

FILTRA CONSULTANTS AND ENGINEERS LIMITED

(CIN: L41000MH2011PLC217837)

Seventh Annual Report 2017-18



NOTICE

NOTICE is hereby given that the 7th Annual General Meeting of the Members of **Filtra Consultants and Engineers Limited** will be held on **Saturday, September 22, 2018** at 11.00 a.m. at the Registered Office of the Company situated at 1501, Synergy Business Park, Sahakar Wadi, Off Aarey Road, Near Synthofine Industrial Estate, Goregaon (E), Mumbai – 400 063 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statement of the Company for the Financial Year ended March 31, 2018 including the Audited Balance Sheet as at March 31, 2018 and Statement of Profit & Loss and Cash Flow Statement of the Company for the financial year ended on that date and notes related thereto along with the Board's Report and Auditor's Report thereon.
2. To appoint a Director in place of Mr. Ashfak Mulla (DIN: 03506172), who retires by rotation and being eligible, offered himself for re-appointment.

SPECIAL BUSINESS:

3. To approve the capitalization of profit and free reserves for issue of Bonus Shares and to fix the Record Date:

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

“RESOLVED THAT pursuant to provisions of Section 63 and other applicable provisions of the Companies Act, 2013 read with Rule 14 of the Companies (Share Capital & Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Foreign Exchange Management Act, 1999, including the Rules, Regulations, Circulars, etc. made/issued there under, subject to the Regulations and Guidelines issued by the Securities and Exchange Board of India (SEBI) including the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time), Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (as amended from time to time), the relevant provisions of the Memorandum and Articles of Association of the Company and the recommendation of the Board of Directors (hereinafter referred to as 'The Board', which expression shall be deemed to include a Committee of Directors duly authorised in this behalf) of the Company and such permissions, sanctions and approvals as may be required in this regard, consent of the Members be and is hereby accorded to the Board to capitalize such sum standing to the credit of the Company's Profit and loss account credit balance or such other accounts as are permissible to be utilized for the purpose as per the audited financial statements of the Company as on March 31, 2018, as may be considered necessary by the Board, for the purpose of issuance of one (1) bonus Equity Share of ₹ 10/- each (Rupee Ten Only) for every 5 (five) existing Equity Shares of ₹ 10/- each (Rupee Ten Only) held by the Members of the Company, credited as fully paid-up Equity Shares to the holders of the Equity Shares, whose names appear in the Register of Members maintained by the Company including the List of Beneficial Owners as received from the Depositories, as the holders of Equity Shares of ₹10/- each (Rupees Ten Only) in the Company on Saturday, October 6, 2018 (hereinafter

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referred to as 'Record date'), and that the new Bonus Equity Shares so issued and allotted shall be treated for all purposes as an increase of the nominal amount of the Equity Share Capital of the Company held by each such Members and not as income and the said Bonus Equity Shares shall be issued and allotted shall be subject to the provisions of the Memorandum & Articles of Association of the Company and shall rank *pari passu* in all respects with and carry the same rights as the existing fully paid Equity Shares of the Company except that they shall not be entitled to participate in any dividend which may be declared or paid by the Company in respect of any period prior to the financial year in which the Bonus Shares may be allotted.

RESOLVED FURTHER THAT no letters of allotment shall be issued to the allottees of the bonus shares.

RESOLVED FURTHER THAT that no fractions arising out of the issue and allotment of bonus equity shares shall be allotted by the Company and the Company shall not issue any certificate or coupon in respect thereof but all such fractional entitlements shall be consolidated and the bonus equity shares, in lieu thereof, shall be allotted by the Board to the Nominee(s) appointed by the Board, who shall hold the same as Trustees for the Members entitled thereto, and sell the said Equity Shares so arising at the then prevailing market rate and pay to the Company net sale proceeds thereof, after adjusting there from the cost and expenses in respect of such sale, for distribution to Members in proportion to their fractional entitlement.

RESOLVED FURTHER THAT the issue and allotment of the bonus shares to the extent they relate to Non-Resident Indians, Persons of Indian Origin, Foreign Nationals, Overseas Corporate Bodies and other foreign investors of the Company will be subject to the approval of the Reserve Bank of India or any other regulatory authority, if required.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for Listing of the Bonus Equity Shares so allotted on the Stock Exchanges where the securities of the Company are listed as per the Listing Agreement with the Stock Exchange concerned and other applicable laws and regulations and to make necessary application with the National Security Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) for crediting the Bonus shares to the individual depository accounts of all the allottees.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may in its absolute discretion, deem necessary, expedient including the delegation of all or any of its powers herein conferred to any Director(s), Company Secretary or any other authorised signatory of the Company for obtaining necessary approvals, statutory, contractual or otherwise, in relation to the above and to settling any question, doubt or difficulties that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto and for matters connected herewith or incidental hereto expressly by the authority of this resolution and the Board's decision in this regard shall be final and binding.”

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4. To consider re-appointment and payment to remuneration to Mr. Ketan Khant (DIN: 03506163) as Managing Director of the Company:

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

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 198, 203 read with Clause (A) of Section II of Part II of Schedule V and all the other applicable provisions of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and all the other applicable Rules made under the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Articles of Association of the Company, Nomination and Remuneration Policy of the Company, subject to the approval of the Central Government or other Government authority/agency/board, if any and to the extent required, and as recommended by the Nomination and Remuneration Committee and the Board of Directors, consent and approval of the Members be and is hereby accorded to re-appoint Mr. Ketan Khant (DIN: 03506163) as Managing Director of the Company for a further period of three years with effect from April 1, 2018 till March 31, 2021, on such terms and conditions as stated in the Agreement placed before the meeting, which Agreement is hereby specifically sanctioned with liberty to the Board of Directors (hereinafter referred to “the Board”) to alter and vary the remuneration and/or agreement subject to the limits specified in Schedule V to the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force, as may be agreed to between the Board and Mr. Ketan Khant (DIN: 03506163).

