmail.com
8. Members/Proxies are requested to bring the Attendance Slip sent with this Notice duly filled-in for attending the meeting.
9. Members are requested to bring their copy of Annual report to the meeting.
10. In terms of circular no.MRD/DoP/Cir-05/2010 dated 20th May, 2009 issued by Securities and Exchange Board of India (SEBI) it is now mandatory for the transferee of the physical shares to furnish copy of PAN card to the Company or its RTA for registration of transfer of shares. Shareholders are requested to furnish copy of PAN card at the time of transferring their physical shares.
11. As part of the Companies (Management and Administration) Rules, 2014 Companies are allowed to send official documents through electronic mode. We, therefore, appeal to the members to register their name in getting the said documents in electronic mode and to record/ intimate changes therein by sending an email giving their Registered Folio No. and/or DP Id/Client Id to the dedicated e mail address at psitinfra@gmail.com.
12. Statement to be annexed to the notice calling General Meeting forms part of the notice pursuant to section 102 of the Companies Act, 2013 read with Commencement Notification of Companies Act 2013 dated 12th September 2013.

Details of Directors seeking appointment/ re-appointment are as follows:

| | |
|---|--|
| Name | Mr.Johar Pal Singh |
| Age | 69 years |
| Qualification | LLB |
| Nature of Expertise | Legal |
| Experience | 42 years |
| Number of Companies in which also holds Directorships | JMD VENTURES LIMITED, V.B. INDUSTRIES LTD, UNISYS SOFTWARES AND HOLDING INDUSTRIES LIMITED |
| Number of Companies in committees of which also holds Membership / Chairmanship | Nil |
| Shareholding in the Company | Nil |

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13. E-VOTING:

- i. According to section 108 of Companies Act, 2013, read with Rule 20 of Companies (Management and Administration) Rules, 2014 e-voting is mandatory for all listed Companies or Companies having Shareholders not less than one thousand.
- ii. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members the facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (I) Limited (CDSL):
- iii. A member may exercise his vote at any general meeting by electronic means and company may pass any resolution by electronic voting system in accordance with the Rule 20 of the Companies (Management and Administration) Rules, 2014.
- iv. During the e-voting period, members of the Company, holding shares either in physical form or dematerialized form, as on a fixed date, may cast their vote electronically.
- v. The e-Voting shall remain open from 26th September, 2017 (9.00 a.m.) till 28th September, 2017(5.00 p.m.)
- vi. *E-Voting shall be completed one day prior to the date of Annual General Meeting which is scheduled to be held on 29th September, 2017
- vii. The Board of Directors at their meeting have appointed Mr. Harsh Vijay Gor, Partner of H V Gor & Co, Practicing Company Secretaries as the scrutinizer for e-Voting to unblock the votes in favour or against, if any, and to report forthwith to the Chairman. The scrutinizer will be responsible to conduct e-Voting in a fair and transparent manner.
- viii. Vote once casted by the member cannot be changed/ altered.

PROCESS OF E-VOTING

1. Log on to the e-voting website www.evotingindia.com
2. Click on "Shareholders" tab.
3. Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
4. Now Enter your User ID
5. For CDSL: 16 digits beneficiary ID,
6. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
7. Members holding shares in Physical Form should enter Folio Number registered with the Company.
8. Next enter the Image Verification as displayed and Click on Login.
9. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
10. If you are a first time user follow the steps given below:

| | For Members holding shares in Demat Form and Physical Form |
|------------------------|---|
| PAN* | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none">o Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/ folio number in the PAN field.o In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 1 then enter RA00000001 in the PAN field. |
| DOB# | Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format. |
| Dividend Bank Details# | Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none">o If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v). |

11. After entering these details appropriately, click on "SUBMIT" tab.
12. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
13. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
14. Click on the **EVSN: 170901069** for the relevant PS IT Infrastructure & Services Limited on which you choose to vote.
15. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
16. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
17. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
18. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
19. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
20. If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
21. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - o They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - o After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - o The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - o They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case members receiving the physical copy:

- o Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
 - o The voting period begins on 26th September, 2017 (9.00 a.m.) and ends on 28th September, 2017 (5.00 p.m.) During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd September, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
22. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
 23. The e-Voting period commences on 26th September, 2017 (9.00 a.m.) and ends on 28th September, 2017 (5.00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of i.e. 22nd September, 2017 may cast their vote electronically. The e-Voting module

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shall also be disabled by CDSL for voting thereafter. Once the vote on a resolution is casted by the shareholder, the shareholder will not be allowed to change it subsequently.

24. The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on 22nd September, 2017.
25. Since the Company is required to provide facility to the members to exercise their right to vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on 22nd September, 2017 and not casting their vote electronically, may cast their vote at the Annual General Meeting.
26. The Scrutinizer shall within a period of not exceeding two (2) working days from the conclusion of the e-Voting period unlock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company. The Results shall be declared on or after 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.psitinfrastructure.com and on the website of CDSL within two(2) days of passing of the resolutions at the Annual General Meeting of the Company on 29th September, 2017 and communicated to the BSE Limited.

CONTACT DETAILS:

- COMPANY : PS IT INFRASTRUCTURE & SERVICES LIMITED
CIN :L72900MH1982PLC027146
Office No. 308, B2B Agarwal Centre, Near Malad Industrial Estate,
Kanchpada, Malad west, Mumbai - 400064, Maharashtra, India.
Tel: 022-26791790
Fax: 022-26791790
E-mail :psitinfra@gmail.com
Website: www.psitinfrastructure.com
- REGISTRAR AND SHARE TRANSFER : Sharex Dynamic (India) Pvt. Ltd, Unit 1,
Luthra Ind Premises, Safed Pool, Andheri Kurla Road,
Andheri (East), Mumbai, Maharashtra- 400072
Tel: 022-28515606/28515644
Fax: 022-28512885
E-mail: sharexindia@vsnl.com
Website: www.sharexindia.com
- REMOTE E-VOTING AGENTS : Central Depository Services (India) Limited
17th Floor, P J Towers, Dalal Street, Mumbai-400001
Contact: toll free- 1800-200-5533
E-mail: complaints@cdslindia.com
- SCRUTINIZER : Mr. Harsh Vijay Gor, Partner
H V GOR AND COMPANY,
PRACTICING COMPANY SECRETARIES
37, Shree Manoshi Complex, Plot No.5 & 6, Sector 3, Opp. Ghansoli Railway
Station, Ghansoli, Navi Mumbai- 400701- Maharashtra, India.
Tel: +91 84509 67900
E-mail: pcshvgor@gmail.com

On Behalf of the Board of Directors

Sd/-

Mr. Kawarjal Ojha
Managing Director
(Din: 07459363)

Place: Mumbai
Date: 05/09/2017

DIRECTORS' REPORT

To,
The Members,
PS IT Infrastructure and Services Limited

1. INTRODUCTION

Your Directors are elated in presenting the 35th Annual Report of the Company along with the Audited Statement of Accounts for the year ended as on 31st March, 2017.

2. FINANCIAL RESULTS

(Rupees in Lakhs)

| Particulars | Current Financial Year (2016-17) | Previous Financial Year (2015-2016) |
|---|-------------------------------------|--|
| Profit /(Loss) before Tax | 4.24 | 39.71 |
| Provision for Tax | (1.31) | (19.59) |
| Profit/ (loss) after Tax | 2.93 | 20.12 |
| Balance Brought Forward | - | - |
| Add:- Excess /(short) Provision Reversed 7 MVAT Credit | - | - |
| Balance carried to Balance Sheet | 2.93 | 20.12 |

3. BUSINESS OVERVIEW

Due to adverse market situations, the Net Profit after Tax of the Company has declined from Rs.20.12 lacs to Rs. 2.93 lacs. The Company's management policy has provided cushion effect to the adversities of the market on the performance of Company. The Board of Directors look towards the future performance with a positive approach.

4. DIVIDEND

Your Directors feel that it is prudent to plough back the profits for future growth of the Company and with a view to conserve the resources, they do not recommend any dividend for the year ended 31st March, 2017.

5. SUBSIDIARIES OF THE COMPANY:

The Company has no subsidiaries of its own for the year ended 31st March, 2017.

6. CORPORATE SOCIAL RESPONSIBILITY

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the provisions of Section 135 of the Companies Act, 2013 are not applicable.

7. STATUTORY AUDITORS

M/s. B S Kedia & Co, Chartered Accountants, Kolkata (FRN: 317159E) were appointed as the Statutory Auditors of the Company u/s 139(1) of the Companies Act, 2013 in the 34th Annual General Meeting of the Company held on 23rd September, 2016 for the financial year ended 31st March, 2016 and will continue till the conclusion of 39th AGM of the Company. The Board have ratified their appointment for the financial year 2017-2018.

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8. SECRETARIAL AUDITORS

M/s. H V Gor & Co, Practicing Company Secretaries have been appointed in the Board Meeting held on 30th May, 2017 as the Secretarial Auditor of the Company u/s 204 of the Companies Act, 2013 to conduct Secretarial Audit of the matters of the Company and report thereof. The Secretarial Auditor's Report has been annexed to the Board Report under Annexure II.

9. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

There was no qualification, reservation or adverse remark made by the Auditors in their report.

The explanations made by the Board relating to the qualifications, reservations, adverse remarks made by the Practicing Company Secretary in his Secretarial Audit Report are furnished as under:

1. The Company has been inviting the applications for the post of Company Secretary in whole time employment of the Company by issuing classifieds in the newspapers. However, the Company has failed to receive application from a suitable candidate for the aforementioned responsibilities;
2. The Company has failed to file e-form ADT-1 within 15 days of the appointment of the Auditor for the Company due to inadvertent error;

The Company ensures good corporate practices and always have been in favour of following the business principles in the interest of the members and stakeholders of the Company.

10. DIRECTORS

In accordance of provisions of Section 152 of the Companies Act, 2013 Mr. Johar Pal Singh (Din: 00113986), a Director liable to retire by rotation and being eligible, offers himself for re-appointment.

11. DECLARATION BY THE INDEPENDENT DIRECTORS

The Independent Directors have submitted their disclosures to the Board that they fulfil all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

12. BOARD MEETINGS

The Board of Directors met Six times during the financial year 2016-2017; i.e on

- 1) 30th May, 2016; 2) 18th July, 2016; 3) 13th August, 2016; 4) 14th November, 2016; 5) 21st January, 2017; 6) 13th February, 2017.

13. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are applicable to the Company and hence the Company has devised a policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

14. INFORMATION PURSUANT TO RULE 5 (2) OF COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The details of employee(s) in receipt of remuneration exceeding the limit specified under Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, are annexed in Annexure III.

15. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has duly set up an Internal Complaints Committee (ICC) in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013, to redress complaints received regarding sexual harassment.

The following is a summary of sexual harassment complaints received and disposed off during the year 2016-17.

| | |
|--------------------------------|-----|
| No of complaints received: | Nil |
| No of complaints disposed off: | Nil |

16. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134 (3) (c) read with Section 134 (5) of the Companies Act, 2013, your Directors state that:

- a. In the preparation of the annual accounts, the applicable accounting standards have been followed with proper explanation relating to material departures, if any;
- b. They have, in the selection of the accounting policies, consulted the Statutory Auditors and have applied them consistently and made judgments 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 31st March, 2017 and of its Profit for the year ended on that date;
- c. They have taken proper and sufficient care to the best of their knowledge and ability 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; and
- d. They have prepared the annual accounts for the year ended 31st March, 2017 on a 'going concern' basis; and
- e. They have laid down Internal Financial Controls, which are adequate and are operating effectively.
- f. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The Company has not advanced loans or made any investments and has not given any guarantee pursuant to Section 186 of the Companies Act, 2013 during the year under review and hence the said provisions are not applicable.

18. DISCLOSURES OF AMOUNTS, IF ANY, TRANSFER TO ANY RESERVES.

It is not proposed to carry any amount to any reserves from the profits of the Company. Hence, disclosure under Section 134 (3) (j) of the companies act, 2013 is not required.

19. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

The Company has shifted its Registered Office within the Local Limits which has effect on the financial position of the Company occurred between the end of the financial year to which this financial statement relate as on the date of this report.

20. ENERGY CONSERVATION AND TECHNOLOGY ABSORPTION:

The particulars as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 in respect of conservation of energy and technology absorption are not required to be furnished considering the nature of activities undertaken by the Company during the year under review. Further during the year under review, the Company has neither earned nor used any foreign exchange.

21. STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT

The Company has developed & implemented Risk Management Policy. However, Company has not come across any element of risk which may threaten the existence of the Company.

22. DETAILS OF SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNAL IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE

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There are no significant material orders passed by the Regulators / Courts / Tribunal which would impact the going concern status of the Company and its future operations. Hence, disclosure pursuant to Rule 8 (5) (vii) of Companies (Accounts) Rules, 2014 is not required.

23. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS PURSUANT TO RULE 8 (5) (viii) OF COMPANIES (ACCOUNTS) RULES, 2014:

The Company has an adequate Internal Financial Control system, commensurate with the size of its business operations.

24. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES MADE PURSUANT TO SECTION 188 OF THE COMPANIES ACT, 2013

There was no contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review.

25. EXTRACT OF ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in "Annexure I".

26. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The Audit Committee consists of the following members;

- a. Mr. Kashi Prasad Bajaj
- b. Mr. Pradeep Kumar Gupta
- c. Mr. Kawarlal Ojha

The above composition of the Audit Committee consists of independent Directors viz., Mr. Kashi Prasad Bajaj and Mr. Pradeep Kumar Gupta who form the majority.

The Company has established a vigil mechanism and oversees through the committee, the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of Company employees and the Company.

