

18<sup>th</sup> October 2017

**Manager - DCS  
BSE Limited**

P. J. Towers, Ground Floor  
Dalal Street, Fort  
Mumbai – 400 001

Ref : **Scrip Code 500192**

Sub: **Submission of Notice & Annual Accounts for F.Y. 2016-2017**

Respected Sir or Madam,

With reference to the above captioned matter and pursuant to clause 34(1) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 we are enclosing along with this letter, soft copy of Annual Report 2017 containing Notice & Annual Accounts for the financial year ended on 31<sup>st</sup> March 2017 which was being approved by Members in the Annual General Meeting.

Kindly acknowledge the receipt of the same & oblige.

Thanking You,

Yours faithfully,

**For PRAG BOSIMI SYNTHETICS LTD.**

*Madhu*



Madhu P. Dharewa  
Company Secretary

Encl: as above



**PRAG BOSIMI SYNTHETICS LIMITED**

**25th Annual Report**

**2016 - 2017**

## Prag Bosimi Synthetics Limited

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### BOARD OF DIRECTORS

**Shri. H. K. Sharma, IAS**  
Chairman

**Shri. Hemant B. Vyas**  
Managing Director

**Shri. Devang H. Vyas**  
Non Executive Director

**Shri. M. K. Das**

**Shri. Girindra Mohan Das**

**Shri. Rohit P. Doshi**

**Shri. Mukund Trivedi**

**Smt. Deepali Pathak**

**Shri Ramesh Pokhriyal** CEO

**Shri Raktim Das** CFO

**Ms. Madhu Dharewa**  
Company Secretary  
w.e.f. 11.11.2016)

**Smt. Shweta Mahajan**  
Company Secretary  
(08.03.2016 to 30.09.2016)

### AUDITORS

M/s Bharat Shroff & Co.  
Chartered Accountants  
Mumbai

M/s AMD & Associates  
Chartered Accountants  
Guwahati

### BANKERS

Dena Bank

IndusInd Bank

IDBI Bank

HDFC Bank

The Vysya Bank Ltd.

### REGISTERED OFFICE

House No.4, Nilgiri Path,  
R.G.Barua Road,  
Near Doordarshan, Guwahati-  
781 024 Assam. Website :  
www.pragbosimi.in  
Email : secretarial@bosimi.com  
CIN : L17124AS1987PLC002758

### PLANT

Bijulibari Village,  
P.O. Khandajan, Via Sipajhar,  
Dist. Darrang 784 145  
Assam

### CORPORATE OFFICE

R-79/83, Laxmi Insurance Building,  
5th Floor, Sir P.M. Road,  
Mumbai- 400001

### REGISTRAR & SHARE TRANSFER AGENT

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

### SUBSIDIARIES

**Prag Bosimi Texurising Private Limited**  
R.G.Barua Road,  
House No.4, Nilgiri Path, Near Doordarshan,  
Guwahati- 781 024 Assam.

**Prag Bosimi Packaging Private Limited**  
R.G.Barua Road,  
House No.4, Nilgiri Path, Near Doordarshan,  
Guwahati- 781 024 Assam.

**Prag Jyoti Textile Park Private Limited**  
R.G.Barua Road,  
House No.4, Nilgiri Path, Near Doordarshan,  
Guwahati- 781 024 Assam.

## NOTICE

Notice is hereby given that the 25th Annual General Meeting of Prag Bosimi Synthetics Limited will be held on Thursday, 28th Sept, 2017 at House No.4, Nilgiri Path, R.G.Barua Road, Near Doordarshan, Guwahati- 781024 Assam at 11.30 a.m. to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit and Loss Account for the period ended 31st March, 2017 and Balance Sheet as at that date together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint Director in place of Mr. Devang Vyas (DIN: 00076459), who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration and in this regard, to consider and if thought fit, pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 139 read with the Companies (Audit and Auditor) Rules, 2014, 142 and other applicable provisions, if any, of the Companies Act, 2013 and their corresponding rules and based on the recommendations of the Audit Committee, M/s. M. H. Dalal & Associates, Chartered Accountants registered with the Institute of Chartered Accountants of India vide Registration Number 109049/112449W and M/s. A M D & Associates, Chartered Accountants (Registration No. 318191E) be appointed as the Joint Auditors of the Company, who have offered themselves for appointment and re-appointment respectively and have confirmed their eligibility in terms of the provisions of Section 141 of the Companies Act, 2013 and Rule 4 of Companies (Audit and Auditors) Rules, 2014, be and are hereby re-appointed as Statutory Auditors of the Company, to hold office from the conclusion of the 25th Annual General Meeting up to the conclusion of the 30th consecutive Annual General Meeting (subject to ratification by the members at every subsequent AGM) at a remuneration as may be decided by the Board of Directors of the Company."

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

**"RESOLVED THAT** pursuant to the provisions of Section 20 of the Companies Act 2013 and other applicable provisions, if any, of the said Act and relevant rules prescribed there under, whereby a document may be served on any member by the company by sending it to him by post or by registered post or by speed post or by courier or by electronic or other mode as may be prescribed, the consent of the company be and is hereby accorded to charge from the member the fee in advance equivalent to the estimated actual expenses of delivery of the documents, pursuant to any request made by the shareholder for delivery of such document to him, through a particular mode of services mentioned above provided such request along with requisite fee has been duly received by the Company at least one week in advance of the dispatch of document by the company and that no such Notice request shall be entertained by the company post the dispatch of such document by the company to the Shareholder."

**"RESOLVED FURTHER THAT** for the purpose of giving

effect to this resolution, director or key managerial personnel of the company be and are hereby severally authorized to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to above resolution."