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper, expedient or desirable to give effect to this resolution or to make modifications as may be deemed to be in the interest of the Company, with liberty to the Board to alter and vary the terms and conditions of the aforesaid re-appointment of Mr. Ketan Khant (DIN: 03506163), from time to time, in accordance with and subject to the limits as stated in the Managing Director Agreement or as may be stipulated by the Central Government, if and to the extent necessary and applicable, and to do all such acts, deeds, matters and things for giving effect to this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of its powers to any of its committee(s) or any Director or officer or person, to give effect to the aforesaid resolution.”

5. To consider re-appointment and payment of remuneration to Mrs. Anjali Khant (DIN: 03506175) as Whole-time Director of the Company:

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

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 198, 203 read with Clause (A) of Section II of Part II of Schedule V and all the other applicable provisions of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and all the other applicable Rules made under the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Articles of Association of the Company, Nomination and Remuneration Policy of the Company, subject to the approval of the Central Government or other Government authority/agency/board, if any and to the extent required, and as recommended by the Nomination and Remuneration

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Committee and the Board of Directors, consent and approval of the Members be and is hereby accorded to re-appoint Mrs. Anjali Khant (DIN: 03506175) as Whole-time Director of the Company for a further period of three years with effect from April 1, 2018 till March 31, 2021, being liable to retire by rotation, on such terms and conditions as stated in the Agreement placed before the meeting, which Agreement is hereby specifically sanctioned with liberty to the Board of Directors (hereinafter referred to “the Board”) to alter and vary the remuneration and/or agreement subject to the limits specified in Schedule V to the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force as may be agreed to between the Board and Mrs. Anjali Khant (DIN: 03506175).

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper, expedient or desirable to give effect to this resolution or to make modifications as may be deemed to be in the interest of the Company, with liberty to the Board to alter and vary the terms and conditions of the aforesaid re-appointment of Mrs. Anjali Khant (DIN: 03506175), from time to time, in accordance with and subject to the limits as stated in the Whole-time Director Agreement or as may be stipulated by the Central Government, if and to the extent necessary and applicable, and to do all such acts, deeds, matters and things for giving effect to this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of its powers to any of its committee(s) or any Director or officer or person, to give effect to the aforesaid resolution.”

6. To consider re-appointment and payment of remuneration to Mr. Ashfak Mulla (DIN: 03506172) as Whole-time Director of the Company:

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

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 198, 203 read with Clause (A) of Section II of Part II of Schedule V and all the other applicable provisions of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and all the other applicable Rules made under the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Articles of Association of the Company, Nomination and Remuneration Policy of the Company, subject to the approval of the Central Government or other Government authority/agency/board, if any and to the extent required, and as recommended by the Nomination and Remuneration Committee and the Board of Directors, consent and approval of the Members be and is hereby accorded to re-appoint Mr. Ashfak Mulla (DIN: 03506172) as Whole-time Director of the Company for a further period of three years with effect from April 1, 2018 till March 31, 2021, being liable to retire by rotation, on such terms and conditions as stated in the Agreement placed before the meeting, which Agreement is hereby specifically sanctioned with liberty to the Board of Directors (hereinafter referred to “the Board”) to alter and vary the remuneration and/or agreement subject to the limits specified in Schedule V to the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force as may be agreed to between the Board and Mr. Ashfak Mulla (DIN: 03506172).

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper, expedient or desirable to give effect to this resolution or to make modifications as may be deemed to be in the interest of the Company, with liberty to the Board to alter and vary the terms and conditions of the aforesaid re-appointment of Mr. Ashfak Mulla

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(DIN: 03506172), from time to time, in accordance with and subject to the limits as stated in the Whole-time Director Agreement or as may be stipulated by the Central Government, if and to the extent necessary and applicable, and to do all such acts, deeds, matters and things for giving effect to this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of its powers to any of its committee(s) or any Director or officer or person, to give effect to the aforesaid resolution.”

By the order of the Board

For **Filtra Consultants and Engineers Limited,**

Sd/-

Ketan Khant

Chairman and Managing Director

(DIN: 03506163)

Address: 17-34-A, Kutchi House, Brahmanwada Road, Matunga, Mumbai – 400019

Date: August 23, 2018

Place: Mumbai

Registered Office:

1501, Synergy Business Park, Sahakar Wadi,
Off Aarey Road, Near Synthofine Industrial Estate,
Goregaon (E), Mumbai – 400063

NOTES:

1. **A Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy/ proxies to attend and vote instead of himself/herself and the proxy/proxies need not be a Member of the Company. The proxies, in order to be valid, must be duly completed, stamped and signed and must reach the Company's Registered Office not less than 48 hours before the commencement of the meeting.**

A person can act as a proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as his/her proxy and such person shall not act as a proxy for any other person or Member. A proxy form is sent herewith. Proxies submitted on behalf of the Companies, Societies etc., must be supported by an appropriate resolution/authority, as applicable. The Proxy-holder shall prove his/her identity at the time of attending the Meeting.