27. CORPORATE GOVERNANCE:

Your Company is committed to adopting the best Corporate Governance practices. It believes that proper corporate governance is not just a regulatory compliance but also a facilitator for enhancement of stakeholder's value. Reports on Corporate Governance and Management Discussions & Analysis are annexed and form part of this report.

28. APPRECIATION AND ACKNOWLEDGEMENT

The Board of Directors wish to place on record their appreciation for the co-operation and support of the Company's Bankers, its valued customers, employees and all other intermediaries concerned with the Company's business.

Your directors are grateful towards all members for supporting and sustaining us during the intricate days. We look forward to your continued support and reiterate that we are determined to ensure that the plans are successfully implemented.

By Order of the Board of Directors

For **PS IT Infrastructure & Services Ltd.**

Place: Mumbai
Date: 05/09/2017

Mr. Kawarlal Ojha
Managing Director
DIN: 07459363

Mr. Johar Pal Singh
Whole time Director
DIN: 00113986

MANAGEMENT DISCUSSION AND ANALYSIS

Economic Overview

The Global economy is apparently having one of the longest crisis periods and for almost last 7 to 8 years, the Central Banks across Europe, Japan have been in an accommodative mode which is clear indication that growth and inflation have yet to recover to a sustainable level. The Global Economy is finding it hard to restore pre-great recession growth rates - every report of the IMF seemingly downgrades its previous growth forecasts. However despite the depressed global scenario, Indian economy appears to be the shining star. Though certain sectors like exports are not faring well despite Rupee Depreciation vis-a-vis Dollar, overall growth in various sectors show a positive sign of upward movement and such growth is well supported by macro-economic stability, healthy balance of payment position, record foreign exchange reserves and inflation under check.

In addition, when India was introduced with Demonitization in December, 2016, lots of pros and cons were faced by the Indian economy. World Bank forecasts shows India will be a bright spot amid a gloomy outlook for the developing countries in the next two years. India will grow at 7.9% by 2018. The World Bank said India would benefit because of a reduction in external vulnerabilities, a strengthening domestic business cycle and a supportive policy environment. Further, Introduction of one Tax i.e Goods & Service Tax (GST), would make India the fastest-growing developing country economy according to the World Bank.

Moreover, the undercurrents of economic uncertainty are driving organizations to tighten their belt and IT spending has been one of the casualties. At the same time the need to invest into IT to support digital business in more urgent than ever. Companies know that they need to become digital businesses or face irrelevance in a future digital world. These challenges provide opportunity for global technology industries.

Performance

The impact of volatility in prices, stagnated economic growth, adverse market situation and uncertainties in policy contributed to the lack of confidence in the market during the year under review. This hampered the performance of the company which in turn affected the profitability and therefore the company recorded a lower profit as compared to the previous financial year.

A message has been passed in the Company to be more determined, show resilience, and be prepared to capture the future growth. The Company is realigning its marketing efforts to match with expected demand spurt by the user industry, in particular to your Company's product. The Company is looking forward to venture in e-commerce business for development in on-line commerce portals, web pages, digital commerce and marketing. Due to the synergy of information technology and trade, the Company expects a great turn of the operational synergies.

Opportunities and Threat

o Opportunities

With the improved Political stability in the Country, and optimistic business opportunities in pipeline, the Company looks forward for various opportunities in the field of trading and hopeful to regain the confidence of the investors and looks forward for viable business opportunities in the field of trading of goods and commodities. Indian economy is also benefiting because of external vulnerabilities, a strengthening domestic business cycle and supportive policy environment by the current Indian Government at the centre.

o Threat

The Company may face risk in respect of slow down into the financial domestic market as well as international market. Changes in fiscal policy or any other economic policy on monetary terms may cause threat to the business of the Company. The Company's Management does not foresee any immediate threat to its Core Business activities. However, the Competition faced today, is directing the Company's efforts to develop alternative business models to sustain its level of activities.

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Future Outlook

Driven by an improvement in the global economic climate and rise in the technology spend, FY 2016-17 brought optimism for the Indian IT-BPM industry. The "Make in India" drive of NDA government gives a hope of an increment in foreign investments in the country. The Company is keen towards tapping such opportunity. A gradual revival in consumer confidence leading to return of discretionary spending, and increased demand from US and Europe is expected to help drive exports in FY 2017-18. While US continues to be the largest geographic market for India, accounting for larger share, it is widely expected that the revival in demand from Europe, will be the highlight of FY 2017-18. The future looks positive as the IT-BPM industry is evolving dramatically in terms of scale and complexity. The sector is expected to leverage collaboration, innovation, technology shifts and build a transformational agenda for India. It will create a market not only in India but globally that will serve as technology differentiator for customers shifting from cost to innovation.

Internal control systems:

The internal control system is looked after by the executive directors themselves, who also look after the day to day affairs of the company to ensure compliance of guidelines and policies, adhere to the management instructions and policies to ensure improvements in the system. The internal audit reports are regularly reviewed by the management.

The Audit team reports on its observations to the Audit Committee, under whose guidance the necessary changes are effected as are required by the regulatory framework from time to time.

The Company follows a strict credit approval policy, cash balance management and the same are continuously monitored so as to ensure the funds which are the critical inputs for the nature of business of the Company is effectively and efficiently managed.

Environmental issues:

As the company is not carrying on any manufacturing activity, the matter relating to produce of harmful gases and the liquid effluents are not applicable.

Statutory compliance

Being a responsible legal entity, the company has duly complied with all the compliances with all the regulatory authorities.

Secretarial & Internal Auditors

As per new Companies Act, 2013, company is required to appoint Secretarial Auditor for conducting Secretarial audit in the company under section 204 of and Companies Act 2013 and rules made there under.

Based on recommendation received from the Audit Committee, the Board of Directors at their meeting held on 30th May, 2017 appointed M/s. H V Gor & Co, Practicing Company Secretaries, Navi Mumbai as a Secretarial Auditor of the Company under section 204 of the Companies Act, 2013 read with Rule 9 of the companies (Appointment 7 Remuneration of Managerial Personnel) Rules, 2014 for the financial year 2016-17.

Human relations

Human resources have always been most valuable assets for PS IT Infrastructure & Services Limited. During the year the Company had a positive relationship between the management and the employees and strives hard to maintain the same relation in future. Human resources management incorporates a process driven approach that invest regularly in the extensive training programs to motivate and boost the employees morale to work more efficiently and in a healthy work atmosphere.

Caution:

Statements which are based on and describe about management's expectations, estimates, projections, objectives, intentions and assumptions are forward looking statements. Words such as "expects," "anticipates," "plans," "believes," "scheduled," "estimates" and variations of these words and similar expressions are intended to identify forward-looking statements, which include but are not limited to projections of revenues, earnings, segment performance, cash flows. Forward-looking statements are made pursuant to the Companies Act, 2013, securities laws and all other applicable acts, statues, rules and regulations as amended from time to time. These statements are not guarantees of future performance and involve certain risks and uncertainties, which are difficult to predict. Therefore, actual future results and trends may differ materially from what was forecasted in forward-looking statements, expressed or implied.

The Company does not undertake any obligation to update or publicly release any revisions to forward-looking statements to reflect events, circumstances or changes in expectations after the date of this report.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 05/09/2017

Mr. Johar Pal Singh
Whole time Director
DIN: 00113986

Mr. Kawarjal Ojha
Managing Director
DIN: 07459363

PS IT INFRASTRUCTURE & SERVICES LIMITED

ANNEXURE I

FORM MGT-9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31st March 2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

| | | |
|--|---|--|
| CIN | : | L72900MH1982PLC027146 |
| Registration Date | : | 17/05/1982 |
| Name of the Company | : | PS IT INFRASTRUCTURE & SERVICES LIMITED |
| Category / Sub-Category of the Company | : | PUBLIC COMPANY |
| Address of the Registered office and contact details | : | Office No. 308, B2B Agarwal Centre, Near Malad Industrial Estate, Kanchpada, Malad West, Mumbai - 400064, Maharashtra, India. |
| Whether listed company | : | Yes |
| Name, Address and Contact details of Registrar and Transfer Agent, if any: | : | SHAREX DYNAMIC INDIA PRIVATE LIMITED Unit 1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai, Maharashtra- 400 072 |

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:-

| Sl. No. | Name and Description of main products / services | NIC Code of the Product / service | % to total turnover of the company |
|---------|--|-----------------------------------|------------------------------------|
| 1 | Trading in Computer Hardware & Software | 51511 & 51513 | 99.35 |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| Sr. No. | Name and address of the Company | CIN / GLN | Holding / subsidiary / associate | % of shares held | Applicable section |
|---------|---------------------------------|-----------|----------------------------------|------------------|--------------------|
| 1 | N.A | N.A | N.A | N.A | N.A |
| 2 | N.A | N.A | N.A | N.A | N.A |

I SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

i. Category-wise Share Holding:

| Category Of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
|--|---|----------|----------|-------------------|---|----------|---------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | N.A | N.A | N.A | N.A | N.A | N.A | N.A | N.A | |
| a) Individual/HUF | N.A | N.A | N.A | N.A | N.A | N.A | N.A | N.A | |
| b) Central Govt | N.A | N.A | N.A | N.A | N.A | N.A | N.A | N.A | |
| c) State Govt(s) | N.A | N.A | N.A | N.A | N.A | N.A | N.A | N.A | |
| d) Bodies Corp. | 10536780 | 155000 | 10691780 | 1.988 | 1003678 | 15500 | 1019178 | 1.90 | (0.09) |
| e) Banks / FI | N.A | N.A | N.A | N.A | N.A | N.A | N.A | N.A | |
| f) Any other | N.A | N.A | N.A | N.A | N.A | N.A | N.A | N.A | |
| Sub-total(A)(1): | 10536780 | 155000 | 10691780 | 1.988 | 1003678 | 15500 | 1019178 | 1.90 | (0.09) |
| (2) Foreign | | | | | | | | | |
| a) NRIs - Individuals | N.A | N.A | N.A | N.A | N.A | N.A | N.A | N.A | |
| b) Other - Individuals | N.A | N.A | N.A | N.A | N.A | N.A | N.A | N.A | |
| c) Bodies Corp. | N.A | N.A | N.A | N.A | N.A | N.A | N.A | N.A | |
| d) Banks / FI | N.A | N.A | N.A | N.A | N.A | N.A | N.A | N.A | |
| e) Any other | N.A | N.A | N.A | N.A | N.A | N.A | N.A | N.A | |
| Sub-total (A)(2): Total shareholding of Promoter (A) = (A)(1)+(A)(2) | 10536780 | 155000 | 10691780 | 1.988 | 1003678 | 15500 | 1019178 | 1.90 | (0.09) |
| B. Public | | | | | | | | | |
| Shareholding | N.A | N.A | N.A | N.A | N.A | N.A | N.A | N.A | |
| (1) Institutions | N.A | N.A | N.A | N.A | N.A | N.A | N.A | N.A | |
| a) Mutual Funds | N.A | N.A | N.A | N.A | N.A | N.A | N.A | N.A | |
| b) Banks / FI | N.A | N.A | N.A | N.A | N.A | N.A | N.A | N.A | |
| c) Central Govt | N.A | N.A | N.A | N.A | N.A | N.A | N.A | N.A | |
| d) State Govt(s) | N.A | N.A | N.A | N.A | N.A | N.A | N.A | N.A | |
| e) Venture Capital Funds | N.A | N.A | N.A | N.A | N.A | N.A | N.A | N.A | |
| f) Insurance Companies | N.A | N.A | N.A | N.A | N.A | N.A | N.A | N.A | N.A |
| g) FIs | N.A | N.A | N.A | N.A | 2823 | N.A | 2823 | 0.01 | 0.01 |
| h) Foreign Venture Capital Funds | N.A | N.A | N.A | N.A | N.A | N.A | N.A | N.A | |
| i) Others (specify) | 103632 | N.A | 103632 | 0.019 | N.A | N.A | N.A | N.A | |
| Sub-total (B)(1): | 103632 | N.A | 103632 | 0.019 | 2823 | N.A | 2823 | 0.01 | (0.01) |