### SPECIAL BUSINESS:

5. To consider and if thought fit, to pass with or without modification the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of (i) Section 42 and 55 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof), (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended (the "LODR Regulations"); (iii) the Memorandum of Association and Articles of Association of the Company; (iv) such other rules, regulations, guidelines, laws and acts as applicable in this regard for the time being in force; (v) any other guidelines and clarifications issued by any other competent authority, whether in India or abroad, from time to time, to the extent applicable; (vi) and any other laws for the time being in force as may be applicable to the Company, if any, consent of Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee thereof constituted by the Board of Directors for the time being to exercise the powers conferred on the Board of Directors by this resolution) to offer, issue, and allot 15,77,000 preference shares of face value Rs.100/- (Rupees Hundred Only) each aggregating to Rs. 15,77,00,000/- (Rupees Fifteen Crores Seventy Seven Lakhs Only) to Mr. Hemant Vyas and Assam Industrial Development Corporation Limited on Preferential basis, by converting the borrowings given by AIDC and Mr. Hemant Vyas as per the direction of Govt. of Assam for a term of 20 years and on such terms and conditions as may be decided by the board.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, any of Directors and/or the Company Secretary of the Company be and are hereby authorized on behalf of the Company to sign and dispatch the Offer Letter for preferential Placement and the application form, to such person(s) as may be identified by the Board, and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to such creation(s), offer(s), issue(s), allocation(s) or allotment(s) (including to amend or modify any of the terms of such creation, offer, issue, allocation or allotment) and to give such declarations as may be necessary under the applicable laws as a part of the above mentioned documents or otherwise."

6. To consider and if thought fit, to pass with or without modification the following resolution as a Special Resolution:

## Prag Bosimi Synthetics Limited

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“RESOLVED THAT pursuant to the provisions of Section 42 and 71 of the Companies Act, 2013 read with the corresponding Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof), the Articles of Association of the Company and any other laws for the time being in force as may be applicable to the Company, if any, consent of Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee thereof constituted by the Board of Directors for the time being to exercise the powers conferred on the Board of Directors by this resolution) to offer, issue, and allot 54,37,000 8% Optionally Cumulative Convertible Debentures of face value Rs.100/- (Rupees Hundred Only) each aggregating to Rs. 54,37,00,000/- (Rupees Fifty Four Crore Thirty Seven Lakhs Only) to Assam Industrial Development Corporation Limited on Preferential Allotment basis, by converting the

funds given by AIDC as per the direction of Govt. of Assam on such terms and conditions and in such manner as decided by the Board.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, any of Directors and/or the Company Secretary of the Company be and are hereby authorized on behalf of the Company to sign and dispatch the Offer Letter for Preferential Placement and the application form, to such person(s) as identified by the Board and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to such creation(s), offer(s), issue(s), allocation(s) or allotment(s) (including to amend or modify any of the terms of such creation, offer, issue, allocation or allotment) and to give such declarations as may be necessary under the applicable laws as a part of the above mentioned documents or otherwise.”

**By order of the Board of Directors**

Date: 18.08.2017

Place: Guwahati

**Hemant B. Vyas**

Managing Director

Din No. 00076289

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### NOTES:

1. The Statement pursuant to Section 102 of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.
  2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument of Proxy, in order to be effective, must be received at the Company’s Registered Office not less than forty-eight hours before the Meeting.  
Pursuant to Section 105 of Companies Act, 2013, a person can act as a proxy on behalf of the members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total Share capital of those carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any person or shareholder.
  3. The Register of Members and the Share Transfer Books of the Company will be closed from 22nd September, 2017 to 28th September, 2017 (both days inclusive).
  4. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting.
  5. A detail of Director seeking appointment / re-appointment in this Annual General Meeting is attached separately to the notice.
  6. Shareholders/Investors are advised to send their queries/complaints through the dedicated e-mail Id secretarial@bosimi.com for quick and prompt redressal of their grievances.
  7. The Shares of the Company are mandated by the Securities & Exchange Board of India (SEBI) for trading in dematerialized form by all investors.
  8. Members desirous of getting any information about the accounts of the Company, are requested to send their queries so as to reach at-least ten days before the meeting at the Registered Office of the Company, so that the information required can be made readily available at the meeting.
  9. Members are requested to intimate change in their address immediately to M/s Sharex Dynamic (India) Pvt. Limited, the Company’s Registrar and Share Transfer Agents, at their office at No. Unit – 1 , Luthra Ind. Premises, Safed Pool, Andheri Kurla Road, Andheri (E) Mumbai – 400072.
  10. The identity/signature of Members holding shares in electronic/demat form is liable for verification with the specimen signatures furnished by NSDL/CDSL. Such Members are advised to bring the relevant identity card issued by appropriate authorities to the Annual General Meeting.
  11. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the meeting.
  12. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
  13. In any correspondences with the Company, members are requested to quote their account/ folio numbers and in case their shares are held in the dematerialized form, they must quote their Client ID Number and their DP ID Number.
  14. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail of the nomination facility by filing
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Form 2B. Members holding shares in the dematerialized form may contact their Depository Participant for recording nomination in respect of their shares.

15. Members/ Proxies attending the meeting are requested to bring their Attendance Slip, sent herewith, duly filled in.
16. Corporate Members intending to send their authorized representatives to attend the meeting pursuant to Section 113 of Companies Act, 2013 are requested to send to the Company a certified copy of relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the meeting.
17. Shareholders are requested to register their e-mail addresses, in respect of electronic holding with the Depository Participants or alternatively they may register by sending an e-mail at bosimigogreen@sharexindia.com. Members who hold shares in physical form are requested to register their e-mail addresses by sending an e-mail at bosimigogreen@sharexindia.com.
18. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
19. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
20. The members who have cast their vote by remote e-voting prior to the AGM (may also attend the AGM) but shall not be entitled to cast their vote again.

The details for voting electronically are as under -

- 1) Date and time of commencement of voting through electronic means: Monday 25th September, 2017 (9:00 am)
- 2) Date and time of end of voting through electronic means beyond which voting will not be allowed : Wednesday, September 27, 2017 at 5.00 p. m.
- 3) During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st September, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter.
- 4) Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- 5) Details of Scrutinizer: Kumudini Paranjape, Practicing Company Secretary (FCS No. 6667), Partner M/s. MMJC and Associates, Mumbai. E-mail:

kumudiniparanjape@mmjc.in

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

- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
  - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.  
NOTE: Shareholders already registered with NSDL for e-voting will not receive the PDF file "remote e-voting.pdf".
  - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsd.com/>
  - (iii) Click on Shareholder - Login
  - (iv) Put your user ID and password. Click Login.
  - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
  - (vii) Select "EVEN" of "PRAG BOSIMI SYNTHETICS LIMITED".
  - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
  - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
  - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to kumudiniparanjape@mmjc.in with a copy marked to evoting@nsdl.co.in
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :
  - (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:  
EVEN (Remote e-voting Event Number)  
USER ID                      PASSWORD/PIN
  - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

**22. In case of any queries, you may refer the Frequently Asked**

## Prag Bosimi Synthetics Limited

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Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nSDL.com](http://www.evoting.nSDL.com) or call on toll free no.: 1800-222-990.

23. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nSDL.com](http://www.evoting.nSDL.com).

In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID).

In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No).

24. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
25. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 21st Sept, 2017.
26. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 1st September, 2017, may obtain the login ID and password by sending a request at [evoting@nSDL.co.in](mailto:evoting@nSDL.co.in) or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nSDL.com](http://www.evoting.nSDL.com) or contact NSDL at the following toll free no.: 1800-222-990.
27. A member may participate in the AGM even after exercising

his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

28. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
29. Mrs. Kumudini Bhalerao, Company Secretary (Membership No. 6667) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
30. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "remote e-voting" or "Ballot Paper" or "Poling Paper" for all those members who are present at the AGM) but have not cast their votes by availing the remote e-voting facility.
31. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
32. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.pragbosimi.in](http://www.pragbosimi.in) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.
33. A route map showing directions to reach the venue of the 25th Annual General Meeting is given at the end of the report.

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### Explanatory Statement Pursuant to Section 102(1) of the Companies Act, 2013

#### ITEM NO: 3

In terms of provisions of Section 139 of the Act read with Rules framed thereunder, it is mandatory to rotate the Statutory Auditors of the Company on completion of the maximum term permitted therein. M/s. Bharat Shroff & Company, Chartered Accountants (Registration Number 131026W), the Statutory Auditors, hold office till the conclusion of this AGM. M/s. M/s. Bharat Shroff & Company, Chartered Accountants having completed the maximum term of five years as Statutory Auditors of the Company, shall not be entitled for re-appointment as Statutory Auditors. The Board of Directors of the Company has recommended the appointment of M/s. M. H. Dalal & Associates, Chartered Accountants, as the Statutory Auditors of the Company in place of M/s. Bharat Shroff & Company, Chartered Accountants, for a period of five years, from the conclusion of this AGM till the conclusion of the thirtieth AGM. M/s. M.H. Dalal, Chartered Accountants, have granted their consent for appointment as Statutory Auditors of the Company and have also confirmed their eligibility for being appointed as Statutory Auditors in terms of requirements prescribed under Act.

Your Directors recommend the Resolution proposed at Item No. 3 of this Notice for your approval.

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

#### ITEM NO. 4

As per the provisions of Section 20 of the Companies Act, 2013, a member may request for any document through a particular mode, for which the member shall pay such fees as may be determined by the Company in its annual general meeting. Since the cost of providing documents may vary according to the mode of service, weight and its estimation etc., therefore it is proposed that actual expense borne by the Company for such dispatch will be paid in advance by the member to the company.

The Board recommends the resolution at item no. 4 for the approval of the Shareholders.

No Director of the Company, Key Managerial Personnel or their relatives respectively is in any way concerned or interested in the proposed resolution

**ITEM NO. 5 & 6:**

The members of the Company be and are hereby informed that taking into consideration the revival and future business plans of the Company, the Board of Directors of the Company have proposed to convert the existing loans partly into Cumulative preference capital and partly into Optionally Cumulative Convertible Debentures. Subsequently, the Board has decided to offer, issue and allot 15,77,000(Fifteen Lakh Seventy Seven Thousand Only) Preference Shares at a price of Rs. 100/-(Rupees Hundred Only) each, amounting to a total of Rs.15,77,00,000/- (Rupees Fifteen Crores Seventy Seven Lakhs Only) and 54,37,000 (Fifty Four Lakhs and Thirty Seven Thousand Only) Optionally Cumulative Convertible Debentures at a price of Rs. 100/- (Rupees Hundred Only) each, amounting to a total of Rs. 54,37,00,000/- (Rupees Fifty Four Crore Thirty Seven Lakhs Only) on the instruction received through the letter issued by Government of Assam dated 17th October, 2015.

**Part A – Optionally Cumulative Convertible Debentures**

The Debentures to be issued for the existing loans of amount of Rs. 54,37,00,000 as mentioned in the resolution shall be 'Optionally Cumulatively Convertible Debentures'. Further, each of the 54,37,000 Optionally Cumulative Convertible Debenture is being offered at a price of Rupees 100/- each. The said Optionally Cumulative Convertible Debenture shall carry an interest rate of 8% per annum w.e.f 01.04.2019. The allotment of Optionally Cumulative Convertible Debenture is proposed to be made to Assam Industrial Development Corporation Limited (Owned by Govt of Assam).

**Part B – Cumulative Preference shares**

The particulars of the information & disclosures as required under Rule 90f of the Companies (Share Capital and Debenture) Rules, 2014.

(i) The objects of the issue;

In sight of the revival plans of the Company and subsequent expansion, the Company intends to convert the existing loans partly into capital of the Company by issue of Cumulative Preference shares.

(ii) The size of the issue and the number of preference shares or other securities to be issued and nominal value of each preference share;

The Company intends to issue 15,77,000 (Fifteen Lakh Seventy Seven Thousand Only) Preference Shares of Rs. 100/- each.

(iii) Dividend;

The preference shares shall carry a dividend rate of 1% p.a for the first 2 years i.e. upto 31st March 2019. and thereafter shall carry dividend rate of 8% p.a. for all subsequent years till redemption.

(iv) The nature of such issue;

The preference shares to be issued shall be in the nature of Cumulative preference shares.

(v) Manner of issue

The preference shares are proposed to be issued on conversion of the existing loans on preferential issue basis.

(vi) The price or price band at/within which the allotment is proposed;

Each preference share is being offered at face value of Rupees 100/- each.

(vii) Basis on which the price has been arrived at along with report of the registered valuer;

Since the Cumulative Preference shares are of non-convertible nature, the issue price for the Preference shares shall be the face value of Rs. 100/- each.