2. Map of venue of the AGM is enclosed after the notice.
3. The relevant Statement pursuant to Section 102 of the Companies Act, 2013 ('the Act'), setting out the material facts relating to the special business as set out in the Notice is annexed hereto and forms part of the notice of this AGM.
4. The Company's Registrar & Share Transfer Agents are M/s. Bigshare Services Private Limited ('R & TA') at 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai - 400059, Maharashtra, Tel. No.: 022 -62638200

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5. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, September 21, 2018 to Saturday, September 22, 2018 (both days inclusive).
6. Members are requested to :-
 - i. Write to the Company at least 7 days before the date of the meeting, in case they desire any information as regards the Audited Financial Statement for the financial year ended March 31, 2018, so as to enable the Company to keep the information ready.
 - ii. Bring their copy of the Annual Report, Attendance Slip and their photo identity proof at the Annual General Meeting.
 - iii. Intimate to the Registrar & Transfer Agent (R&TA) of the Company immediately, about any change in their address. Where the shares are held in electronic form, such change is to be informed to the Depository Participant (DP) and not to the Company/ R&TA.
 - iv. Quote Registered Folio no. or DP ID/Client ID no. in all their correspondence.
 - v. Send all share transfer lodgments physical mode/ correspondence to the R&TA of the Company, M/s. Bigshare Services Private Limited, at 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai - 400059, Maharashtra up to the date of book closure.
7. In terms of Section 72 of the Act read with the applicable Rules made under the Act, every holder of shares in the Company may at any time nominate, in the prescribed manner (Form No. SH-13), a person to whom his/her shares in the Company shall vest, in the event of his/her death. The duly filled in Nomination Form shall be sent to R&TA at the above mentioned address by the Members holding shares in physical mode. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.
8. For the convenience of the Members, Attendance Slip is enclosed in the Annual Report. Members/Proxy Holders/Authorized Representatives are requested to fill in and sign at the space provided therein and submit the same at the venue of the Meeting. Proxy/Authorized Representatives of Members should state on the Attendance Slip as 'Proxy' or 'Authorized Representative', as the case may be.
9. Corporate Members are requested to forward a certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
10. Members are informed that in case joint holders attend the Meeting, only such joint holder who is higher in the order of names in the Register of Members/Beneficial Holders will be entitled to vote.
11. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 a.m. to 6.00 p.m.) on all working days except Sundays and public holidays, up to and including the date of ensuing Annual General Meeting of the Company.
12. In terms of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company listed on SME Segment of Stock Exchanges are exempt from the compliance of provisions related to e-voting. As the Company is listed on SME Segment of BSE Limited, the e-voting provisions mentioned in said Section are not applicable. Therefore the Company has not made arrangement for its Members to exercise their right to vote at Annual General Meeting by electronic means.
13. As per Sections 101, 136 and other applicable provisions of the Act, read with the Rules made there under and circulars issued by the Ministry of Corporate Affairs, Companies can now send

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various reports, documents, communications, including but not limited to annual report to its Members through electronic mode at their registered e-mail addresses. The Company believes in green initiative and is concerned about the environment. Hence, 7th Annual Report including inter alia the Board's Report, Auditor's Report, Financial Statements, Notice of AGM, Attendance Slip, Proxy Form, etc. is being sent by electronic mode to all the Members whose e-mail addresses are registered with the Company/ R&TA/Depositories unless a Member has requested for a hard copy of the same. For Members who have not registered their e-mail addresses, physical copies of the relevant documents are being sent by the permitted mode.

To support "Green Initiative" in full measure, Members holding shares in Demat form and who have not registered their e-mail address with the Depositories; are requested to register the same with their DPs. In case of shares hold in physical mode, are requested to contact the R&TA of the Company for updation of their e-mail Ids. In case you desire to receive the documents mentioned above in physical form, you are requested to send an e-mail to investor@filtra.in. Annual Report is also available on the Company's website at <http://www.filtrain.in>.

14. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are, therefore, requested to kindly bring their copies at the time of attending the Meeting.
15. The Members shall note that the facility for voting shall be provided at the meeting through show of hands unless a valid demand of poll is received. The Members attending the meeting shall be able to exercise their voting rights at the meeting.
16. The Securities and Exchange Board of India (SEBI) vide its circular dated April 20, 2018 has mandated registration of Permanent Account Number (PAN) and Bank Account Details for all securities holders. Members holding shares in physical form are therefore, requested to submit their PAN and Bank Account Details to R&TA viz, M/s. Bigshare Services Private Limited by sending a duly signed letter along with self-attested copy of PAN Card and original cancelled cheque. The original cancelled cheque should bear the name of the Member. In the alternative Members are requested to submit a copy of bank passbook/ statement attested by the bank. Members holding shares in demat form are, requested to submit the aforesaid information to their respective Depository Participant.
17. SEBI has decided that securities of listed companies can be transferred only in dematerialised form with effect from December 5, 2018. In view of the above and to avail various benefits of dematerialisation, Members are advised to dematerialise shares held by them in physical form.
18. Members, who are holding Shares in identical order of names in more than one Folio, are requested to apply to the Company/ R&TA along with the relevant Share Certificates for consolidation of such Folios in one Folio.
19. Approval of the Members is sought for re-appointment and payment of remuneration to Mr. Ketan Khant (DIN: **03506163**) as Managing Director and Mrs. Anjali khant (DIN: **03506175**) and Mr. Ashfak Mulla (DIN: **03506172**) as Whole-time Directors of the Company at the 7th Annual General Meeting. Information required pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as mandated under Secretarial Standards – 2 (para 1.2.5) issued by the Institute of Company Secretaries of India, are given below (**Item Nos. 2, 4, 5 and 6 of the Notice convening 7th AGM**)