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| | | | | | | | | | |
|--|-----------|----------|-----------|-------|----------|---------|----------|-------|---------|
| (2) Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | NA | N.A | NA | NA | N.A | N.A | N.A | N.A | |
| i) Indian | 222691381 | 97000 | 222788381 | 41.44 | N.A | N.A | N.A | N.A | (41.44) |
| ii) Overseas | | | | | | | | | |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto Rs. 2 lakh | 53904159 | 13756500 | 67660659 | 12.58 | 5320470 | 1299400 | 6619870 | 12.31 | (0.27) |
| ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh | 174005548 | 62350000 | 236355548 | 43.96 | 15710005 | 6185000 | 21895005 | 40.73 | (3.23) |
| c) Others | | | | | | | | | |
| Bodies Corporates | NA | N.A | NA | NA | 24213364 | 9760 | 24223124 | 45.06 | 45.06 |
| Sub-total(B)(2): | 450601088 | 76203500 | 526804588 | 97.99 | 45243839 | 7494160 | 52737999 | 98.10 | 0.11 |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | 450704720 | 76203500 | 526908220 | 98.01 | 45246662 | 7494160 | 52740822 | 98.10 | 0.09 |
| C. Shares held by Custodian for GDRs & ADRs | N.A | N.A | N.A | N.A | N.A | N.A | N.A | N.A | |
| Grand Total (A+B+C) | 461241500 | 76203500 | 537600000 | 100 | 46250340 | 7509660 | 53760000 | 100 | |

ii. SHAREHOLDING OF PROMOTERS:

| SI No. | Shareholder's Name | Shareholding at the beginning of the year | | | Share holding at the end of the Year | | | % change in share holding during the year |
|--------|-------------------------------|---|----------------------------------|---|--------------------------------------|----------------------------------|---|---|
| | | 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 | |
| 1) | ECONOMY SALES PVT. LTD. | 155000 | 0.03 | 0 | 15500 | 0.03 | 0 | - |
| 2) | PREMSAGAR VINIMAY PRIVATE LTD | 10007250 | 1.86 | 0 | 1000725 | 1.86 | 0 | - |
| 3) | BRIJDHAM DEALCOM PVT. LTD | 529530 | 0.10 | 0 | 2953 | 0.01 | 00 | (0.09) |
| | Total | 10691780 | 1.99 | 0 | 1019178 | 1.90 | 0 | (0.09) |

iv. SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):

| Sl. No. | | Shareholding at the beginning of the year | | Cumulative Shares during the year | |
|---------|--|--|----------------------------------|-----------------------------------|----------------------------------|
| | | No. of shares | % of total shares of the Company | No. of shares | % of total shares of the Company |
| | For each of the Top 10 Shareholders | | | | |
| 1. | DREAM VALLEY TRADING PRIVATE LIMITED | | | | |
| | At the beginning of the year | 17009250 | 3.16 | N.A | N.A |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc) | The Change is due to Consolidation of Shares. | N.A | N.A | N.A |
| | At the End of the year (or on the date of separation, if separated during the year) | 1700925 | 3.16 | N.A | N.A |
| 2. | DINESH SHAHRA | | | | |
| | At the beginning of the year | 15000000 | 2.79 | N.A | N.A |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc) | The Change is due to Consolidation of Shares. | N.A | N.A | N.A |
| | At the End of the year (or on the date of separation, if separated during the year) | 1500000 | 2.79 | N.A | N.A |
| 3. | SHIVA FOUNDATION | | | | |
| | At the beginning of the year | 15000000 | 2.79 | N.A | N.A |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc) | The Change is due to Consolidation of Shares. | N.A | N.A | N.A |
| | At the End of the year (or on the date of separation, if separated during the year) | 1500000 | 2.79 | N.A | N.A |
| 4. | SOYUMM MARKETING PRIVATE LTD | | | | |
| | At the beginning of the year | — | — | 1500000 | 2.79 |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc) | There is market purchase during the year under review. | N.A | N.A | N.A |
| | At the End of the year (or on the date of separation, if separated during the year) | 1500000 | 2.79 | 1500000 | 2.79 |
| 5. | TRIAL DEALERS PRIVATE LIMITED | | | | |
| | At the beginning of the year | 12999400 | 2.42 | N.A | N.A |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc) | The Change is due to Consolidation of Shares. | N.A | N.A | N.A |
| | At the End of the year (or on the date of separation, if separated during the year) | 1299940 | 2.42 | N.A | N.A |

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| | | | | | |
|-----|--|--|--------|--------|------|
| 6. | SAMUDHITADEALERS PRIVATE LIMITED | | | | |
| | At the beginning of the year | 9165251 | 1.70 | N.A | N.A |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc) | The Change is due to Consolidation of Shares. | N.A | N.A | N.A |
| | At the End of the year (or on the date of separation, if separated during the year) | 916525 | 1.70 | N.A | N.A |
| 7. | DUARI MARKETING PRIVATE LIMITED | | | | |
| | At the beginning of the year | 9079559 | 1.69 | N.A | N.A |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc) | The Change is due to Consolidation of Shares. | N.A | N.A | N.A |
| | At the End of the year (or on the date of separation, if separated during the year) | 907955 | 1.69 | N.A | N.A |
| 8. | SPARK COMMODEAL PRIVATE LIMITED | | | | |
| | At the beginning of the year | 8722830 | 1.62 | N.A | N.A |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc) | The Change is due to Consolidation of Shares. | N.A | N.A | N.A |
| | At the End of the year (or on the date of separation, if separated during the year) | 872283 | 1.62 | N.A | N.A |
| 9. | MANNER DISTRIBUTORS PRIVATE LIMITED | | | | |
| | At the beginning of the year | 8701595 | 1.62 | 830159 | 1.54 |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc) | The Change is due to Consolidation of Shares and also there is market sale of 40000 shares for the period under review | (0.08) | N.A | N.A |
| | At the End of the year (or on the date of separation, if separated during the year) | 830159 | 1.54 | 830159 | 1.54 |
| 10. | SWARNPRAKASH VANIJYA PRIVATE LIMITED | | | | |
| | At the beginning of the year | 7685125 | 1.43 | 773311 | 1.44 |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc) | The Change is due to Consolidation of Shares and also there is Market Purchase of 4799 shares for the period under review. | 0.01 | N.A | N.A |
| | At the End of the year (or on the date of separation, if separated during the year) | 773311 | 1.44 | 773311 | 1.44 |

V. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

| 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 |
| At the beginning of the year | N.A | N.A | N.A | N.A |
| Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc) | N.A | N.A | N.A | N.A |
| At the End of the year | N.A | N.A | N.A | N.A |

II INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

| | Secured Loans Excluding Deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | 0 | 0 | 0 | 0 |
| i) Principal Amount | 0 | 1,35,00,000 | 0 | 1,35,00,000 |
| ii) Interest due but not paid | 0 | 0 | 0 | 0 |
| iii) Interest accrued but not due | 0 | 0 | 0 | 0 |
| Total (i+ii+iii) | 0 | 0 | 0 | 0 |
| Change in Indebtedness during the financial year | 0 | 0 | 0 | 0 |
| Addition | 0 | 20,00,000 | 0 | 20,00,000 |
| Reduction | 0 | 0 | 0 | 0 |
| Net Change | 0 | 0 | 0 | 0 |
| Indebtedness at the end of the financial year | 0 | 0 | 0 | 0 |
| i) Principal Amount | 0 | 1,55,00,000 | 0 | 1,55,00,000 |
| ii) Interest due but not paid | 0 | 0 | 0 | 0 |
| iii) Interest accrued but not due | 0 | 0 | 0 | 0 |
| Total (i+ii+iii) | 0 | 0 | 0 | 0 |

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III REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

| Sl. No. | Particulars of Remuneration | Name of MD/ WTD /-Manager | | | | Total Amount |
|---------|---|---------------------------|-----|-----|-----|--------------|
| | | Mr. Kwarlal Ojha (MD) | | | | |
| 1 | Gross salary | | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 1,10,000 | | | | 1,10,000 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | N.A | N.A | N.A | N.A | N.A |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | N.A | N.A | N.A | N.A | N.A |
| 2 | Stock Option | N.A | N.A | N.A | N.A | N.A |
| 3 | Sweat Equity | N.A | N.A | N.A | N.A | N.A |
| 4 | Commission | N.A | N.A | N.A | N.A | N.A |
| 5 | Others, please specify | N.A | N.A | N.A | N.A | N.A |
| | Total (A) | 1,10,000 | N.A | N.A | N.A | 1,10,000 |

B. REMUNERATION TO OTHER DIRECTORS:

| Sl. No. | Particulars of Remuneration | Name of Directors | | | Total Amount |
|---------|--|------------------------|-------------------|------------------|--------------|
| | | Mr. Kashi Prasad Bajaj | Mr. Pradeep Gupta | Ms. Vandana Sahu | |
| 1. | Independent Directors | N.A | N.A | N.A | N.A |
| | Fee for attending board / committee meetings | N.A | N.A | N.A | N.A |
| | Commission | N.A | N.A | N.A | N.A |
| | Others, please specify | N.A | N.A | N.A | N.A |
| | Total (1) | N.A | N.A | N.A | N.A |
| 2. | Other Non-Executive Directors | N.A | N.A | N.A | N.A |
| | Fee for attending board / committee meetings | N.A | N.A | N.A | N.A |
| | Commission | N.A | N.A | N.A | N.A |
| | Others, please specify | N.A | N.A | N.A | N.A |
| | Total (2) | N.A | N.A | N.A | N.A |
| | Total (B)=(1+2) | N.A | N.A | N.A | N.A |
| | Total Managerial Remuneration | - | - | - | N.A |
| | Overall Ceiling as per the Act | N.A | N.A | N.A | N.A |

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

| Sl. No. | Particulars of Remuneration | Key Managerial Personnel | | | |
|---------|---|--------------------------|-------------------|-------------------------|----------|
| | | CEO | Company Secretary | CFO (Mr. Rajesh Patole) | Total |
| 1 | Gross salary | N.A | N.A | 2,60,000 | 2,60,000 |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | N.A | N.A | N.A | N.A |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | N.A | N.A | N.A | N.A |
| | N.A | N.A | N.A | N.A | N.A |
| 2 | N.A | N.A | N.A | N.A | N.A |
| 3 | N.A | N.A | N.A | N.A | N.A |

IV 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 | N.A | N.A | N.A | N.A | N.A |
| Punishment | N.A | N.A | N.A | N.A | N.A |
| Compounding | N.A | N.A | N.A | N.A | N.A |
| B. DIRECTORS | | | | | |
| Penalty | N.A | N.A | N.A | N.A | N.A |
| Punishment | N.A | N.A | N.A | N.A | N.A |
| Compounding | N.A | N.A | N.A | N.A | N.A |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | N.A | N.A | N.A | N.A | N.A |
| Punishment | N.A | N.A | N.A | N.A | N.A |
| Compounding | N.A | N.A | N.A | N.A | N.A |

For and on behalf of the Board of Directors

Place: Mumbai
Date: 05/09/2017

Mr. Kawalal Ojha
Managing Director
DIN: 07459363

Mr. Johar Pal Singh
Whole time Director
DIN: 00113986

PS IT INFRASTRUCTURE & SERVICES LIMITED

Annexure II

FORM MR-3

[Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

SECRETARIAL AUDIT REPORT For the year ended 31st March, 2017

To,

The Members,

**PS IT Infrastructure & Services Limited.,
Mumbai.
CIN: L72900MH1982PLC027146**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to the good corporate practices by **PS IT Infrastructure & Services Limited.** (hereinafter referred to as "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts and statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in my opinion, the company has, during the auditing period covering the financial year ended on **31st March, 2017 ("Audit Period")**, complied with the statutory provisions listed hereunder and also that the Company has proper Board Process and compliance - mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minutes' books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:

1. The Companies Act, 2013 (the Act) and rules made thereunder;
2. The Securities Contract (Regulation) Act, 1956 ("SCRA") and rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investments, and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities Exchange Board of India (SEBI) Act, 1992 (SEBI Act):
 - a. The SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011;
 - b. The SEBI (Prohibition of Insider Trading) Regulations, 2015;
 - c. The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 **(not applicable to the Company during the Audit period);**
 - e. The SEBI (Issue and Listing of Debt Securities) Regulations, 2008 **(not applicable to the Company during the Audit period);**
 - f. The SEBI (Registrar to an Issue and Share Transfer Agents) Regulation, 1993 regarding the Companies Act and dealing with client;
 - g. The SEBI (Delisting of Equity Shares) Regulations, 2009 **(not applicable to the Company during the Audit period);**

- h. The SEBI (Buyback of Securities) Regulations, 1998 (**not applicable to the Company during the Audit period**);
6. We have relied on the representations made by the Company and its officers for system's and mechanism formed by the Company for compliances under other applicable Acts, Laws and regulations to the Company. The list of major head group of Acts, Laws and Regulations as applicable to the Company is given below:
- a. Information Technology Act, 2000;
 - b. The Trademarks Act, 1999;
 - c. Computer Security Act, 1987;
 - d. The Indian Copyright Act, 1957;
 - e. The Patents Act, 1970;
 - f. Policy relating to Software Technology Parks of India and its regulations;
 - g. Sale of Goods Act, 1979;
 - h. Payment of Gratuity Act, 1972;
 - i. Employees Provident Fund and Miscellaneous Provisions Act, 1952;
 - j. The Payment of Bonus Act, 1965;
 - k. Employees State Insurance Act, 1948;
 - l. Minimum Wages Act, 1948;
 - m. Acts as prescribed under Direct tax and Indirect Tax;
 - n. Maternity Benefits Act, 1961;
 - o. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
 - p. Local laws applicable at the registered office of the Company;

We have also examined compliance with the applicable clause of the following:

- 1. Secretarial Standards 1- on Meetings of Board of Directors and Secretarial Standard-2 on General Meetings, issued by the Institute of Company Secretaries of India. (Other Secretarial Standards are not applicable since the same are not notified during the audit period.)
- 2. The Listing Agreements entered into by the Company with Bombay Stock Exchange, read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- 1. Pursuant to Section 203 (1)(b) & (c) of the Companies Act, 2013 read with Rule 8 and Rule 8A of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has failed to appoint a Company Secretary in whole time employment of the Company;
- 2. Pursuant to Section 139 of the Companies Act, 2013 read with Rule 4(2) of the Companies (Audit and Auditors) Rules, 2014, the Company has failed to file e-form ADT-1 within 15 days of the appointment of the Auditor for the Company;

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 Board of Directors that took place during the year 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 meeting, 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. Majority decisions are carried through while the dissenting members' views are captured and recorded as the part of the minutes.

PS IT INFRASTRUCTURE & SERVICES LIMITED

We further 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.

We further report that during the reporting period, there have been no specific events or actions having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

**For H. V. Gor & Co
Practicing Company Secretaries**

**Mr. Harsh Vijay Gor
Partner**

**ACS No. 38377
COP No. 14269**

Date: 05/09/2017

Place: Navi Mumbai

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this Report

ANNEXURE A OF SECRETARIAL AUDIT REPORT

To,

The Members,

**PS IT Infrastructure & Services Limited.,
CIN: L72900MH1982PLC027146**

Our report of even date to be read along with this letter;

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards, is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the Company nor of the efficacy and effectiveness with which the management has conducted the affairs of the Company.