(viii) The terms of redemption, including the tenure of redemption, redemption of shares at premium and if the preference shares are convertible, the terms of conversion;

The preference shares shall have a life of 20 years. The preference shares shall be non-convertible preference shares.

(ix) The manner and modes of redemption;

The redemption of preference shares shall be from the profits of the Company or by way of utilization of proceeds from the fresh issue of securities.

(x) Relevant date with reference to which the price has been arrived at;

Not Applicable

(xi) The class or classes of persons to whom the allotment is proposed to be made;

The allotment is proposed to be made to the Promoter and persons other than promoter group of the Company

(xii) Intention of Promoters, Directors or Key Managerial Personnel to subscribe to the offer;

None of the Promoters, Directors or Key Managerial Personnel intend to subscribe to the share except the following promoters as per the direction of the Govt. of Assam.

Sr. No.	Name	Number of Preference Share
1.	Mr. Hemant B. Vyas	5,84,000
2.	Assam Industrial Development Corp. Ltd.	10,63,000



## Prag Bosimi Synthetics Limited

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(xiii) The proposed time within which the allotment shall be completed;

The allotment shall be completed within 60 (Sixty) Days from receipt of application from the proposed allottees.

Details of Directors seeking appointment or reappointment in the Annual General Meeting fixed on Thursday, 28<sup>th</sup> September, 2017  
(In pursuance to Clause 49 to the Listing Agreement)

<b>Name of the Director</b>	<b>Shri Devang H. Vyas</b>
Date of Birth	12 <sup>th</sup> May, 1969
Date of appointment	15 <sup>th</sup> May, 2014
Qualification	Chemical Engineer, M.B.A. Finance
Expertise in specific functional area	Management, Administration and Finance
List of Outside Directorships held	1
Chairman or members of the Committee of the Board of Directors of other Companies*	Nil
Number of shares in the Company	3860
Inter se relationship with other Directors and KMP	Mr. Devang Vyas is the son of Mr. Hemant B. Vyas (Managing Director)

\*Note: Excludes Chairmanship/Directorship in Private Limited Companies, Foreign Companies, Companies under Section 8 of the Companies Act, 2013 and excludes Committees formed by such Companies.

**By order of the Board of Directors**

Date: 18.08.2017

Place: Guwahati

**Hemant B. Vyas**

Managing Director

Din No. 00076289

**DIRECTORS' REPORT**

To,

The Members,

Prag Bosimi Synthetics Limited (PBSL).

Your Directors have pleasure in presenting the 25th Annual Report together with audited accounts of the Company for the 12 months period ended on 31st March, 2017.

**SUMMARISED FINANCIAL RESULTS:**

The financial results of your Company for the period under review are summarized below:

Particulars	(Rupees in Lakhs)	
	Year ended 31st March, 2017	Year ended 31st March, 2016
Gross Turnover	248.70	13793.11
Turnover net of Excise duty	242.94	13789.79
Profit / (Loss) before Depreciation, Interest and Taxation	(243.24)	1222.81
(Add)/ Less: Interest	615.37	1337.36
(Add)/ Less: Depreciation	985.36	925.21
Profit / (Loss) for the year	(1843.97)	(1039.76)
Add/ (Less) Loss brought forward from the previous period	(18366.76)	(17327.00)
Total Loss carried forward to next period/ year	(20210.73)	(18366.76)

**COMPANY ACTIVITIES**

The Directors regret that since 2013 company is closed, even Assam State Electricity Board has disconnected the power supply. We have informed you earlier also that there are various adverse factors for the unit to be operational economically such as

- non-availability of sufficient funds and working capital
- logistic disadvantage
- non-availability of raw material from nearby area as transporting from other part of the country is too expensive
- company produces yarn and since there are no weaving units around, so there is no ready market for our produced yarn forcing us to sell the products in the western part of the country incurring huge cost towards transportation.

The capacity of our plant is comparatively very less now as other units in the country are much larger and their cost of production is much in control. International financing was also planned which did not materialize in spite of signing MOU and foreign party spending money on Due Diligence. Since this is the only Joint Sector undertaking in Assam, taking into consideration of employment, supporting handloom and weaving activities and in line with Central Government's approach of supporting textile related activities, we approached through our co-promoter Assam Industrial Development Corporation to Government of Assam to support and provide us funds for revival in early 2014. Government started studying the possibility of revival of the unit with total value-added machines to be installed to produce not only POY yarn but final yarn which can be used in handloom and

powerloom around the area. There was a large liability of workers including statutory liabilities but because of political compulsion unit had to be revived, that was the approach of Government. It took more than 2 years in pursuing the Government to come and help the unit where they were pursued to part with specific purpose funds for One Time Settlement of outstanding OCCDs with interest. It is known to all of you and even to the Government of Assam that Private Promoter has organized upfront money to be paid to all lenders for achieving CDR in 2010 from NBFC. The amount was received in September 2010. Since then interest on borrowed money is a liability of the company.

In this circumstances, we still continued to pursue Government of Assam who in turn agreed to support the company financially and release funds for specific purpose. The revival proposal was approved based on financials including idle period cost and statutory liabilities and based on assumptions, Company will re-start production by September 2014. However, the actual funds released by Government and received by the company only in February 2016. In the meantime, Company's interest cost of NBFC loan, labour cost and idle period cost went up substantially. It will not be out of place to mention that because of Joint Sector, company could neither retrench nor could declare lock out and even could not rationalize the labour forces. Under the Government direction, being Joint Sector company, we could not give lay-off to workers and workers liability mounted even during period when ASEB disconnected the power supply and the company's operation was totally stopped resulting into non – generation of income.

Since money has received for specific purpose of settlement of OCCDs for Rs.15 crores, idle period cost, workers/statutory liabilities, some funds were released for specific purpose for value-added machineries to be used for making yarn for handloom units.

**ONE TIME SETTLEMENT WITH BANKS AND FINANCIAL INSTITUTIONS**

Due to our poor performance for a long time and stoppage of work at factory made us unable to repay OCCD's issued to various CDR lenders in terms of the earlier CDR settlement. Our account was classified as NPA and therefore it was not possible for the Company to raise finance on the basis of its own strength. As we are a joint sector company we approached to Government of Assam for financial assistance towards rehabilitation of the company. As settlement with the lenders was essential for rehabilitation of the Company the government of Assam was kind enough to sanction the OTS amount for payment to all the OCCD lenders at 20% of the principal amount of OCCD (Interest to be waived fully). We are happy to inform that 92.78% of the OCCDs has been settled and balance 7.22% is expected to be settled shortly.