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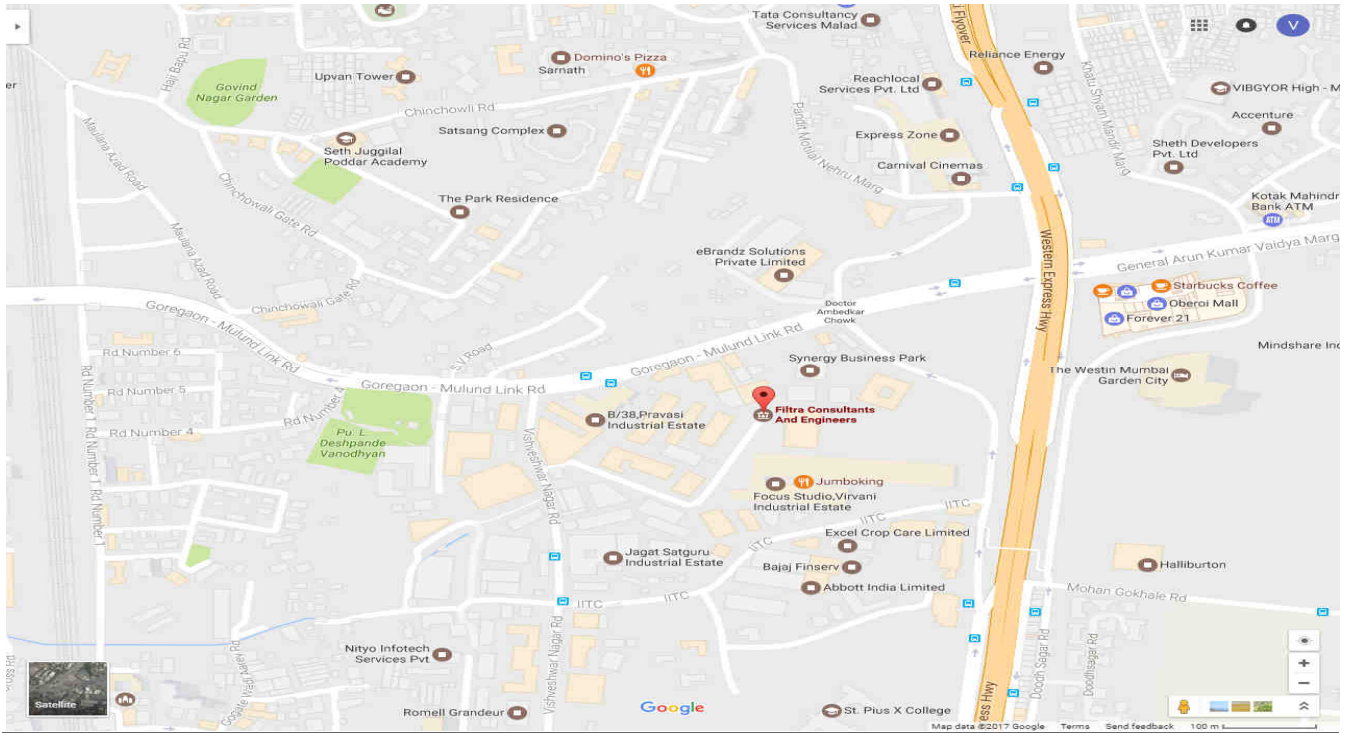
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| | | | |
|--|--|---|---|
| Name of the Director and DIN | Mr. Ketan Khant (DIN: 03506163) | Ms. Anjali Khant (DIN: 03506175) | Mr. Ashfak Mulla (DIN: 03506172) |
| Date of Birth | August 10, 1969 | January 2, 1970 | June 22, 1968 |
| Age | 49 years | 48 Years | 50 years |
| Nationality | Indian | Indian | Indian |
| Date of Appointment on the Board | May 24, 2011 | May 24, 2011 | May 24, 2011 |
| Qualification | Diploma in Chemical Engineering and Diploma in Marketing Management | Diploma in Chemical Engineering | Mechanical Engineering |
| Experience | Having approx 24 years of vast experience in the marketing and dealing of water treatment plants, water components and Machinery | Approx 15 years in water treatment industry | Having approx 22 years of vast experience in the marketing and dealing of water treatment plants and related products and Machinery |
| Shareholding in the Company | 37,50,000 Equity Shares of face value of ₹ 10/- each | 12,49,915 Equity Shares of face value of ₹ 10/- each | 10 Equity Shares of face value of ₹10/- each |
| List of Directorship held in other Companies | No Directorship in other Companies | No Directorship in other Companies | No Directorship in other Companies |
| Committee Membership | Not a Member in any Committee | Not a Member in any Committee | Not a Member in any Committee |
| Last Remuneration drawn | ₹39,60,000/- (Rupees Thirty Nine Lakhs Sixty Thousand Only) | ₹32,40,000/- (Rupees Thirty Two Lakhs Forty Thousand Only) | ₹21,60,000/- (Rupees Twenty One Lakhs Sixty Thousand Only) |
| Remuneration to be drawn after appointment /re-appointment | As per Explanatory Statement to item no. 4 of the attached notice calling AGM | As per Explanatory Statement to item no. 5 of the attached notice calling AGM | As per Explanatory Statement to item no. 6 of the attached notice calling AGM |
| Relationship with Directors, Managers or other KMP | He is Managing Director of the Company and his wife Mrs. Anjali khant (DIN: 03506175) is Whole-time Director. | She is Whole-time Director of the Company and her husband Mr. Ketan Khant (DIN: 03506163) is Managing Director. | He is Whole-time Director of the Company and does not have any relationship with other Director, Manager or KMP |
| Number of Meeting of Board attended during the Year (For F.Y. 2017-18) | 4 (Four) | 2 (Two) | 4 (Four) |