**For H. V. Gor & Co
Practicing Company Secretaries**

**Mr. Harsh Vijay Gor
Partner**

**ACS No. 38377
COP No. 14269**

Date: 05/09/2017

Place: Navi Mumbai

ANNEXURE III

DISCLOSURE FOR RATIO OF REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEE'S REMUNERATION AND OTHER DETAILS AS PER RULE 5 OF THE COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014

1. Median Remuneration : Rs. 1,21,000

2. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:

| Executive Directors | Ratio to Median Remuneration |
|---------------------|------------------------------|
| Kawarlal Ojha | 0.91 |

| Non Executive Directors | Ratio to Median Remuneration |
|--------------------------|------------------------------|
| Kashi Prasad Bajaj | - |
| Pradeep Pushkarmal Gupta | - |
| Vandana Sahu | - |

3. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

| Directors, CEO, CFO & CS | Total Remuneration | % increase in remuneration |
|--------------------------|--------------------|----------------------------|
| Kawarlal Ojha*(MD) | 1,10,000 | 100% |
| Rajesh Patole**(CFO) | 2,60,000 | -0.04% |

*MD- Managing Director

**CFO- Chief Financial Officer

4. The percentage of the median remuneration of employees in the financial year to the total remuneration of the employees: 12.09%

5. The number of permanent employees on the rolls of company: 7

6. The explanation on the relationship between average increase in remuneration and company performance:

The increase in remuneration is in line with the market trends in the respective countries. In order to ensure that remuneration reflects Company performance, the performance pay is also linked to organisation performance, apart from an individual's performance.

7. Comparison of the remuneration of the Key Managerial Personnel against the performance of the company:

The remuneration of the Key Managerial Personnel is decided on the parameters set out in the Nomination, Remuneration and Performance Evaluation Policy of the Company, which is directly linked to individual performances as well as the performance of the Business.

| | |
|---|----------|
| Aggregate remuneration of Key Managerial Personnel (KMP) in FY 16- 17 (Rs in Lakhs) (CFO) | 2.60 |
| Revenue (Rs in Lakhs) | 31832.65 |
| Remuneration of KMPs (as a % of Revenue) | 0.01% |
| Profit before Tax (PBT) (Rs in Lakhs) | 4.24 |
| Remuneration of KMP (as a % of PBT) | 61.32% |

PS IT INFRASTRUCTURE & SERVICES LIMITED

8. Average percentile 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 and point out if there are any exceptional circumstances for increase in the managerial remuneration:

| Name of Employee | Salary in 2015-2016 | Salary in 2016-2017 | % change in Salary |
|---------------------|---------------------|---------------------|--------------------|
| Chandrakala Purohit | 12,53,383 | 3,19,050 | (74.54%) |
| Pandurang Vare | 1,43,000 | 1,21,000 | (15.38%) |
| Hiba Ansari | 3,51,129 | 45,000 | (87.18%) |
| Nitin Agarwal | 1,20,000 | 1,35,000 | 12.5% |
| Sajjan Kedia | 1,20,000 | 10,000 | (91.66%) |

There was increase as well as decrease in the average percentile in the salaries of employees based on the performance of the employees during the year under review (other than managerial personnel).

9. The key parameters for variable component of remuneration availed by the directors: NIL
10. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:

Mr. Kawarlal Ojha : Rs. 1,10,000(Highest Paid Director)

| Name of Employees | Ratio to Highest Paid Director |
|---------------------|--------------------------------|
| Rajesh Patole | 2.36 |
| Chandrakala Purohit | 2.90 |
| Pandurang Vare | 1.10 |
| Nitin Agarwal | 1.23 |

By Order of the Board of Directors
For PS IT Infrastructure & Services Ltd.

Place: Mumbai
Date: 05/09/2017

Sd/-
Mr. Kawarlal Ojha
Managing Director
DIN: 07459363

Sd/-
Mr. Johar Pal Singh
Whole time Director
DIN: 00113986

ANNEXURE III

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director and Executive Directors. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. We confirm that the Company has in respect of the year ended March 31, 2017, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

Registered Office:

Office No. 308, B2B Agarwal Centre,
Near Malad Industrial Estate, Kanchpada,
Malad west Mumbai -400064,
Maharashtra, India.

Date: 05/09/2017

By the order of the Board of Directors

Mr. Johar Pal Singh
Wholetime Director
DIN: 00113986

Mr. Kawarlal Ojha
Managing Director
DIN: 07459363

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2016-2017

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE :

Your company has been practicing the principles of good corporate governance and believes in importance of transparency and accountability in all facets of its operations. It is following sound systems to support healthy business operations and endeavors continuous improvements. Your company has implemented, to the extent possible, the recommendations of the code of corporate governance as per the guide-lines.

The Board of Directors of the company has adopted the code of conduct for its members and senior management covering company's value, principles, behavioral ideals, integrity, ethical conduct whereby interest of the company is taken care.

Whistle Blower Mechanism

The Company has established a mechanism which encourage all employees, officers and directors to report any suspected violation's which is promptly attended to and investigated for immediate action.

Pursuant to the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") the Company has executed fresh listing Agreement with Stock Exchange (BSE).

The Company is in compliance with the requirements stipulated under Regulations 17-20 & 22-27 of Chapter IV read with Schedule V of SEBI Listing Regulations, as applicable, with regard to Corporate Governance.

II. BOARD OF DIRECTORS :

a) Composition :

The Board of the Company presently consists of Five Directors. The Board comprises of Two Executive Directors & Three Non- Executive Independent Directors. The Independent Directors brings in Independent judgment in the Board's deliberations and decisions. The maximum tenure of Independent Director is in compliance with the Act. All Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act. The Composition of Directors is as under:

The names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the last Annual General Meeting as also the number of Directorships and Committee Memberships held by them in other companies were as under:

| Name of the Director / DIN No | Nature of Directorship | No. of Directorships in other public limited companies | Memberships of other Committee(s) of other public limited companies | | No. of Board Meetings Attended | Last AGM Attended (Yes/ No) |
|--|------------------------------------|--|---|--------|--------------------------------|-----------------------------|
| | | | Chairman | Member | | |
| Mr. Johar Pal Singh DIN:00113986 | Whole time Director | 3 | - | - | 06 | Yes |
| Mr. Kashi Prasad Bajaj DIN: 00559830 | Non Executive Independent Director | - | - | - | 06 | Yes |
| Mr. Pradeep Pushkarmal Gupta DIN: 01964509 | Non Executive Independent Director | - | - | - | 06 | Yes |
| Mr. Vandana Neerajkant Sahu DIN: 07145984 | Non Executive Independent Director | - | - | - | 06 | Yes |
| Mr. Kawarlal Kanhaiyalal Ojha DIN: 07459363 | Managing Director | - | - | - | 06 | Yes |

*Mr. Kawarlal Ojha (DIN: 07459363) has been appointed as Managing Director with effect from 23rd September, 2016.

PS IT INFRASTRUCTURE & SERVICES LIMITED

b) Meetings of Board of Directors:

During the year 2016-2017, the Board met Six times and the gap between two meetings did not exceed one hundred and twenty days. The date on which the said meetings were held are as under:

- 1) 30th May, 2016;
- 2) 18th July, 2016
- 3) 13th August, 2016;
- 4) 14th November, 2016;
- 5) 21st January, 2017;
- 6) 13th February, 2017.

The necessary quorum was present for all the meetings.

During the year a meeting of the Independent Directors was held on 28th February, 2017. The Independent Directors, inter-alia, reviewed the performance of non-independent directors, Chairman of the Company and the Board as a whole.

III. BOARD COMMITTEES:

i. Audit Committee

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with Section 177 of the Companies Act, 2013.

The Terms of Reference of the Audit Committee are broadly as under:

- o Oversight of Companies financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- o Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company.
- o Approval of payments to Statutory Auditors for any other services rendered by the Statutory Auditors.
- o Reviving, with the management, the Annual Financial Statements & Auditors Report thereon before submission to the Board for approval, with particular reference to :
 - ϕ Matters required to be included in the Directors Responsibility Statement to be included in the Board's Report in terms of Clause (c) of sub-section 3 of Section 134 of the Act.
 - ϕ Changes, if any, in Accounting policies and practices and reasons for the same.
 - ϕ Major Accounting entries involving estimates based on the exercise of judgment by management.
 - ϕ Significant adjustments made in the financial statements arising out of audit findings.
 - ϕ Compliance with listing and other legal requirements relating to financial statements.
 - ϕ Disclosure of any related party transactions.
 - ϕ Qualifications under Draft Audit Report
- o Reviving with the management, the quarterly financial statements before submission to the Board.
- o Review and monitor Auditor's Independence and performance, and effectiveness of Audit process.
- o Approval or any subsequent modification of transactions of the Company with related parties.
- o Examination of Financial Statements and the Auditors Report thereon.
- o Evaluation of Internal Financial Controls and Risk Management Systems
- o Establish Vigil Mechanism for directors and employees to report genuine concerns in such manner as may be prescribed.
- o The Audit Committee may call for comments of the auditors about Internal Control Systems, the scope of audit, including observations of the auditors & review of financial statements before their submission to the Board and may also discuss any issue with the internal and Statutory Auditors and the management of the Company.
- o The Audit Committee shall review the information required as per SEBI listing Regulations.

Composition and Attendance of Audit Committee

During the year the Committee met 4 times on

- 1) 30th May, 2016; 2) 13th August, 2016; 3) 14th November, 2016; 4) 13th February, 2017.

| Name of Director | Category | No. of Meetings Attended |
|-------------------------|---------------------------------|--------------------------|
| Mr. Kashi Prasad Bajaj | Independent - *N E D (Chairman) | 4 |
| Mr. Pradeep Kumar Gupta | Independent - *N E D (Member) | 4 |
| Mr. Kwarialal Ojha | Managing Director (Member) | 4 |

*N E D: Non Executive Director

The necessary quorum was present at the meetings.

- All members of the Board Audit Committee are financially literate and have relevant finance and /or audit exposure.
- At least One Audit Committee Meeting was held every quarter.

The Chairman of the Audit Committee Mr. Kashi Prasad Bajaj was present at 34th Annual General Meeting held on 23rd September, 2016.

ii. Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations, read with Section 178 of the Companies Act, 2013.

The broad terms of reference of the Nomination and Remuneration Committee are as under:

- o Recommend to the Board the set up and composition of the Board and its Committees including the formulation of the criteria for determining qualifications, positive attributes and independence of a director.
- o Recommend to the Board the appointment and re-appointment of the Directors.
- o Recommend to the Board the appointment of Key Managerial Personnel ("KMP" as defined by the Act) and Executive team members of the Company (as defined by this Committee)
- o Carry out evaluation of every director's performance and support the Board and Independent Directors in the evaluation of the performance of the Board, its committees and individual directors. This shall include the formulation of criteria for evaluation of Independent Directors and Board.
- o Recommend to the Board the Remuneration policies for directors, executive team, key managerial personnel as well as rest of employees.
- o Reviewing the performance of the Managing Director(s) and recommending to the Board the quantum of annual increments and annual commission.
- o Oversee familiarization programmes for directors.
- o Performing such other duties and responsibilities as may be consistent with the provisions of the Companies Charter.

Composition and Attendance of Remuneration Committee:

During the year 2016-2017, the Committee met once on 13th August, 2016.

The Composition and Attendance at the Remuneration Committee Meeting during the year were as under:

| Name of the Director | Category | No. of Meetings attended |
|------------------------|---------------------------------|--------------------------|
| Mr. Kashi Prasad Bajaj | Independent - *N E D (Chairman) | 1 |
| Mr. Pradeep Gupta | Independent - *N E D (Chairman) | 1 |
| Mrs. Vandana Sahu | Independent - *N E D (Chairman) | 1 |

*N E D: Non Executive Director

PS IT INFRASTRUCTURE & SERVICES LIMITED

Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for Independent Directors are determined by the Nomination and Remuneration committee. Indicative lists of factors that may be evaluated include participation and contribution by a director. Commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behavior and judgment.

Remuneration Policy:

The Remuneration Policy has been formed in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013. The criteria for determining the remuneration of directors are laid down by the Nomination and Remuneration committee. Indicative list of criteria defined in the policy are;

| | |
|------------------------|------------------------------------|
| Minimum Qualification: | Graduate |
| Positive Attribute: | Analyzing, Visionary, Determined |
| Experience: | 5 Years (2 years for professional) |

Details of Remuneration for the year ended March 31, 2016:

a. Non - Executive Directors

| Name | Commission (Rs.) | Sitting Fees (Rs.) |
|------------------------|------------------|--------------------|
| Mr. Kashi Prasad Bajaj | - | - |
| Mr. Pradeep Gupta | - | - |
| Ms. Vandana Sahu | - | - |

b. Managing Director and Executive Director

| Name of the Director | Salary | Benefits, Perquisites and Allowances | Commission (Rs, in Lakhs) |
|--------------------------|----------|--------------------------------------|---------------------------|
| Mr. Kwarlal Ojha (MD) | 1,10,000 | - | - |
| Mr. Joharpal Singh (WTD) | - | - | - |

iii. Stakeholders Relationship Committee:

The Stakeholders Relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with Section 178 of the Companies Act, 2013.