**DIVIDEND:**

Due to inadequate profits your directors have not recommended any dividend for the current period.

**TRANSFER TO RESERVES :**

In view of loss incurred during the period under review, the Board of Directors has not recommended transfer of any amount to reserves.

**SHARE CAPITAL :**

There is no change in the Share Capital of the Company during the year under review.

## Prag Bosimi Synthetics Limited

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### **CHANGE IN NATURE OF BUSINESS, IF ANY.**

There are no changes in the nature of business in the financial year 2016-17.

### **FINANCE AND ACCOUNTS**

Your Company prepares its financial statements in compliance with the requirements of the Companies Act, 2013 and the Generally Accepted Accounting Principles (GAAP) in India. The financial statements have been prepared on historical cost basis. The estimates and judgments relating to the financial statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions, reasonably present the Company's state of affairs, profits/(loss) and cash flows for the year ended 31st March 2017.

The Company continues to focus on judicious management of its working capital, receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

There is no audit qualification in the standalone financial statements by the statutory auditors for the year under review.

### **LOANS, GUARANTEES, INVESTMENTS AND SECURITIES:**

Details of Loans, Guarantees and Investments, if any, covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

### **SUBSIDIARIES:**

The Company has 3 subsidiary companies; the consolidated accounts of these Subsidiary Companies are annexed to this report along with the statement pursuant to the Companies Act, 2013.

Prag Jyoti Textile Park Private Limited has recently received approval from Central Government for setting up the Textile Park and we have taken necessary steps for implementation of the Textile Park.

Since our subsidiary Prag Jyoti Textile Park Private Limited has now got approval for setting up the Textile Park, now our other subsidiaries namely Prag Bosimi Texurising Private Limited and Prag Bosimi Packaging Private Limited can commence commercial operations shortly.

### **CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES**

There were related party transactions during the year which were done on arm length basis. The details have been mentioned in the Notes to Accounts, Part 1.1 (ix) as per AS-18 in Notes forming part of the Standalone Financial Statements for the year ended 31st March, 2017.

### **MANAGEMENT DISCUSSION AND ANALYSIS:**

The Management Discussion and Analysis on the operations of the Company as prescribed under Part B of Schedule V read with regulation 34(3) of the Listing Regulations, 2015 is provided in a separate section and forms part of the Directors' Report. It gives a reflection of the current state of business. It also deals with opportunities, challenges and the outlook of the Company.

### **DIRECTORS AND KEY MANAGERIAL PERSONS:**

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Devang Vyas (DIN 00086459) retires by rotation as Director at the ensuing Annual General Meeting and being eligible, offers himself for the re-appointment. The Board recommends his re-appointment.

Ms. Madhu Dharewa was appointed as Company Secretary of the Company on 11/11/2016 in place of Mrs. Shweta Mahajan, who resigned with effect from 30/09/2016.

### **BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, the Board has carried out an annual performance evaluation of its own performance, of the Directors individually, as well as the evaluation of the working of its Audit, Nomination & Remuneration and other Committees of the Board.

At the meeting of the Board, all the relevant factors that are material for evaluating the performance of individual Directors, the Board and its various Committees, were discussed in detail. A structured questionnaire each in line with circular issued by SEBI, for evaluation of the Board, its various Committees and individual Directors, was prepared and recommended to the Board by the Nomination & Remuneration Committee, for doing the required evaluation, after taking into consideration the inputs received from the Directors, covering various aspects of the Board's functioning, such as adequacy of the composition of the Board and its Committees, execution and performance of specific duties, obligations and governance, etc.

A separate exercise was carried out to evaluate the performance of individual Directors, including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority Shareholders, etc. The performance evaluation of the independent Directors was carried out by the entire Board excluding the Director being evaluated.

The performance evaluation of the Chairman and non-independent Directors was also carried out by the Independent Directors at their separate meeting. The Directors expressed their satisfaction with the evaluation process.

### **BOARD MEETINGS:**

The details of the Board Meetings and other Committee Meetings held during the financial year 2016-17 are given in the separate section of Corporate Governance Report.

### **BOARD COMMITTEES**

All Committees of the Board of Directors are constituted in line with the provisions of the Companies Act, 2013 and applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **DECLARATIONS BY INDEPENDENT DIRECTORS:**

The Company has received declarations from all the Independent Directors under Section 149(6) of the Companies Act, 2013 confirming their independence vis- à-vis the Company.

### **PUBLIC DEPOSITS:**

The Company has not accepted any Public Deposits during the period under review.

### **DEPRECIATION ON PLANT & MACHINERY**

Depreciation is systematically allocated over the useful life of an asset as specified in part C of schedule II of Companies Act, 2013.

### **MATERIAL CHANGES AND COMMITMENTS**

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial period of the Company and date of this report.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors of your Company confirm that:

- a. in the preparation of the accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. such accounting policies have been selected and applied consistently and the Directors 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 the loss of the Company for that period;
- c. proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the accounts of the Company have been prepared on a going concern basis;
- e. internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

**NOMINATION AND REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee of Directors as constituted by the Board of Directors of the Company in accordance with the requirements of Section 178 of the Act.

The composition of the committee is as under:

- 1. Mr.G. M. Das Chairman, Independent Director
- 2. Mr. M.K. Das Director and
- 3. Mr. Rohit Doshi Independent Director.

The Board has in accordance with the provisions of sub- section (3) of Section 178 of the Companies Act, 2013, formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees.

Major criteria defined in the policy framed for appointment of and payment of remuneration to the Directors of the Company, are as under:

Minimum Qualification

Positive Attributes Independence Experience

**RISK MANAGEMENT POLICY:**

The Board of Directors of the Company has designed Risk Management Policy and Guidelines to avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses, and define a structured approach to manage uncertainty and to make use of these in their decision making pertaining to all business divisions and corporate functions. Key business risks and their mitigation are considered in the annual/ strategic business plans and in periodic management reviews.