Map of AGM venue



Landmark: Synthofine Industrial Estate

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EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 IN RESPECT OF THE SPECIAL BUSINESS MENTIONED IN THE NOTICE CALLING 7TH ANNUAL GENERAL MEETING.

Item No. 3:

The Company has sufficient free reserves and profits to its credit. Therefore, the Board has decided that the Members of the Company be given the benefit of the reserves and surplus built by the Company. The Audited Financial Statement of the Company as on March 31, 2018 represents the sufficient balance standing to the credit of Profit and Loss account to issue Bonus Shares. In view of the above circumstances, Directors of the Company in their meeting held on August 23, 2018 have considered it desirable to issue Bonus Shares to the equity shareholders of the Company after capitalizing a sum of ₹1,37,05,000/- (Rupees One Crore Thirty Seven Lakhs Five Thousand Only) out of the Company's Profit and Loss account credit balance or such other accounts as are permissible to be utilized for the purpose, as per the audited financial statements of the Company as on March 31, 2018 and distributed in the proportion of One (1) fully paid equity share of ₹10/- each of the Company for every Five (5) existing fully paid equity shares of ₹10/- each of the Company held by them as on the Record date as may be decided by the Members, which is proposed to be Saturday, October 6, 2018, and that such new shares as and when issued and fully paid shall rank pari-passu with the existing issued Equity Shares.

The issue of fully paid Bonus Equity Shares by way of capitalization of profits/ reserves is permitted under section 63 of the Companies Act, 2013. The proposed issue of Bonus Equity Shares also fulfills the SEBI Regulations. Hence, applications will be made to the Stock Exchanges for permission to listing and dealing in such Bonus Equity Shares. The Article No. 167 of the Articles of Association of the Company permits capitalization of reserves by applying the same towards issue and distribution of fully paid shares to the Members, after obtaining approval of the Members of Company by way of an Ordinary Resolution and hence the above resolution is proposed for the approval of the Members as an Ordinary Resolution.

It is also necessary/expedient to authorize the Board of Directors of the Company or any Committee thereof, to complete all the regulatory formalities in connection with the issue of Bonus Shares that may be prescribed by the Companies Act, 2013, the SEBI Act, the Stock Exchanges on which the Company's securities are listed or any other regulatory authority.

Pursuant to provisions of Section 102(1) of the Companies Act, 2013 nature of concern and interest of Directors and Key Managerial Persons in resolution mentioned at item no. 3 of the notice calling this AGM is as follows:

The above resolution is the statutory requirement that shareholders should approve the said resolution and there is no financial interest of the Directors of the Company in the said resolution, except to the extent of their shareholding in the Company and to the extent of shares which may be allotted to them by the Company by virtue of Bonus Issue. Mr. Ketan Khant (DIN: 03506163), Mrs. Anjali Khant (DIN: 03506175) and Mr. Ashfak Mulla (DIN: 03506172) holds 37,50,000, 12,49,915, and 10 equity shares, respectively, of the Company as on March 31, 2018. Other than as mentioned earlier, there is no other interest of the Directors or Key Managerial Person of the Company.

The Board of Directors is of the opinion that aforesaid issuance of Bonus Shares is in the best interest of the Company and Investors hence recommends passing of Resolution as set out at Item No. 3 of the accompanying notice as Ordinary Resolution for the approval of the Members.

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All documents referred to in the agenda item no. 3 of the accompanying notice shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 a.m. to 6.00 p.m.) on all working days except Sundays and public holidays, up to and including the date of ensuing Annual General Meeting of the Company.

Item No. 4, 5 and 6:

Mr. Ketan Khant (DIN: 03506163) was designated as the Managing Director of the Company w.e.f. April 1, 2012 for a period of 3 years i.e. till March 31, 2015. His term as Managing Director expired on March 31, 2015 and he was re-appointed as Managing Director of the Company in the 3rd Annual General Meeting held on September 30, 2014 for the further period of 3 years i.e. till March 31, 2018 at a remuneration of ₹ 5,60,000 per month (Rupees Five Lakhs Sixty Thousand only) and on other terms and conditions as mentioned in the Managing Director Agreement. His term as a Managing Director expired on March 31, 2018.

Further, Mrs. Anjali Khant (DIN: 03506175) was designated as the Whole-time Director of the Company w.e.f. April 1, 2012 for a period of 3 years i.e. till March 31, 2015. Her term as Whole-time Director expired on March 31, 2015 and she was re-appointed as Whole-time Director of the Company in the 3rd Annual General Meeting held on September 30, 2014 for the further period of 3 years i.e. till March 31, 2018 at a remuneration of ₹ 4,80,000 per month (Rupees Four Lakhs Eighty Thousand only) and on other terms and conditions as mentioned in the Whole-time Director Agreement. Her term as a Whole-time Director expired on March 31, 2018.