The Broad terms of reference of the Stakeholders Relationship Committee areas under:

- o Consider and resolve the grievances of security holders of the Company including redressal of investor complaints such as transfer of securities, non receipt of dividend/ notice/annual reports, etc. and all other securities holders' related matters.
- o Consider and approve issue of share certificates (including issue of renewed or duplicate Share certificates), transfer and transmission of securities, etc.

Composition and attendance of Stakeholders Relationship committee:

During the year 2016-2017, the Committee has not met even once as there were no investor complaints for redressal before the Committee nor any consideration for issuing of the Share Certificates.

The Composition and Attendance at the Stakeholders Relationship Committee Meeting during the year were as under:

| Name of the Director | Category | No. of Meetings attended |
|-----------------------------|---------------------------------|---------------------------------|
| Mr. Kashi Prasad Bajaj | Independent - *N E D (Chairman) | - |
| Mr. Kwarlal Ojha | Managing Director -- (Member) | - |
| Mr. Johar Pal Singh | Whole time Director -- (Member) | - |

*N E D: Non Executive Director

IV. GENERAL MEETINGS:

Details of Annual General Meetings:

a) The particulars of last three Annual General Meetings of the Company are as under:

| Financial year | Date | Time | Venue |
|-----------------------|----------------------------------|-------------|--|
| 2015-2016 | 23 rd September, 2016 | 02.30 P.M. | Office No. 612, Shivai Plaza, Near Marol Industrial Co-Op Soc Ltd., Marol, Andheri (East) Mumbai - 400059, Maharashtra |
| 2014-2015 | 25 th September, 2015 | 10.00 A.M | Office No. 612, Shivai Plaza, Near Marol Industrial Co-Op Soc Ltd., Marol, Andheri (East) Mumbai - 400059, Maharashtra |
| 2013-2014 | 29 th September, 2014 | 10.00 A.M | Flat No.2, Ground floor, Land Mark CHS, Dawood Baug, Cross Lane No. 01, Off. J.P Road, Andheri West. |

b) The particulars of special resolution passed in the last three Annual General Meetings are as under:

| Financial year | No. Of special resolution passed | Details of resolution passed |
|-----------------------|---|--|
| 2015-2016 | 1 | 1) Appointment of Mr. Kwarlal Ojha as Managing Director of the Company for 3 years u/s 196 & 203 of the Companies Act, 2013. |
| 2014-2015 | NIL | - |
| 2013-2014 | 2 | 1) Appointment of Mr. Johar Pal Singh as Whole Time Director of the Company for 3 years u/s 196 & 203 of Companies Act, 2013. 2) Adoption of new Articles of Association u/s 14 of Companies Act, 2013. |

V. DISCLOSURES :

a) Subsidiary Companies

The Company does not have any subsidiary as on 31st March, 2017.

b) Disclosures on materially significant transactions with related party

There were no materially significant Related party Transactions during the financial year ended 31st March, 2017, that may have potential conflict with the interest of the Company at large.

c) Disclosure of Accounting Treatment

The Company follows Accounting Standards issued by The Institute of Chartered Accountants of India and in the preparation of financial statement, the Company has not adopted any treatment of Accounting Policies different from those prescribed in Accounting Standards.

PS IT INFRASTRUCTURE & SERVICES LIMITED

d) Proceeds from Public issue or Preferential allotment

The Company has not made any public issue or preferential allotment during the year under review.

e) Management Discussion and Analysis Report

The Management Discussion and Analysis Report has been annexed to the Directors report.

f) Details of non-compliances with regard to Capital market

With regard to the matters related to the Capital market, the Company has complied with all the requirements of SEBI Regulations. No penalties were imposed or strictures passed against the Company by the Stock Exchange, SEBI or any other Statutory Authority during the last three years in this regard.

g) Whistle Blower Policy And Vigil Mechanism

Pursuant to the provisions of Section 177 of Companies Act, 2013 and the rules made there under, the Company has established " Whistle Blower Policy/ Vigil Mechanism," in its endeavor to provide its Board, Senior Management and Employees a secure and a fearless working environment, for directors and employees to report genuine concerns to the chairman of the Audit Committee. The purpose of this policy is to create an awareness and fearless environment for the employees to report an instance of unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct. The Framework of the policy strives to foster responsible and secure Whistle Blowing. The policy should be read in conjunction with applicable regulation and existing policies and procedures of the Company.

h) Reconciliation of Share Capital Audit

A qualified Practicing Company Secretary carried out a Share Capital Audit to reconcile the total admitted Equity Share Capital with the National Securities Depository Limited("NSDL") and Central Depository Services (India) Limited ("CDSL") and the total issued and listed equity share capital. The Audit report confirms that the total issued / paid up capital is in agreement with the total number of shares in physical form and total number of dematerialized shares held with NSDL and CDSL.

i) Code of Conduct

The Company has adopted a Code of Conduct for the Directors and Senior Management Personnel of the Company. The Members of the Board and Senior Management Personnel have affirmed the compliance with code applicable to them during the year ended March 31, 2017. The Annual Report of the Company contains a certificate issued by the Whole time Director in terms of SEBI Listing Regulations on the compliance declarations received from Independent Directors, Non-Executive Directors and Senior Management, enclosed in Annexure III.

j) Details of director seeking appointment

The details of Directors seeking appointment / re-appointment forms part of notice of Annual General Meeting.

VI. MEANS OF COMMUNICATION:

The quarterly, half yearly, Annual Results of the Company, are published in leading newspapers in India. The results are also displayed on the company's website www.psitinfrastructure.com. Further press releases made by the Company from time to time are also displayed on the Company's website.

VII. GENERAL INFORMATION:

| | |
|---|---|
| Date of Incorporation | 17th May, 1982 |
| Corporate Identity Number (CIN) | L72900MH1982PLC027146 |
| Registered Office | Office No. 308, B2B Agarwal Centre, Near Malad Industrial Estate, Kanchpada, Malad west Mumbai - 400064, Maharashtra, India. |
| Corporate Office (Address for Correspondence) | Office No. 308, B2B Agarwal Centre, Near Malad Industrial Estate, Kanchpada, Malad west Mumbai - 400064, Maharashtra, India. |
| Day and Date of the 35 th Annual General Meeting | Friday, 29th September, 2017 |
| Time and Venue of the Annual General Meeting | Office No. 308, B2B Agarwal Centre, Near Malad Industrial Estate, Kanchpada, Malad west Mumbai - 400064, Maharashtra, India. |
| Date of Book Closure | From 20th September, 2017 to 22nd September, 2017 (both days inclusive) |
| Date and Time of Receipt of Proxy | 27th September, 2017 before 11.00 A.M. |
| Financial Year: 2016-2017 | 1st April, 2016 to 31st March, 2017 |
| 1 st Quarter ending 30th June, 2016 | By August 14, 2016 |
| 2 nd Quarter ending 30th September, 2016 | By November 14, 2016 |
| 3 rd Quarter ending 31st December, 2016 | By February 14, 2017 |
| 4 th Quarter ending March 31, 2017 | By May 30, 2017 |
| Listing on Stock Exchange | BSE Limited 25 th Floor, P.J. Towers, Dalal Street, Mumbai- 400 001 Tel No : 91-22-22721233 / 34 Fax No : 91-22-26598347 / 48 Website : www.bseindia.com |
| | The Annual Listing fee for 2016-2017 have been duly paid |
| BSE Stock Code | 505502 |
| International Security Identification Number (ISIN) Code | INE953M01033 |

VIII. LISTING OF EQUITY SHARES:

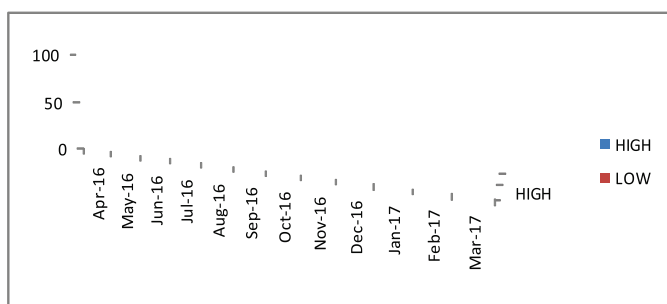
The Securities of the Company are listed at The Bombay Stock Exchange Limited, Mumbai and the trading in Securities of your Company has been functioning smoothly at the Bombay Stock Exchange Limited. The Company has paid listing fees for the financial year 2016-2017 to the Bombay Stock Exchange Limited.

PS IT INFRASTRUCTURE & SERVICES LIMITED

IX. MARKET PRICE DATA:

The month-wise movement (High & Low) of the equity shares of the Company at the BSE Limited, Mumbai, during each month for the year ended 31st March, 2017 is as under:

| Year | Month | BSE Sensex | |
|------|-----------|---------------|--------------|
| | | High (in Rs.) | Low (in Rs.) |
| 2016 | April | 09.04 | 07.66 |
| 2016 | May | 08.19 | 08.00 |
| 2016 | June | 86.50 | 81.00 |
| 2016 | July | 90.50 | 84.00 |
| 2016 | August | 92.45 | 86.90 |
| 2016 | September | 99.25 | 90.00 |
| 2016 | October | 96.70 | 95.00 |
| 2016 | November | 95.10 | 94.80 |
| 2016 | December | 94.85 | 93.00 |
| 2017 | January | 93.00 | 91.15 |
| 2017 | February | 91.15 | 84.15 |
| 2017 | March | 91.10 | 89.40 |



X. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2017:

a) Distribution of Equity shareholding as on 31st March, 2017:

| No. of shares | No. of Shareholders | Percentage of total no. of shareholders | No. of shares held | Percentage of total share capital |
|-----------------|---------------------|---|--------------------|-----------------------------------|
| Upto 50000 | 1653 | 91.07 | 1,22,48,503 | 2.04 |
| 50001- 100000 | 56 | 3.09 | 43,36,589 | 4.23 |
| 100001-200000 | 47 | 2.59 | 70,83,911 | 7.11 |
| 200001-300000 | 20 | 1.10 | 50,88,419 | 4.25 |
| 300001-400000 | 12 | 0.66 | 45,72,351 | 2.16 |
| 400001-500000 | 11 | 0.61 | 47,37,379 | 3.46 |
| 500001-1000000 | 12 | 0.66 | 84,91,298 | 8.38 |
| 1000001 & above | 4 | 0.22 | 72,01,550 | 68.37 |
| TOTAL | 1815 | 100 | 5,37,60,000 | 100 |

b) Shareholding pattern as on 31st March, 2017 :

| Category | No. of shares held | Holding Strength % |
|-----------------------------|---------------------------|---------------------------|
| Promoter and promoter Group | 10,19,178 | 1.89% |
| Institutions | 2,823 | 0.01% |
| NRI/OCBs/FIIs | - | - |
| Bodies Corporate | 24,223,124 | 45.06% |
| Resident Indian | 28,514,875 | 53.04% |
| Total | 53,760,000 | 100 |

XI. REGISTRAR AND TRANSFER AGENT : (For physical and Demat)

SHAREX DYNAMIC INDIA PRIVATE LIMITED,
Unit 1, Luthra Industrial Premises,
Safed Pool, Andheri Kurla Road,
Andheri (East), Mumbai, Maharashtra- 400 072

XII. SHARE TRANSFER SYSTEM:

Share Transfers in physical form are to be lodged with **SHAREX DYNAMIC INDIA PRIVATE LIMITED;** Registrar and Transfer Agent (RTA) at the above mentioned address. The transfers are normally processed within 15 days from the date of receipt of the relevant documents are complete in all respect. Now authority is given to RTA to approve the transfers.

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participant (DP) regarding change of address, change of Bank/Bank Account number, nomination, etc.

XIII. DEMATERIALISATION OF SHARES:

As per Notification issued by SEBI, with effect from June 26, 2000, it has become mandatory to trade in the Company's shares in the electronic form. The Company's shares are available for trading in the depository systems of both the National Securities Depository Ltd. (NSDL) as well as the Central Depository Services (India) Ltd. (CDSL) for demat facility.

86.03% of the Company's total paid up capital representing 4,62,50,340 equity shares were held in dematerialized form as at March 31, 2017 and the balance 13.97% representing 75,09,660 equity shares were held in physical form.

XIV. DEMAT AND PHYSICAL SHARES

| Particulars | As at March 31, 2017 | % |
|-------------------------------------|-----------------------------|-------------|
| No. of Shares held at CDSL | 1,97,96,748 | 36.82% |
| No. of Shares held at NSDL | 2,64,53,592 | 49.21% |
| No. of Shares held in Physical form | 75,09,660 | 13.97% |
| Total | 5,37,60,000 | 100% |

Registered Office
Office No. 308, B2B Agarwal Centre,
Near Malad Industrial Estate, Kanchpada,
Malad West Mumbai - 400064, Maharashtra, India

Place: Mumbai
Date: 05/09/2017

By Order of the Board of Directors
PS IT Infrastructure & Services Ltd.

Mr. Kawarlal Ojha
Managing Director
(Din: 07459363)

PS IT INFRASTRUCTURE & SERVICES LIMITED

Chief Financial Officer (CFO) Certificate

I, Mr. Rajesh Baliram Patole, Chief Financial Officer of PS IT Infrastructure & Services Limited, to the best of our knowledge and belief hereby certify that:

- a. I have reviewed financial statements and the cash flow statement for the year ended 31st March 2017 and:
 - o These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - o These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are no transactions entered into by the company during the year which are fraudulent, illegal or vocative of the company's code of conduct.
- c. I accept responsibility for establishing and maintaining internal controls for financial reporting and that i have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and i have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, and steps taken or proposed to be taken to rectify these deficiencies.
- d. I have indicated to the auditors and the Audit committee:
 - o Significant changes in internal control over financial reporting during the year;
 - o Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - o 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.