**VIGIL MECHANISM POLICY FOR THE DIRECTORS AND EMPLOYEES:**

The Board of Directors of the Company has, pursuant to the provisions of Section 178(9) of the Companies Act, 2013 read

with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed "Vigil Mechanism Policy" for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, etc. The employees of the Company have the right/option to report their concern/grievance to the Chairman of the Audit Committee. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations.

**DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL:**

We have received a penalty letter from BSE for non Submission of financial results under Regulation 33 of the SEBI (LODR) Regulations 2015 for March 2017. The company has replied and asked for relief vide letter dated 27.06.2017.

**CORPORATE GOVERNANCE:**

Your Company affirms its commitment to Corporate Governance and is fully compliant with the conditions of Corporate Governance stipulated in Regulation 27(2) of the Listing Agreement with Stock Exchanges. A separate section on compliance of Corporate Governance and a Certificate from the Auditor's firm and practising Company Secretary dated 18th August, 2017 in this regard are annexed hereto and forms a part of the Report.

**DISCLOSURE OF INTERNAL FINANCIAL CONTROLS**

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the period under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO:**

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc. are furnished in Annexure I which forms part of this Report..

**PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORK PLACE:**

During the year under review, the Company has not received any complaint under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**EXTRACT OF ANNUAL RETURN:**

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Extract of the Annual Return for the financial period ended 31st March 2017 made under the provisions of Section 92(3) of the Act is attached as Annexure II which forms part of this Report.

**ANNUAL EVALUATION OF DIRECTORS, COMMITTEE AND BOARD:**

Attendance at the meetings, Participation and contribution, Responsibility towards stakeholders, Contribution in Strategic Planning, Compliance and Governance, Participation, Performance Evaluation and Updation of Knowledge are the criteria's for Performance Evaluation of Directors, Committee and Board.

## Prag Bosimi Synthetics Limited

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### **PARTICULARS OF EMPLOYEES:**

The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year under review has been marked as Annexure 'III'. The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March, 2017 is given in a separate Annexure to this Report. The said Annexure is not being sent along with this Report to the Members of the Company in line with the provisions of Section 136 of the Companies Act, 2013. Members who are interested in obtaining these particulars may write to the Company Secretary at the Registered Office of the Company.

### **OBSERVATIONS OF STATUTORY AUDITORS ON ACCOUNTS FOR THE PERIOD ENDED 31ST MARCH 2017:**

The observations made by the Statutory Auditors in their report for the financial period ended 31st March 2017 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

### **SECRETARIAL AUDIT REPORT FOR THE PERIOD ENDED 31ST MARCH 2017:**

Provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, mandates to obtain Secretarial Audit Report from Practicing Company Secretary. CS Rakesh Kapur, Practicing Company Secretary had been appointed to issue Secretarial Audit Report for the period 16-17.

Secretarial Audit Report issued by Rakesh Kapur, Company Secretary in Form MR-3 for the financial year 2016-17 forms part to this report. The said report does not contain any observation or qualification requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

### **INTERNAL CONTROL SYSTEMS:**

Adequate internal control systems commensurate with the nature of the Company's business and size and complexity of its operations are in place has been operating satisfactorily. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected.

### **AUDITORS:**

M/s Bharat Shroff & Company, Chartered Accountants, Mumbai;

and M/s. A M D & Associates, Chartered Accountants, Guwahati Auditors of the Company will retire at the forthcoming Annual General Meeting, and in place of M/s Bharat Shroff & Co., M/s M. H. Dalal and Associates are recommended and being eligible, offer themselves for appointment seek appointment as the Auditors of the Company.

### **CORMATE SUSTAINABILITY AND SOCIAL RESPONSIBILITY:**

The provision of the Section 135 and Schedule VII of the Companies Act, 2013 as well as the provisions of the Companies (Corporate Social Responsibility Policy) Rules, 2014 effective from April 1, 2014 relating to CSR Initiatives are not applicable to the Company.

### **SECRETARIAL AUDITOR:**

Rakesh Kapur, Company Secretary, Mumbai, is appointed as Secretarial Auditor of the Company.

### **INTERNAL AUDITOR:**

M/s. Dhawan Pandey & Associates, Chartered Accountants, are appointed as Internal Auditors of the Company.

### **INDUSTRIAL RELATIONS/ HUMAN RESOURCES:**

Your Company maintained healthy, cordial and harmonious industrial relations at all levels during the period under review. Your Company firmly believes that a dedicated workforce constitute the primary source of sustainable competitive advantage. Accordingly, human resource development continues to receive focused attention. Your Directors wish to place on record their appreciation for the dedicated and commendable services rendered by the staff and workforce of your Company.

### **INDIAN ACCOUNTING STANDARDS (IND AS) IFRS CONVERGED STANDARDS:**

The Ministry of Corporate Affairs vide its notification dated 16.02.2015 has notified the Companies (Indian Accounting Standard) Rules, 2015. In pursuance of this notification, the Company will adopt IND AS with effect from 1st April, 2017.

### **APPRECIATION:**

Your Directors take this opportunity to offer their sincere thanks to the Government of India, State Government of Assam, AIDC, Dena Bank, IDBI, LIC, UTI, GIC & its subsidiaries, SBI, NEDFI, Allahabad Bank, Bank of Baroda, Central Bank of India, UCO Bank, Indusind Bank, North East Frontier Railways, Srei Infrastructure Finance Limited and our valued investors who through their continued support and co-operation, have helped in your Company's progress.

**By order of the Board of Directors**

Date : 18.08.2017

Place : Mumbai

**Hemant B. Vyas**

Managing Director  
Din No. 00076289

**Devang Vyas**

Director  
Din No. 00076459

## MANAGEMENT DISCUSSION AND ANALYSIS

### DISCLAIMER STATEMENT

Certain statements in this report on Management Discussion and Analysis may be forward looking statements and have been issued in terms of the applicable laws and regulations. These statements are based on certain assumptions and expectations of future events. Actual results could however differ materially from those expressed in the statements or implied due to the influence of external and internal factors, which are beyond the control of the Company. The Company assumes no responsibility in respect of forward-looking statements, which may be amended or modified in future on the basis of subsequent developments, information or events.