Mr. Ashfak Mulla (DIN: 03506172) was also designated as the Whole-time Director of the Company w.e.f. April 1, 2012 for a period of 3 years i.e. till March 31, 2015. His term as Whole-time Director expired on March 31, 2015 and he was re-appointed as Whole-time Director of the Company in the 3rd Annual General Meeting held on September 30, 2014 for the further period of 3 years i.e. till March 31, 2018 at a remuneration of ₹ 1,60,000 per month (Rupees One Lakh Sixty Thousand only), Commission of not more than 1% of net sales in Pune region and on other terms and conditions as mentioned in the Whole-time Director Agreement. His remuneration was increased to ₹ 1,80,000 (Rupees One Lakh Eighty Thousand Only) per month w.e.f. June 1, 2015 at the 4th Annual General Meeting held on September 25, 2015. Further his remuneration was also increased to ₹3,00,000 per month (Rupees Three Lakhs Only) w.e.f. April 1, 2016 at the 5th AGM held on September 30, 2016. His term as a Whole-time Director expired on March 31, 2018.

The Board has reviewed the performance of all the Managerial persons and their contribution in growth of the Company. The Board also reviewed the performance of the Company and future prospectus and growth of the Company. Accordingly, the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, in its meeting held on March 8, 2018 has approved re-appointment of Mr. Ketan Khant (DIN: 03506163) as Managing Director and Mrs. Anjali Khant (DIN: 03506175) & Mr. Ashfak Mulla (DIN: 03506172) as Whole-time Directors of the Company for a further period of three years w.e.f. April 1, 2018 i.e. till March 31, 2021 and also increase the remuneration payable to them. The above re-appointments and increase in remuneration are subject to the terms and conditions mentioned in the agreements executed with them and are also subject to the approval of the Members in the General Meeting.

As the Company's profits are inadequate during the financial year to pay remuneration on the proposed scale, payment of remuneration to Mr. Ketan Khant (DIN: 03506163), Mrs. Anjali Khant (DIN: 03506175) and Mr. Ashfak Mulla (DIN: 03506172) on increased scale fall within the preview of Schedule V Part II Section II Clause (A) of the Companies Act, 2013.

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The following additional information as required under Section II of Part II of Schedule V to the Companies Act, 2013 are given below:

I. GENERAL INFORMATION:

- (1) **Nature of Industry:** Trader and Consultants for water treatment products.
- (2) **Date or expected date of Commencement of commercial production:** The Company is presently in trading business and not proposing to start manufacturing activity.
- (3) **In case of new Companies, expected date of Commencement of activities as per project approved by Financial Institutions appearing in the Prospectus:** Not Applicable
- (4) **Financial Performance based on given indicators:** As per the audited Financial Statement, following are the details of financial performance of the Company for last three years:

(Amount in ₹)

| Particulars | Year ended 31 st March | | |
|---|-----------------------------------|--------------|--------------|
| | 2018 | 2017 | 2016 |
| Financial Parameters | | | |
| Turnover | 52,55,42,371 | 45,16,25,329 | 37,58,34,552 |
| Other Income | 1,03,68,819 | 56,19,335 | 32,63,508 |
| Net Profit (as per Profit & Loss account) | 2,19,11,499 | 1,11,47,607 | 1,35,31,189 |
| Net Worth | 11,36,66,188 | 9,17,54,689 | 8,06,07,082 |

- (5) **Foreign Investments or Collaborations, if any:** There is no foreign investment or collaboration.

II. INFORMATION ABOUT THE APPOINTEE:

A) Mr. Ketan Khant (DIN: 03506163):

(1) Background details:

Mr. Ketan Khant (DIN: 03506163) holds a Diploma in Chemical Engineering from S B M P Institute Mumbai and also holds Diploma in Marketing Management from Prin. L N Welingkar Institute of Management Development and Research. He is having approx 24 years of vast experience in dealing of water treatment plants and related products and Machinery.

(2) Past Remuneration:

The Members of the Company has approved the payment of upto ₹ 67,20,000/- per annum as remuneration to him since April 1, 2015 however, he has been paid remuneration during past three financial years as follows:

During 2017-18: ₹ 39,60,000/-

During 2016-17: ₹ 36,90,000/-

During 2015-16: ₹ 36,00,000/-

(3) Recognition/Awards:

Mr. Ketan Khant (DIN: 03506163) has worked with NGO Cry, REAP and RSVK to spread the awareness and necessity of education mainly for economically poor segment of society. He has been rank holder in college and has won many certificates for educational excellence in Chemical Engineering.

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(4) Job Profile and Suitability:

Mr. Ketan Khant (DIN: 03506163) was appointed as Managing Director of the Company on April 1, 2012. He was again reappointed as Managing Director w.e.f. April 1, 2015 and April 1, 2018. Being Managing Director, he is over all in charge of the management and affairs of the Company and performs his duties under the supervision and control of the Board of Directors of the Company. Taking into consideration his qualification, experience and expertise in water treatment plants and related products and Machinery he is best suited person for the responsibilities entrusted to him by the Company's Board.