For PS IT Infrastructure & Services Limited

Rajesh Baliram Patole
(CFO)

Place: Mumbai

Date: 30/05/2017

Auditors' Certificate on Corporate Governance

To the Members of **PS IT INFRASTRUCTURE & SERVICES LIMITED**

We have examined the compliance of conditions of Corporate Governance by M/s. PS IT Infrastructure & Services Ltd. (The Company), for the year ended March 31, 2017 as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of 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 our 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 SEBI Listing Regulations, 2015.

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

B.S. Kedia & Co.

Chartered Accountants

FRN: 317159E

Place: Kolkata

Date: May 30, 2017

Vikash Kedia

Partner

Membership No. 066852

PS IT INFRASTRUCTURE & SERVICES LIMITED

Independent Auditor's Report

To the Members of PS IT Infrastructure & Services Limited

Report on the Financial Statement

We have audited the accompanying financial statements of PS IT Infrastructure & Services Limited which comprise the balance Sheet as at 31st March 2017, the statement of profit & loss and 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 matter 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. 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.

Auditors Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provision of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provision of the act and the Rules made there under.

We have taken into account the provision of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act and other applicable authoritative Pronouncements issued by the Institute of Chartered Accountant of India. 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 of material misstatement.

An audit involves performing procedure to obtain audit evidence about the amounts and disclosures in the financial statements. The procedure 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 control relevant to the Company's preparation of the financial statements that give a true & fair view, in order to design audit procedure 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 management, 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements subject to (g) below 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 of the state of affairs of the Company as at 31st March 2017, its Profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.
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 it 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 the account;
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the directors, as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017, from being appointed as director in terms of section 164(2) of the Act.
 - f. 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" and;
 - g. 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, as amended, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us.
 - i. The Company has disclosed the impact of pending litigations, if any, on its financial position in its financial statements; however there isn't any litigations pending against the name of the company so far, as appeared from the records and has been told to us by the management.
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
 - iii. The Company was not required to transfer any fund into the Investors Education and Protection Fund during the year.
 - iv. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company.

For B. S. Kedia & Co.
Chartered Accountants
FRN: 317159E

VIKASH KEDIA
Partner
M. No.: 066852

Place: Kolkata
Date: May 30, 2017

PS IT INFRASTRUCTURE & SERVICES LIMITED

Annexure "A" to Independent Auditor's Report

Referred to in paragraph 9 of the Independent Auditors Report of even date to the member of M/s. PS IT Infrastructure & Services Limited on the standalone financial statements for the year ended March 31, 2017-

- i. In respect of its fixed assets:
 - a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) It has been explained to us that the Company has a regular program for physical verification of fixed assets, which in our opinion is reasonable having regard to the size of the company and the nature of its assets and no material discrepancies were noticed on such verification.
 - c) In our opinion and according to the information and explanations given to us, no substantial part of fixed assets has been disposed during the year and therefore does not affect the going concern assumption.
- ii. In respect of its Inventories:
 - a) The inventory of shares has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable.
 - b) As per the information given to us, the procedures of physical verification of inventory followed by management are, in our opinion, reasonable and adequate in relation to the size of the company and nature of its business.
 - c) In our opinion and according to the information and explanation given to us, Company is maintaining proper records of inventory. No material discrepancy was noticed on physical verification.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered under section 189 of the Companies Act, 2013.
- iv. In our opinion and according to the information and explanations given to us, the provisions of section 185 and 186 of the Companies Act 2013, does not apply to the company.
- v. The Company has not received any public deposits during the year.
- vi. As informed by the management, the Central Government has not prescribed maintenance of cost records under sub section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- vii. In respect of statutory dues:
 - a) According to the records of the company and information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund Act, Employee's State Insurance, income tax, sales tax, wealth tax, service tax, value added tax, custom duty excise duty, Cess and other material statutory dues applicable to it, with the appropriate authorities.
 - b) According to the information and explanations given to us there were no undisputed amounts payable in respect of Provident Fund Act, Employee's State Insurance, income tax, sales tax, wealth tax, service tax, value added tax, custom duty excise duty, Cess and other material statutory dues in arrear as at March 31, 2017 for a period of more than six months from the date they became payable.
 - c) According to the information and explanations given to us, the dues outstanding of income tax, sales-tax, service tax, duty of customs, duty of excise or value added tax, which have not been deposited on account of any dispute, are as follows:

ANNUAL REPORT 2016-17

| Name of the Statute | Nature | Disputed Amount | Financial Year for which it relates | Forum where disput is pending |
|----------------------|------------|-----------------|-------------------------------------|-------------------------------|
| Income Tax Act, 1961 | Income Tax | 1,50,18,910/- | 2014-15 | Income Tax Appellate |
| Income Tax Act, 1961 | Income Tax | 48,35,760/- | 2013-14 | Income Tax Appellate |
| Income Tax Act, 1961 | Income Tax | 26,61,55,140/- | 2012-13 | Income Tax Appellate |

- d) According to the information and explanations given to us there were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.
- viii. The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid/provided for any managerial remuneration during the year.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, there is been no transactions with the related parties during the said period. Therefore, this paragraph is not applicable in case of the company.
- xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) According to the information and explanations given to us, we report that the Company is not required to be registered itself under section 45-IA of the Reserve Bank of India Act, 1934.

For B. S. Kedia & Co.
Chartered Accountants
FRN: 317159E

Sd/-

VIKASH KEDIA
Partner
M. No.: 066852

Place: Kolkata
Date: May 30, 2017

PS IT INFRASTRUCTURE & SERVICES LIMITED

Annexure "B" to Independent Auditor's Report

Referred to in paragraph 10(g) of the Independent Auditors' Report of even date to the members of M/s. PS IT Infrastructure & Services Limited on the standalone financial statements for the year ended March 31, 2017

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of M/s. PS IT Infrastructure & Services Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. 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 (ICAI). 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 Act.

Auditors' Responsibility

3. 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 deemed to be prescribed under section 143(10) of the Act 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 ICAI. 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.
4. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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

6. 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 -
 - a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

- b) 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 authorisations of management and directors of the company; and
- c) provides reasonable assurance regarding prevention or timely detection of unauthorised 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

- 7. 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

- 8. 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.

For B. S. Kedia & Co.
Chartered Accountants
FRN: 317159E

VIKASH KEDIA
Partner
M. No.: 066852

Place: Kolkata
Date: May 30, 2017

PS IT INFRASTRUCTURE & SERVICES LIMITED

Balance Sheet As At 31st March, 2017

| Particulars | Note No. | Year ended March 31st, | |
|--|-------------|------------------------|----------------------|
| | | 2017 (₹) | 2016 (₹) |
| I EQUITY AND LIABILITIES | | | |
| 1 Shareholder's Funds | | | |
| Share Capital | 3 | 537,600,000 | 537,600,000 |
| Reserves & Surplus | 4 | 24,632,142 | 24,339,374 |
| 2 Current Liabilities | | | |
| Short Term Borrowings | 5 | 15,500,000 | 13,500,000 |
| Trade Payables | 6 | 1,082,210,430 | 1,061,167,722 |
| Other Current Liabilities | 7 | 2,572,761 | 1,243,123 |
| Short Term Provisions | 8 | 1,371,768 | 1,227,048 |
| TOTAL | | 1,663,887,101 | 1,639,077,267 |
| II ASSETS | | | |
| 1 Non Current Assets | | | |
| <i>Fixed Asset:</i> | | | |
| Tangible Assets | 9 | 33,991 | 87,054 |
| Long Term Loans And Advances | 10 | 44,038,121 | 48,219,299 |
| Other Non Current Assets | 11 | 798,640 | 1,597,280 |
| 2 Current Assets | | | |
| Inventories | 12 | 849,428,089 | 848,975,004 |
| Trade Receivable | 13 | 648,288,225 | 526,101,865 |
| Cash and cash equivalents | 14 | 494,836 | 640,812 |
| Short term Loans and Advances | 15 | 120,292,792 | 213,455,953 |
| Other Current Asset | 16 | 512,404 | - |
| TOTAL | | 1,663,887,101 | 1,639,077,267 |
| Significant Accounting Policies | 1 | - | |
| Notes on Financial Statements | 2 | | |

As per our report even date attached.

For **B.S. KEDIA & COMPANY**

For **PS IT INFRASTRUCTURE & SERVICES LTD**

Chartered Accountants

FRN- 317159E

VIKASH KEDIA

Partner

M No. - 066852

KAWARLAL OJHA

Director

DIN: 07459363

JOHARPAL SINGH

Director

DIN: 00113986

RAJESH PATOLE

CFO

Place: Kolkata

Date: May 30, 2017

Place: Mumbai

Date: May 30, 2017

Statement of Profit And Loss Account For The Year Ended 31st March, 2017

| Particulars | Note No. | Year ended March 31st, | |
|---|----------|------------------------|----------------------|
| | | 2017 (₹) | 2016 (₹) |
| I Revenue from operations | 17 | 3,180,274,324 | 3,283,601,939 |
| II Other Operating Income | 18 | 2,990,650 | 2,709,145 |
| III Total Revenue | | 3,183,264,974 | 3,286,311,084 |
| IV Expenses: | | | |
| Purchase of Stock in Trade | 19 | 3,178,938,083 | 3,222,838,148 |
| Change in Inventories | 20 | (453,085) | 50,886,656 |
| Employee Benefits Expenses | 21 | 1,010,382 | 2,674,991 |
| Depreciation | 9 | 53,063 | 115,757 |
| Other Expenses | 22 | 3,292,844 | 5,824,503 |
| Total Expenses | | 3,182,841,287 | 3,282,340,055 |
| V Profit/(loss) before exceptional items and tax | | 423,687 | 3,971,028 |
| VI Exceptional Items | | - | - |
| VII Profit/(loss) before tax | | 423,687 | 3,971,028 |
| VIII Tax Expenses | | | |
| Current Tax | | 130,919 | 1,227,048 |
| Earlier year Income Tax | | - | 732,091 |
| IX Profit/(loss) from the period | | 292,768 | 2,011,890 |
| X Basic & Diluted Earning Per Share of Rs. 10 each | | 0.005 | 0.037 |
| Significant Accounting Policies | 1 | | |
| Notes on Financial Statements | 2 | | |

As per our report even date attached.

For **B.S. KEDIA & COMPANY**For **PS IT INFRASTRUCTURE & SERVICES LTD****Chartered Accountants**

FRN- 317159E

VIKASH KEDIA

Partner

M No. - 066852

KAWARLAL OJHA

Director

DIN: 07459363

JOHARPAL SINGH

Director

DIN: 00113986

RAJESH PATOLE

CFO

Place: Kolkata

Date: May 30, 2017

Place: Mumbai

Date: May 30, 2017

PS IT INFRASTRUCTURE & SERVICES LIMITED

Cash Flow Statement Annexed to the Balance Sheet for period from April 2016 to March 2017

| Particulars | For the Year ended 31 March, 2017 | |
|--|-----------------------------------|--------------------|
| | Rs. | Rs. |
| A CASH FLOW FROM OPERATION ACTIVITIES: | | |
| NET PROFIT /LOSS BEFORE TAX | | 423,687 |
| <i>Adjustment for:</i> | | |
| Interest Income | (2,990,650) | |
| Preliminary Exp written off | 798,640 | |
| Depreciation | 53,063 | |
| Comodity Loss/(Profit) | - | (2,138,947) |
| Operating profit / (loss) before working capital changes | | (1,715,260) |
| Change in working capital: | | |
| Adjustment for (increase) / decrease in operating assets: | | |
| Trade receivables | (122,186,360) | |
| Loan & Advance | 4,181,178 | |
| Inventory | (453,085) | |
| Short term loan & advances | 93,163,161 | |
| Other CA | (512,404) | |
| Adjustment for (increase) / decrease in operating liabilities: | | |
| Trade payables | 21,042,709 | |
| Other CL | 1,329,638 | |
| Short term prov | 144,720 | |
| Cash Generated from Operation | | (3,290,443) |
| Net Income Tax (Paid)/ Refunds | (130,919) | |
| Net cash flow from operating activities (A) | | (3,421,363) |
| B CASH FLOW FROM INVESTING ACTIVITIES: | | |
| Interest Received | 2,990,650 | |
| Investment | - | |
| Purchase of Fixed Asset | - | |
| Profit in Investment in Commodities | - | |
| Net cash flow from investing activities (B) | | 2,990,650 |
| C CASH FLOW FROM FINANCING ACTIVITIES: | | |
| Short term borrowing | 2,000,000 | |
| Net cash flow from financing activities (C) | | 2,000,000 |
| Net Increase (Decrease) in Cash and Cash equivalents | | (145,972) |
| Opening balance of cash and cash equoivalents | | 640,812 |
| Closing balance of cash and cash equoivalents | | 494,836 |

Notes:

1) The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 issued by the "ICAI".

For **B.S. KEDIA & COMPANY**

For **PS IT INFRASTRUCTURE & SERVICES LTD**

Chartered Accountants

FRN- 317159E

VIKASH KEDIA

Partner

M No. - 066852

KAWARLAL OJHA

Director

DIN: 07459363

JOHARPAL SINGH

Director

DIN: 00113986

RAJESH PATOLE

CFO

Place: Kolkata

Date: May 30, 2017

Place: Mumbai

Date: May 30, 2017

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON FINANCIAL STATEMENTS AS AT 31 MARCH 2017

1 Significant Accounting Policies:

(a) Corporate Information:

PS IT Infrastructure & Services Limited has incorporated on 17th May, 1982 at Mumbai, India vide CIN: L72900MH1982PLC027146 having registered at office no. 308, B2B Agarwal Center, Near Malad Industrial Estate, Kanchpada, Malad (W), Mumbai- 400 064. It is a Public limited company by its shares. The Company is engaged in trading of Computer Hardware and Software, dealing in shares & other securities.