### INDUSTRY OUTLOOK

Company's product being polyester yarn is always having large demand in the country. This is a prime material for textiles. The raw material if PTA/MEG which falls under petrochemical industry. Yarn produced if it is sold within the area then it is competitive, otherwise the transport cost is more than 5% of the value of goods. Previously there used to be various taxes in different states. Now GST has come into effect, actual impact is still not known. Outlook for coming year is favourable but will have to be cost effective, value added yarn will have a ready market

### OPPORTUNITIES

#### INCREASED APPLICATION COUPLED WITH GOVERNMENT THRUST

POY is finding increased application in products like soft luggage, sports jerseys,airbags, safety belts, surgical gowns and drapes etc. This is in addition to steady growth in the conventional uses of polyester

Government thrusts to the manufacturing sector with initiatives like Make in India and newly announced Textile policy will also help our Company.

### CHALLENGES

Volatility of Crude prices may impact the growth / viability of the industry as substantial cost of production is based on raw material price.

**By order of the Board of Directors**

Date: 18.08.2017

Place: Guwahati

**Hemant B. Vyas**

Managing Director

Din No. 00076289

**Devang Vyas**

Director

Din No. 00076459

## Prag Bosimi Synthetics Limited

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### ANNEXURE TO THE DIRECTORS' REPORT

Form AOC – 1

#### Part A: Subsidiaries

{Pursuant to first proviso to Sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules 2014}

Statement containing salient features of the financial statement of subsidiaries

1. Name of subsidiaries which are yet to commence operations:	1. Prag Jyoti Textile Park Private Limited 2. Prag Bosimi Texurising Private Limited 3. Prag Bosimi Packaging Private Limited
2. Name of subsidiaries which have been liquidated or sold during period:	NIL

**ANNEXURE TO THE DIRECTORS' REPORT****CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS/ OUT GO:****Annexure I****(A) POWER AND FUEL CONSUMPTION**

<b>Particulars</b>	<b>CURRENT PERIOD</b>	<b>PREVIOUS PERIOD</b>
1. Electricity:		
Purchased:		
(a) No of Units	12,400	Nil
(b) Total Amount (Rs.)	104,160	Nil
(c) Rate/Unit (Rs.)	8.40	Nil
Own Generation:		
Through Diesel generators		
(a) No. Of Units:	129,000	93,000
(b) Unit per litre of Diesel	3	3
(c) Cost/Unit (Rs.)	18.00	15.5
Through steam turbine generation	Nil	Nil
No. of Units:	N.A	N.A.
Unit per litre of Fuel oil/Gas	N.A	N.A.
Cost/Unit	N.A	N.A.
2. Coal (specify quality and where used)	N.A	N.A.
Quantity:	N.A	N.A.
Total cost	N.A	N.A.
Average Rate	N.A	N.A.
3. Furnace Oil:	N.A	N.A.
Quantity (KL)	N.A	N.A.
Total Amount (Rs.)	N.A	N.A.
Average Rate (Rs)	N.A	N.A.
4. Steam:	N.A	N.A.
Quantity in Tons:	N.A	N.A.
Total Cost: (Rs.)	N.A	N.A.
Rate per Ton (Rs)	N.A	N.A.
Consumption per unit of production	N.A	N.A.
Electricity per K.G. Yarn in No of Units	N.A	N.A.
Furnace Oil (Liter)	N.A	N.A.
Coal	N.A	N.A.
Steam in K.G. per K.G of Yarn	N.A	N.A.

**B. FOREIGN EXCHANGE EARNINGS/OUTGO:**

Foreign Exchange Earnings	Nil	Nil
Foreign Exchange Outgo	Nil	Nil
Capital Goods	Nil	Nil
Stores, spares and consumable	Nil	Nil
Others	Nil	Nil

By order of the Board of Directors

Date: 18.08.2017

Place: Guwahati

**Hemant B. Vyas**

Managing Director

Din No. 00076289

**Devang Vyas**

Director

Din No. 00076459



## Prag Bosimi Synthetics Limited

### ANNEXURE II

#### EXTRACT OF ANNUAL RETURN

As on financial year ended on 31<sup>st</sup> March 2017

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

FORM NO.MGT - 9

#### I. REGISTRATION AND OTHER DETAILS:

CIN	L17124AS1987PLC002758
Registration Date	31st July, 1987
Name of the Company	PRAG BOSIMI SYNTHETICS LTD
Category / Sub-Category of the Company	INDIAN NON GOVERNMENT COMPANY
Address of the Registered office	HOUSE NO 4, NILGIRI PATH, R.G.BARUA ROAD, NEAR DOORDARSHAN, GUWAHATI, ASSAM-781024
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, Andheri Kurla Road, Safed Pool, Andheri (East), Mumbai 400072.

#### 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:-

Sr. No.	Name and Description of main products/services	Code of the Product/service	% to total turnover of the company
1	Polyester Filament Yarn (PFY)	540242	100

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN / GLN	Holding / subsidiary / associate	% of shares held
1	PRAG JYOTI TEXTILE PARK PRIVATE LIMITED R.G.Barua Road, House No.4, Nilgiri Path, Near Doordarshan, Guwahati- 781 024 Assam.	U17290AS2010PTC010321	Subsidiary	60.87%
2	PRAG BOSIMI PACKAGING PRIVATE LIMITED R.G.Barua Road, House No.4, Nilgiri Path, Near Doordarshan, Guwahati- 781 024 Assam.	U21022AS2011PTC010357	Subsidiary	100%
3	PRAG BOSIMI TEXURISING PRIVATE LIMITED R.G.Barua Road, House No.4, Nilgiri Path, Near Doordarshan, Guwahati- 781 024 Assam.	U17290AS2010PTC010340	Subsidiary	100%