(5) Remuneration proposed:

- (a) **Salary:** Salary of ₹ 84,00,000/- (Rupees Eighty Four Lakhs Only) per annum or ₹ 7,00,000/- (Rupees Seven Lakhs Only) per month.
- (b) **Provision of a car with driver, a telephone at residence and mobile phone by the Company:** The Company shall provide a car with a driver for official and personal use. All operating and maintenance expenses of the car shall be borne by the Company. The Company shall provide a telephone at residence and mobile/cell phone and reimburse all telephone expenses; except expenses of International personal calls.
- (c) **Leave:** Paid leave of thirty (30) days will be given for every eleventh months of service. Unavailed leave can be accumulated. The accumulated leave can be encashed at the end of the tenure.
- (d) **Reimbursement of out-of-pocket expenses:** The Company shall reimburse from time to time all the expenses that he may be required to incur in the course of performance of duties as Managing Director of the Company.

(6) Comparative Remuneration Profile with respect to Industry, size of the Company, Profile of the position and person:

Since the Industry in which Company operates is not organised and fragmented with many small and medium size Companies, no comparable figures are available. The Nomination and Remuneration Committee as well as the Board of Directors feel that remuneration payable to Mr.Ketan Khant (DIN: 03506163) is commensurate with his qualification, experience, the duties and responsibilities entrusted to him.

(7) Pecuniary Relationship, directly or indirectly, with the Company or relationship with the Managerial Personnel, if any:

Mr. Ketan Khant (DIN: 03506163) is one of the Promoter and First Director of the Company holding 37,50,000 Equity Shares of ₹ 10/- each in the Company in his own name. He is drawing remuneration as Managing Director of the Company. His wife, Mrs. Anjali Khant (DIN: 03506175), is Whole-time Director of the Company and drawing remuneration as Whole-time Director of the Company. She is also Promoter of the Company and holding 12,49,915 Equity Shares of ₹10/- each in the Company. Further, the Company has taken premises owned by Mr. Ketan Khant and Mrs. Anjali Khant on leave and license basis.

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B) Mrs. Anjali Khant (DIN: 03506175):

(1) Background details:

Mrs. Anjali Khant (DIN: 03506175) is Diploma in Chemical Engineer from S B M P Institute. She is having approx 15 years of vast experience in dealing of water treatment plants and related products and Machinery.

(2) Past Remuneration:

The Members of the Company has approved the payment of upto Rs 57,60,000/- per annum as remuneration to her since April 1, 2015 however, she has been paid remuneration during past three financial years as follows:

During 2017-18: ₹ 32,40,000/-

During 2016-17: ₹ 30,60,000/-

During 2015-16: ₹ 30,00,000/-

(3) Recognition/Awards:

Mrs. Anjali Khant (DIN: 03506175) has worked with NGO Cry, REAP and RSVK to spread the awareness and necessity of education mainly for economically poor segment of society. She has been rank holder in college and has won many certificates for educational excellence in chemical engineering.

(4) Job Profile and Suitability:

Mrs. Anjali Khant (DIN: 03506175) was appointed as Whole-time Director of the Company w.e.f. April 1, 2012 with general power of management and administration of the affairs of the Company and she performs her duties under the supervision and control of the Board of Directors of the Company. She is currently looking after Company's Administrative and Human Development Departments. Taking into consideration her qualification, past experience and expertise and industry in which Company operates, she is best suited person for the responsibilities entrusted to her by the Company's Board.

(5) Remuneration proposed:

A. **Basic Salary:** ₹ 6,00,000/- (Rupees Six Lakhs Only) per month or ₹ 72,00,000/- (Rupees Seventy Two Lakhs Only) per annum.

B. **Provision of a car with driver, a telephone at residence and mobile phone by the Company:** The Company shall provide a car with a driver for official and personal use. All operating and maintenance expenses of the car shall be borne by the Company. The Company shall provide a telephone at residence and mobile/cell phone and reimburse all telephone expenses; except expenses of International personal calls.

C. **Leave:** Paid leave of thirty (30) days will be given for every eleven (11) months of service. Unavailed leave can be accumulated. The accumulated leave can be encashed at the end of the tenure.

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D. Reimbursement of out-of-pocket expenses: The Company shall reimburse from time to time all expenses that she may be required to incur in the course of performance of duties as Whole-time Director of the Company.

E. Others: As per Company's Policy.

(6) Comparative Remuneration Profile with respect to Industry, size of the Company, Profile of the position and person:

Since the Industry in which Company operates is not organised and fragmented with many small and medium size Companies, no comparable figures are available. The Nomination and Remuneration Committee as well as the Board of Directors feel that remuneration payable to Mrs. Anjali Khant (DIN: 03506175) is commensurate with her qualification, experience, the duties and responsibilities entrusted to her.

(7) Pecuniary Relationship, directly or indirectly, with the Company or relationship with the Managerial Personnel, if any:

Mrs. Anjali Khant (DIN: 03506175) is one of the Promoter and First Director of the Company holding 12,49,915 Equity Shares of ₹10/- each in the Company in her own name. She is drawing remuneration as Whole-time Director of the Company. Her husband, Mr. Ketan Khant (DIN: 03506163), is Managing Director of the Company and drawing remuneration as Managing Director of the Company. He is also Promoter of the Company and holding 37,50,000 Equity Shares of ₹ 10/- each in the Company. Further, the Company has taken premises owned by Mr.Ketan Khant and Mrs. Anjali Khant on leave and license basis.

C) Mr. Ashfak Mulla (DIN: 03506172):

(1) Background details:

Mr. Ashfak Mulla (DIN: 03506172) is having Diploma in Mechanical Engineering from Shriram Polytechnic Institute. He is having approx 22 years of vast experience in the marketing and dealing of water treatment plants and related products and Machinery.