(b) Basis of preparation of financial statements:

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (India GAAP) in compliance with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provision of Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. Further in view of the revised schedule VI of the Companies Act, 2013 and the guidelines issued by the Securities and Exchange Board of India (SEBI) to the extent applicable. The financial statements are presented in Indian rupees rounded off to the nearest rupee.

(c) Use of estimates:

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, the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of income and expenditure during the year reported. Actual results may differ from that estimates and assumptions used in preparing the accompanying financial statements. Any revision to accounting estimates is recognized prospectively in the current and future period.

(d) Fixed Assets & Depreciation:

Assets are stated at acquisition cost, net of accumulated depreciation. Subsequent expenditure related to an item of assets are added to its book value only if they increase the future benefits from the existing assets beyond its previously assessed standard of performance.

Depreciation on tangible fixed assets has been provided on written down value method over their useful life of the assets assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes etc.

(e) Inventories:

Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase and other cost incurred in bringing them to their respective present location and condition.

Inventory of shares are valued at cost or market value, whichever is lower.

(f) Cash flow statement:

Cash Flow Statements have been prepared accordance with the 'indirect method' as explained in the AS-3 issued by the Institute of Chartered Accountants of India.

(g) Investments:

Investments that are readily realizable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as non-current investments.

Current Investments are carried at lower of cost and quoted/ fair value, computed category wise. Long Term investments are stated at cost. Provision for diminution in the value of long term investment is made only if such a decline is other than temporary.

PS IT INFRASTRUCTURE & SERVICES LIMITED

(h) Employee Benefits:

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

(i) Revenue recognition:

Revenue is recognised to the extent that is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Sales are recognised when the significant risks and reward of ownership of the goods have passed to the buyer.

(j) Expenditure:

Expenses are booked on accrual basis and provision is made for all known losses and liabilities.

(k) Provisions, Contingent Liabilities & Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

(l) Provision for Current Tax:

Provision of Current tax is made after taking in to consideration benefits admissible under the provisions of the Income tax act, 1961.

(m) Borrowing Cost:

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized as the cost of the respective assets until the time all such activities necessary to prepare the qualifying assets intended use are complete. Other Borrowing costs are charged to the Profit & Loss Account in the period in which they are incurred.

(n) Earning per Share:

The Basic Earning per Share (EPS) as per AS-20 is computed by dividing the Net Profit after Tax for the year by number of Equity Shares outstanding at the end of the year.

(o) Segment report:

Based on the Similarity of activities, risks and reward structure, organization structure and internal reporting systems, the company has structured its operations under two segment viz Trading in COMPUTER HARDWARE & SOFTWARE and dealing in SHARES & OTHER SECURITIES.

| Segment Revenue: | 2016-17 (Rs. in Lac) |
|--|-----------------------------|
| a) Sale of Hardware & Software | 31,597.74 |
| b) Shares | 205.00 |
| c) Others | 29.91 |
| Total | 31,832.65 |
| Segment Profit & Loss (before tax): | 2016-17 (Rs. in Lac) |
| d) Sale of Hardware & Software | 73.40 |
| e) Shares | -99.07 |
| f) Others | 29.91 |
| Total | 04.24 |

2 Notes to Accounts:

(a) In the opinion of the management, current assets, loans and advances and other receivables have realizable value of at least the amounts at which they are stated in accounts.

Previous year figure have been restated to confirm to the classification of the current year.

Balances of Sundry Debtors, Unsecured Loans, and Sundry Creditors and Loans & Advances are subject to reconciliation, since confirmations have not been received from them. Necessary entries will be passed on receipt of the same if required.

(b) Information in respect of Audit remuneration is as follows :

| | 2016-2017 (Rs.) |
|----------------------|------------------------|
| Statutory Audit Fees | 20,000/- |
| Tax Audit Fees | 10,000/- |

(c) Related Party Disclosure as required by AS -18

(i) Name of the Key Managerial Personal & their relatives (as on 31st March, 2017)

| | |
|---------------|-------------------------|
| Kawarlal Ojha | Managing Director |
| Rajesh Patole | Chief Financial Officer |

(ii) Related Party Transaction During the Year:

| Name of the Related Party | Remuneration (Rs.) |
|----------------------------------|---------------------------|
| Kawarlal Ojha | 1,10,000 |
| Rajesh Patole | 2,60,000 |

(d) Contingent Liabilities not provided for Rs. Nil

(e) Balances of Sundry Debtors and Creditors, Unsecured Loans, Loans & Advances are subject to reconciliation, since confirmations have not been received from them.

(f) There were no foreign exchange transactions during the year.

(g) Disclosure in accordance with section 22 of Micro, Small and Medium Enterprises Development Act 2006 is not applicable for the Company.

(h) Previous Year figures have been regrouped and/or rearranged wherever necessary.

As per our Report of even Date

For **B. S. Kedia & Co.**

For **PS IT INFRASTRUCTURE & SERVICES LTD**

Chartered Accountants

FRN: 317159E

VIKASH KEDIA

Partner

M No. - 066852

KAWARLAL OJHA

Director

DIN: 07459363

JOHARPAL SINGH

Director

DIN: 00113986

RAJESH PATOLE

CFO

Place: Kolkata

Date: May 30, 2017

Place: Mumbai

Date: May 30, 2017

PS IT INFRASTRUCTURE & SERVICES LIMITED

Notes on Financial Statements as at 31st March, 2017

| Note No. | Particulars | Year ended March 31st, | |
|----------|---|------------------------|--------------------|
| | | 2017 (₹) | 2016 (₹) |
| 3 | Share Capital | | |
| | (a) Authorised Share Capital | | |
| | 5,55,20,000 Equity shares of Rs.10/- each | 555,200,000 | 555,200,000 |
| | | 555,200,000 | 555,200,000 |
| | (b) Issued, Subscribed & paidup | | |
| | 5,37,60,000 Equity shares of Rs.10/- each fully paid up | 537,600,000 | 537,600,000 |
| | | 537,600,000 | 537,600,000 |

(c) **Terms & Rights attached to Shares**

Equity Shares

The company has one class of equity shares having a par value of Rs.10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(d) **Reconciliation of shares outstanding at the beginning and at the end of the reporting period:**

| Equity Shares | As at 31st March 2017 | As at 31st March 2016 |
|---|-----------------------|-----------------------|
| At the commencement of the period (no. of Shares 5,37,60,000 as at 31st March 2016, no. of Shares 53,76,00,000 as at 31st March 2017) | 537,600,000.00 | 537,600,000.00 |
| Shares issued on exercise of employee stock option (no. of Shares 0) | - | - |
| Shares issued during the year by way of Preferential Allotment (no. of Shares 0) | - | - |
| Total | 537,600,000.00 | 537,600,000.00 |

(e) **Details of Shareholders holding more than 5% shares in the company:**

| Equity Shares | As at 31st March 2017 | As at 31st March 2016 |
|---------------|-----------------------|-----------------------|
| Nil | 0.00 | 0.00 |
| Total | 0.00 | 0.00 |

Notes on Financial Statements as at 31st March, 2017

| Note No. | Particulars | Year ended March 31st, | |
|----------|---------------------------------------|------------------------|----------------------|
| | | 2017 (₹) | 2016 (₹) |
| 4 | Reserves and Surplus | | |
| | Surplus in statement of Profit & Loss | | |
| | Opening Balance | 24,339,374 | 22,327,484 |
| | Add: Profit/ (loss) for the year | 292,768 | 2,011,890 |
| | Closing Balance | 24,632,142 | 24,339,374 |
| 5 | Short Term Borrowings | | |
| | Unsecured Loans | | |
| | from Director | - | - |
| | from Body Corporate | - | - |
| | others | 15,500,000 | 13,500,000 |
| | | 15,500,000 | 13,500,000 |
| 6 | Trade Payable | | |
| | Trade Payable | 1,082,210,430 | 1,061,167,722 |
| | | 1,082,210,430 | 1,061,167,722 |
| 7 | Other Current Liabilities | | |
| | Creditors for expenses | 2,132,363 | 1,025,983 |
| | Advance Payments from Customers | - | - |
| | Other Payable | 440,398 | 217,141 |
| | | 2,572,761 | 1,243,123 |
| 8 | Short Term Provisions | | |
| | Provision for Tax | 1,371,768 | 1,227,048 |
| | | 1,371,768 | 1,227,048 |

9 Fixed assets

(Amount in ₹)

| Particulars | Gross block | | | Accumulated depreciation | | | | Net block | | |
|-------------------------|----------------------|---------------|-----------|--------------------------|----------------------|----------------|------------|-----------------------|-----------------------|-----------------------|
| | As at 1st April 2016 | Additions | Deletions | As at 31 March 2017 | As at 1st April 2016 | For the year | Deductions | As at 31st March 2017 | As at 31st March 2017 | As at 31st March 2016 |
| Tangible assets: | | | | | | | | | | |
| Computer | 238,398 | - | - | 238,398 | 161,962 | 48,277 | - | 210,239 | 28,159 | 76,436 |
| Office Equipment | 21,380 | - | - | 21,380 | 10,762 | 4,786 | - | 15,548 | 5,832 | 10,618 |
| Total | 259,778 | - | - | 259,778 | 172,724 | 53,063 | - | 225,787 | 33,991 | 87,054 |
| <i>Previous year</i> | <i>228,788</i> | <i>30,990</i> | <i>-</i> | <i>259,778</i> | <i>56,967</i> | <i>115,757</i> | <i>-</i> | <i>172,724</i> | <i>87,054</i> | <i>171,821</i> |

PS IT INFRASTRUCTURE & SERVICES LIMITED

Notes on Financial Statements as at 31st March, 2017

| Note No. | Particulars | Year ended March 31st, | |
|-----------|--|------------------------|-------------------|
| | | 2017 (₹) | 2016 (₹) |
| 10 | Long Term Loans and Advances | | |
| | <u>Unsecured, Considered Good :</u> | | |
| | Loans & Advances | 44,038,121 | 48,219,299 |
| | | 44,038,121 | 48,219,299 |
| 11 | Other Non Current Asset | | |
| | Preliminary Expenses | 798,640 | 1,597,280 |
| | | 798,640 | 1,597,280 |
| 12 | Inventories | | |
| | Computer Hardware & Software | 41,654,360 | 41,654,360 |
| | Shares | | |
| | Equity Instruments - Quted | | |
| | 125327 fully paid up shares of JMD Telefilms Industries Limited (FV - Rs.1) | 374,728 | 286,999 |
| | 9680 fully paid up shares of Unisys Software & Holding Industries Ltd (FV - Rs.10) | 310,244 | 426,888 |
| | Equity Instruments - Unquted | | |
| | 175000 fully paid up shares of Parampita Vinimay (P) Ltd. (FV - Rs.10) | 35,000,000 | 35,000,000 |
| | 40000 fully paid up shares of Compass Distributors (P) Ltd. (FV - Rs.10) | 4,000,000 | 4,000,000 |
| | 70000 fully paid up shares of Aradhana Impex (P) Ltd. (FV - Rs.10) | 7,000,000 | 7,000,000 |
| | 5000 fully paid up shares of Mundrika Distributors (P) Ltd. (FV - Rs.10) | 500,000 | 500,000 |
| | 118200 fully paid up shares of JMD Sounds Ltd. (FV - Rs.10) | 27,475,000 | 27,475,000 |
| | 513000 fully paid up shares of Nextgen Infotel (P) Ltd. (FV - Rs.10) | 51,300,000 | 51,300,000 |
| | 64000 fully paid up shares of Kumaon Engineering Co. (P) Ltd. (FV - Rs.10) | 32,000,000 | 32,000,000 |
| | 80000 fully paid up shares of Avion Developers (P) Ltd. (FV - Rs.10) | 20,000,000 | 20,000,000 |
| | 82594 fully paid up shares of Neha Cassettes (P) Ltd. (FV - Rs.1) | 8,259,387 | 8,259,387 |
| | 63000 fully paid up shares of Nirnidhi Consultant (P) Ltd. (FV - Rs.10) | 6,300,000 | 6,300,000 |
| | 106208 fully paid up shares of Sepia Venture (P) Ltd. (FV - Rs.10) | 10,620,800 | 10,620,800 |
| | 60000 fully paid up shares of Grafton Merchant (P) Ltd. (FV - Rs.10) | 30,000,000 | 30,000,000 |
| | 60000 fully paid up shares of Albright Electricals (P) Ltd. (FV - Rs.10) | 30,000,000 | 30,000,000 |
| | 7344 fully paid up shares of Rigmadirappa Investments (P) Ltd. (FV - Rs.10) | 3,672,000 | 19,550,000 |
| | 60000 fully paid up shares of Sainath Dealcom (P) Ltd. (FV - Rs.10) | 6,000,000 | 6,000,000 |
| | 115000 fully paid up shares of Amber Tradecom (P) Ltd. (FV - Rs.10) | 11,500,000 | 11,500,000 |
| | 200000 fully paid up shares of Octopus Infotel (P) Ltd. (FV - Rs.10) | 20,000,000 | 20,000,000 |
| | 200000 fully paid up shares of Seagreen Realtors (P) Ltd. (FV - Rs.10) | 20,000,000 | 20,000,000 |
| | 29000 fully paid up shares of Hilltop Sales (P) Ltd. (FV - Rs.10) | 2,900,000 | 2,900,000 |

Notes on Financial Statements as at 31st March, 2017

| Note No. | Particulars | Year ended March 31st, | |
|----------|--|------------------------|--------------------|
| | | 2017 (₹) | 2016 (₹) |
| | 129000 fully paid up shares of Brijwasi Distributors (P) Ltd. (FV - Rs.10) | 25,800,000 | 25,800,000 |
| | 25000 fully paid up shares of Naman Buildwell (P) Ltd. (FV - Rs.10) | 2,500,000 | 2,500,000 |
| | 431800 fully paid up shares of Parampita Traders (P) Ltd. (FV - Rs.10) | 56,360,000 | 40,000,000 |
| | 250000 fully paid up shares of Gemini Commosales (P) Ltd. (FV - Rs.10) | 25,000,000 | 25,000,000 |
| | 140000 fully paid up shares of Devendra Contra (P) Ltd. (FV - Rs.10) | 14,000,000 | 14,000,000 |
| | 50000 fully paid up shares of Jain Stock (P) Ltd. (FV - Rs.10) | 500,000 | 500,000 |
| | 60000 fully paid up shares of Shree Metaliks (P) Ltd. (FV - Rs.10) | 6,000,000 | 6,000,000 |
| | 8000 fully paid up shares of Nilkanth Commodities (P) Ltd. (FV - Rs.10) | 4,000,000 | 4,000,000 |
| | 37500 fully paid up shares of Keshow Packaging (P) Ltd. (FV - Rs.10) | 7,500,000 | 7,500,000 |
| | 25000 fully paid up shares of Satabdi Computers (P) Ltd. (FV - Rs.10) | 2,500,000 | 2,500,000 |
| | 165 fully paid up shares of Jaya Securities (P) Ltd. (FV - Rs.10) | 16,500 | 16,500 |
| | 12635 fully paid up shares of Shivmanal Vyapaar (P) Ltd. (FV - Rs.10) | 2,527,000 | 2,527,000 |
| | 350000 fully paid up shares of Amba Tradecom (P) Ltd. (FV - Rs.1) | 35,000,000 | 35,000,000 |
| | 200000 fully paid up shares of Amber Comtrade (P) Ltd. (FV - Rs.1) | 20,000,000 | 20,000,000 |
| | 200000 fully paid up shares of Maa Sharda Tradecom (P) Ltd. (FV - Rs.1) | 20,000,000 | 20,000,000 |
| | 400000 fully paid up shares of Concord Vintrade (P) Ltd. (FV - Rs.1) | 40,000,000 | 40,000,000 |
| | 138000 fully paid up shares of Aakruti Marketing (P) Ltd. (FV - Rs.10) | 19,800,000 | 19,800,000 |
| | 190500 fully paid up shares of Dinman Marketing (P) Ltd. (FV - Rs.10) | 19,050,000 | 19,050,000 |
| | 500000 fully paid up shares of Arstu Tradelink (P) Ltd. (FV - Rs.10) | 50,000,000 | 50,000,000 |
| | 150000 fully paid up shares of Amber Tradelink (P) Ltd. (FV - Rs.10) | 15,000,000 | 15,000,000 |
| | 67000 fully paid up shares of Divyajyoti Steel (P) Ltd. (FV - Rs.10) | 16,750,000 | 16,750,000 |
| | 100000 fully paid up shares of Hamsafar Marketing (P) Ltd. (FV - Rs.10) | 10,000,000 | 10,000,000 |
| | 70000 fully paid up shares of Nandan Mercantile (P) Ltd. (FV - Rs.10) | 28,000,000 | 28,000,000 |
| | 200000 fully paid up shares of Orchid Vintrade (P) Ltd. (FV - Rs.10) | 20,000,000 | 20,000,000 |
| | 18213 fully paid up shares of Scan Infrastructure (P) Ltd. (FV - Rs.10) | 7,103,070 | 7,103,070 |
| | 100550 fully paid up shares of Symphony Suppliers (P) Ltd. (FV - Rs.10) | 10,055,000 | 10,055,000 |
| | 45000 fully paid up shares of Sap Merchant Ltd. (FV- Rs. 10) | 4,500,000 | 4,500,000 |
| | 10000 fully paid up shares of Drive Dremas Marketing Pvt Ltd. (FV - Rs.10) | 100,000 | 100,000 |
| | 35000 fully paid up shares of Global Glow (FV - Rs.10) | 3,500,000 | 3,500,000 |
| | 10000 fully paid up shares of Attribute Shares & Securities Pvt Ltd (FV-100) | 10,000,000 | 10,000,000 |
| | 50000 fully paid up shares of Darukana Steels Pvt Ltd (FV- Rs. 10) | 5,000,000 | 5,000,000 |
| | | 849,428,089 | 848,975,004 |

PS IT INFRASTRUCTURE & SERVICES LIMITED

Notes on Financial Statements as at 31st March, 2017

| Note No. | Particulars | Year ended March 31st, | |
|-----------|--|------------------------|----------------------|
| | | 2017 (₹) | 2016 (₹) |
| 13 | Trade Receivables | | |
| | (i) Over six months from the date they were due for payment | | |
| | Unsecured and Considered Good | | |
| | Unsecured and Considered Doubtful | 278,910,930 | 212,265,581 |
| | (ii) Others | | |
| | Unsecured and Considered Good | 369,377,295 | 313,836,284 |
| | Unsecured and Considered Doubtful | - | - |
| | Less: Provision for other receivables | - | - |
| | | 648,288,225 | 526,101,865 |
| 14 | Cash And Cash Equivalents | | |
| | Balance in Current Account with Scheduled Banks | 465,811 | 526,343 |
| | Cash in hand | 29,026 | 114,470 |
| | | 494,836 | 640,812 |
| 15 | Short term loans and advances | | |
| | Security Deposits | 150,000 | 100,000 |
| | Other Advances | 119,761,951 | 212,111,951 |
| | Income Tax | 3,090 | 1,000,000 |
| | TDS Receivable | 377,751 | 244,002 |
| | | 120,292,792 | 213,455,953 |
| 16 | Other Current Asset | | |
| | Fixed Deposit | 500,000 | - |
| | Others | 12,404 | - |
| | | 512,404 | - |
| 17 | Revenue from operations | | |
| | (a) Sale of products | 3,159,774,324 | 3,217,823,326 |
| | (b) Sale of Shares | 20,500,000 | 65,778,613 |
| | | 3,180,274,324 | 3,283,601,939 |
| 18 | Other Operating Income | | |
| | (a) Interest Income | 2,990,650 | 2,647,125 |
| | (b) Comodity (Loss)/Profit | - | 59,500 |
| | (c) Misc Income | - | 2,520 |
| | | 2,990,650 | 2,709,145 |

Notes on Financial Statements as at 31st March, 2017

| Note No. | Particulars | Year ended March 31st, | |
|-----------|---|------------------------|----------------------|
| | | 2017 (₹) | 2016 (₹) |
| 19 | Cost of Purchase of Stock in Trade | | |
| | (a) Purchase of Computer Hardware & Software | 3,148,078,083 | 3,205,763,148 |
| | (b) Purchase of Shares | 30,860,000 | 17,075,000 |
| | | 3,178,938,083 | 3,222,838,148 |
| 20 | Changes in inventories | | |
| | (a) Opening Stock of Computer Hardware & Software | 41,654,360 | 41,654,360 |
| | (b) Opening Stock of Shares | 807,320,644 | 858,207,300 |
| | (d) Less: Closing Stock of Computer Hardware & Software | 41,654,360 | 41,654,360 |
| | (e) Less: Closing Stock of Shares | 807,773,729 | 807,320,644 |
| | | (453,085) | 50,886,656 |
| 21 | Employee benefits expenses | | |
| | (a) Salaries and Bonus | 1,000,050 | 2,606,237 |
| | (b) Staff Welfare expenses | 10,332 | 68,754 |
| | | 1,010,382 | 1,667,979 |
| 22 | Other expenses | | |
| | (a) Advertisement Expenses | 71,177 | 60,942 |
| | (b) Auditors remuneration | | |
| | (i) Statutory Audit Fees | 20,000 | 20,000 |
| | (ii) Tax Audit Fees | 10,000 | 10,000 |
| | (c) Legal and Professional fees | 316,391 | 1,597,185 |
| | (d) Listing & Depository fees | 502,174 | 407,895 |
| | (e) Share Registry Fees | 120,581 | 99,963 |
| | (f) Priliminary Expenses | 798,640 | 798,640 |
| | (g) Telephone & Electricity Expenses | 123,230 | 221,232 |
| | (h) Rent Expenses | 1,124,500 | 1,781,500 |
| | (i) Printing & Stationery | 62,977 | 123,574 |
| | (j) Office Expenses | 38,636 | 182,067 |
| | (k) Travelling Expenses | 39,435 | 222,569 |
| | (l) Bank Charges | 43,045 | 50,256 |
| | (m) Website & Dovelopment Expenses | - | 48,045 |
| | (n) Misc Expenses | 22,058 | 200,636 |
| | | 3,292,844 | 58,24,503 |

PS IT INFRASTRUCTURE & SERVICES LIMITED

Notes on Financial Statements as at 31st March, 2017

Note 23

Disclosure on Specified Bank Notes

During the year, the Company had Specified Bank Notes (SBNs) or other denomination notes as defined in the MCA notification, G.S.R. 308(E), dated March 30, 2017. The details of SBNs held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification are as follows :

| Particulars | SBNs * | Other Denomination Notes | ₹ 1000/- and ₹ 500/- | Total |
|---------------------------------------|--------|--------------------------|----------------------|---------|
| Closing cash in hand as on 08-11-2016 | - | 55,859 | 200,000 | 255,859 |
| (+) Permitted receipts | - | - | - | - |
| (+) Amount Withdrawn from Bank | - | 24,000 | - | 24,000 |
| (-) Permitted payments | - | 61,200 | - | 61,200 |
| (-) Amount deposited in Banks | - | - | 200,000 | 200,000 |
| Closing cash in hand as on 30-12-2016 | - | 18,659 | - | 18,659 |

Form No. MGT-12

Polling Paper

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1) (c) of the Companies (Management and Administration) Rules, 2014]

Name of the Company : PS IT INFRASTRUCTURE & SERVICES LIMITED
Registered Office : OFFICE NO. 308, B2B AGARWAL CENTRE, NEAR MALAD INDUSTRIAL ESTATE, KANCHPADA, MALAD WEST MUMBAI MUMBAI CITY MH 400064 IN
CIN : L72900MH1982PLC027146

BALLOT PAPER

| SR.NO | PARTICULARS | DETAILS |
|-------|---|---------------|
| 1. | Name of the first named Shareholder (In Block Letters) | |
| 2. | Postal address | |
| 3. | Registered Folio No./ *Client ID No. (*applicable to investors holding shares in dematerialized form) | |
| 4. | Class of Share | Equity Shares |

I hereby exercise my vote in respect of Ordinary/Special Resolutions enumerated below by Recording my assent or dissent to the said resolutions in the following manner:

| No. | Item No. | No. of shares held by me | I assent to the resolution | I dissent from the resolution |
|-----|--|--------------------------|----------------------------|-------------------------------|
| 1. | To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2017 and the Audited Profit and Loss Account of the Company for the period ended on that date together with Directors' Report and Auditors' Report thereon. | | | |
| 2. | Re-appointment of Mr. Johar Pal Singh (DIN: 00113986) a Director liable to retire by rotation, seek re-appointment as the Director of the Company | | | |
| 3. | To ratify the appointment of M/s. B S Kedia & Co, Chartered Accountants, Kolkata (FRN: 317159E) as the Statutory Auditor of the Company for the financial year 2017-2018 | | | |

Place:

Date:

(Signature of Shareholder)

PS IT INFRASTRUCTURE & SERVICES LIMITED

(REGISTERED OFFICE: Office No. 308, B2B Agarwal Centre, Near Malad Industrial Estate, Kanchpada, Malad west, Mumbai - 400064, Maharashtra, India.)

ATTENDANCE SLIP

(To be presented at the entrance)

**35TH ANNUAL GENERAL MEETING ON FRIDAY, SEPTEMBER 29, 2017
AT OFFICE NO. 308, B2B AGARWAL CENTRE, NEAR MALAD INDUSTRIAL ESTATE, KANCHPADA,
MALAD WEST, MUMBAI - 400064, MAHARASHTRA, INDIA**

Folio No. _____ DP ID No. _____ Client A/c No. _____

Name of the Shareholder(s) _____

Signature of Shareholder(s) _____

(only shareholders/proxies are allowed to attend the meeting)

PS IT INFRASTRUCTURE & SERVICES LIMITED

(REGISTERED OFFICE: Office No. 308, B2B Agarwal Centre, Near Malad Industrial Estate, Kanchpada, Malad west, Mumbai - 400064, Maharashtra, India.)

PROXY FORM

Form MGT-11

**[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies
(Management and Administration) Rules, 2014]**

I/We _____ of _____ being a member (s) of PS IT Infrastructure & Services Limited , hereby appoint _____ of _____ in the district of _____ failing whom _____ of _____ in the district of _____ as my/ our proxy to attend and vote for me /us and on my/our behalf at the Thirty Fifth Annual General Meeting of PS IT Infrastructure & Services Limited to be held on Friday, September 29, 2017 and/or at any adjournment thereof

Folio No. _____ DP ID No. _____ Client A/c No. _____

No. of shares held _____

Signed this _____ day of _____ 2017



Signature across Revenue Stamp

Note: This form, in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than 48 hours before the meeting

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Kanchpada, Malad west, Mumbai – 400064, Maharashtra