(2) Past Remuneration:

The Members of the Company has approved the payment of upto ₹19,20,000/- per annum as remuneration to him since April 1, 2015. Subsequently it was increased to ₹1,80,000 per month w.e.f. June 1, 2015 and to ₹3,00,000 per month w.e.f. April 1, 2016. It was also approved payment of Commission of not more than 1% of net sales in Pune region. However, he has been paid remuneration during past three financial years as follows:

During 2017-18: ₹ 21,60,000/-

During 2016-17: ₹ 21,20,000/-

During 2015-16: ₹ 21,20,000/-

(3) Recognition/Awards:

He has received award from RPG group for developing Furnace from scrap material during his service tenure with RPG Group at their Nagpur Plant.

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(4) Job Profile and Suitability:

Mr. Ashfak Mulla (DIN: 03506172) was designated as Whole-time Director of the Company on April 1, 2012. Being a Whole-time Director, he was entrusted with power of administration of Company's office situated in Pune and sale and promotion of Company's products in Pune region under the supervision and control of the Board of Directors of the Company. Taking into consideration his qualification, experience, knowledge of Region and expertise in marketing, he is best suited person for the responsibilities entrusted to him by the Company's Board.

(5) Remuneration proposed:

- A. **Basic Salary:** ₹ 4,00,000/- (Rupees Four Lakhs Only) per month or ₹ 48,00,000/- (Rupees Forty Eight Lakhs Only) per annum.
- B. **Commission:** Not more than 1% of net sales in Pune region.
- C. **Provision of a car with driver, a telephone at residence and mobile phone by the Company:** The Company shall provide a car with a driver for official and personal use. All operating and maintenance expenses of the car shall be borne by the Company. The Company shall provide a telephone at residence and mobile phone and reimburse all telephone expenses; except expenses of International personal calls.
- D. **Leave:** Paid leave of thirty (30) days will be given for every eleven (11) months of service. Unavailed leave can be accumulated. The accumulated leave can be encashed at the end of the tenure.
- E. **Reimbursement of out-of-pocket expenses:** The Company shall reimburse from time to time all expenses that he may be required to incur in the course of performance of his duties as Whole-time Director of the Company.
- F. **Others:** As per Company's Policy.

(6) Comparative Remuneration Profile with respect to Industry, size of the Company, Profile of the position and person:

Since the Industry in which Company operates is not organised and fragmented with many small and medium size Companies, no comparable figures are available. The Nomination and Remuneration Committee as well as the Board of Directors feel that remuneration payable to Mr. Ashfak Mulla (DIN: 03506172) is commensurate with his qualification, experience, the duties and responsibilities entrusted to him.

(7) Pecuniary Relationship, directly or indirectly, with the Company or relationship with the Managerial Personnel, if any:

Mr. Ashfak Mulla (DIN: 03506172) does not have any other pecuniary relationship with the Company except, holding 10 (Ten) Equity Shares of ₹ 10/- each of the Company in his name and remuneration drawn by him from Company as Whole-time Director and his wife Rehana Mulla as Manager Administration and Human Resource of the Company.

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III. OTHER INFORMATION:

(1) Reasons for loss or inadequacy of profits:

The Company has earned profit during the financial year but the profit is not sufficient to pay remuneration on the proposed scale. The Company's profit is increasing substantially every year.

(2) Steps taken or proposed to be taken for improvement:

The Company is doing well and its sales and profits are increasing every year. The Management is expanding its area of operation in new markets and also adopting new sales strategy. The Management is also proposing to include more products in its umbrella. Further, the Company has launched its e-commerce website for faster order processing. The said steps will increase turnover of the Company which in turn increase profitability of the Company.

(3) Expected increase in productivity and profits in measurable terms:

The Company is not engaged in the production or manufacturing activity. The projected revenue and profits are as follow:

| Particulars | (₹ in Crores) | | |
|-------------|---------------|---------|---------|
| | 2018-19 | 2019-20 | 2020-21 |
| Net Revenue | 75 | 100 | 112 |
| Profit | 3 | 5 | 6 |

Even though, the approval of the Members by way of Ordinary Resolution is required, the Board of Directors recommends to take approval of the Members by passing Special Resolutions at item nos. 4, 5 and 6 of this notice for approving re-appointment and remuneration paid/to be paid to Mr.Ketan Khant (DIN: 03506163) as Managing Director, Mrs. Anjali Khant (DIN: 03506175) and Mr.Ashfak Mulla (DIN: 03506172) as Whole-time Directors of the Company for a term as mentioned in the respective said resolutions. The Board of Directors considers that they should be adequately remunerated for their efforts.

All documents referred at item nos. 4, 5 and 6 of the accompanying Notice and the Explanatory Statement are open for inspection for the Members on all working days of the Company till the date of ensuing Annual General Meeting between 10.00 a.m. to 6.00 p.m. at the Registered Office of the Company.

None of the Directors and/or Key Managerial Personnel of the Company, except as mentioned in point no. 7 above against their respective names, are concerned or interested in the said Resolutions.

By the order of the Board

For **Filtra Consultants and Engineers Limited,**

Sd/-

Ketan Khant

Chairman and Managing Director

(DIN: 03506163)

Address: 17-34-A, Kutchi House, Brahmanwada Road, Matunga, Mumbai – 400019

Date: August 23, 2018

Place: Mumbai