**IV SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) :****(i) CATEGORY WISE SHAREHOLDING**

Category of Shareholders	No. of Shares held at the beginning of the year 01/04/2016				No. of Shares held at the end of the year 31/03/2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. PROMOTER'S</b>									
<b>(1). INDIAN</b>									
(a). Individual	2082846	275060	2357906	3.170	2129280	275060	2404340	3.232	0.062045484
(b). Central Govt.		0				0			0
(c). State Govt(s).	18377980	0	18377980	24.707	18377980	0	18377980	24.707	0
(d). Bodies Corpp.	6428109	7295400	13723509	18.450	6428109	7295400	13723509	18.450	0
(e). FIINS / BANKS.		0				0			0
(f). Any Other									
<b>Sub-total (A) (1):-</b>	<b>26888935</b>	<b>7570460</b>	<b>34459395</b>	<b>46.32695452</b>	<b>26935369</b>	<b>7570460</b>	<b>34505829</b>	<b>46.389</b>	<b>0.062045484</b>
<b>(2). FOREIGN</b>									
(a). Individual NRI / For Ind	0	904950	904950	1.217	0	904950	904950	1.217	0
(b). Other Individual		0				0			0
(c). Bodies Corporates		0				0			0
(d). Banks / FI		0				0			0
(e). Qualified Foreign Investor		0				0			0
(f). Any Other Specify		0				0			0
<b>Sub-total (A) (2):-</b>	<b>0</b>	<b>904950</b>	<b>904950</b>	<b>1.217</b>	<b>0</b>	<b>904950</b>	<b>904950</b>	<b>1.217</b>	<b>0</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>26888935</b>	<b>8475410</b>	<b>35364345</b>	<b>47.544</b>	<b>26935369</b>	<b>8475410</b>	<b>35410779</b>	<b>47.606</b>	<b>0.062045484</b>
<b>(B) (1). PUBLIC SHAREHOLDING</b>									
(a). Mutual Funds	0	98900	98900	0.133	0	98900	98900	0.133	0.000
(b). Banks / FI	1000	0	1000	0.001	1000	0	1000	0.001	0.000
(c). Central Govt.		0				0			0.000
(d). State Govt.		0				0			0.000
(e). Venture Capital Funds		0				0			0.000
(f). Insurance Companies		0				0			0.000
(g). FIs		0				0			0.000
(h). Foreign Venture Capital Funds		0				0			0.000
(i). Others (specify)		0				0			0.000
<b>Sub-total (B)(1):-</b>	<b>1000</b>	<b>98900</b>	<b>99900</b>	<b>0.134</b>	<b>1000</b>	<b>98900</b>	<b>99900</b>	<b>0.134</b>	<b>0</b>
<b>2. Non-Institutions</b>									
<b>(a). BODIES CORP.</b>									
(i). Indian	2304129	5690420	7994549	10.748	2141808	5690420	7832228	10.530	-0.218
(ii). Overseas	0				0			0.000	
<b>(b). Individuals</b>									
(i) Individual shareholders holding nominal share capital upto Rs.1 lakh	6136654	10539741	16676395	22.420	6049124	10519341	16568465	22.275	-0.145
(ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	12061390	87400	12148790	16.333	12249708	87400	12337108	16.586	0.253
<b>(c). Other (specify)</b>									
Non Resident Indians	574019	1517360	2091379	2.812	548776	1515760	2064536	2.776	-0.036
Overseas Corporate Bodies		0				0			0
Foreign Nationals		0				0			0
Clearing Members	7602	0	7602	0.01	69944	0	69944	0.094	0.084
Trusts	0	0				0			
Foreign Boodies	0				0			0	
<b>Sub-total (B)(2):-</b>	<b>21083794</b>	<b>17834921</b>	<b>38918715</b>	<b>52.32275955</b>	<b>21059360</b>	<b>17812921</b>	<b>38872281</b>	<b>52.261</b>	<b>-0.061759546</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>21084794</b>	<b>17933821</b>	<b>39018615</b>	<b>52.457</b>	<b>21060360</b>	<b>17911821</b>	<b>38972181</b>	<b>52.395</b>	<b>-0.061759546</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>		<b>0</b>				<b>0</b>			<b>0.000</b>
<b>Grand Total (A+B+C)</b>	<b>47973729</b>	<b>26409231</b>	<b>74382960</b>	<b>100.00</b>	<b>47995729</b>	<b>26387231</b>	<b>74382960</b>	<b>100.00</b>	<b>0.000285938</b>

## Prag Bosimi Synthetics Limited

### ii) SHARE HOLDING OF PROMOTERS

Sl No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2016			Share holding at the end of the year 31/03/2017			% change in shareholding 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	ASSAM INDUSTRIAL DEVELOPMENT CORPOR	18377980	24.707	0	18377980	24.707	0	0
2	AKHILESH MERCANTILE PVT LTD	6428109	8.642	0	6428109	8.642	0	0
3	DEVSAI INVSTS AND FINANCES P LTD	4250000	5.714	0	4250000	5.714	0	0
4	KAUSHALYA MARKETING P LTD	1485400	1.997	0	1485400	1.997	0	0
5	RAMYA MARKETING P LTD	1470000	1.976	0	1470000	1.976	0	0
6	DEVILA HEMANT VYAS	847970	1.14	0	877001	1.179	0	0.039
7	AHMED ESMAIL ADAM	725500	0.975	0	725500	0.975	0	0
9	HEMANT B VYAS	328475	0.442	0	328475	0.442	0	0
10	VAISHALI VYAS	270534	0.364	0	291197	0.391	0	0.027
11	DEVENDRA PANNALAL BACHKANIWALA	261300	0.351	0	261300	0.351	0	0
12	RAJESH AMRATLAL DOSHI	195317	0.263	0	195317	0.263	0	0
13	LEENA KAMLESH BACHKANIWALA	160000	0.215	0	160000	0.215	0	0
14	VASUMATI B BACHKANIWALA	154000	0.207	0	154000	0.207	0	0
15	SWAYAMBHU LEASING & FINANCE LTD	90000	0.121	0	90000	0.121	0	0
16	KAMLESH B BACHKANIWALA	79500	0.107	0	79500	0.107	0	0
17	IMTIAZ AHMED ADAM	75000	0.101	0	75000	0.101	0	0
18	SAJJAD AHMED ADAM	75000	0.101	0	75000	0.101	0	0
20	DEVANG H VYAS (HUF)	32000	0.043	0	28740	0.039	0	-0.004
21	MANI SETHI	16950	0.023	0	16950	0.023	0	0
22	GURMUKH SING SETHI	12500	0.017	0	12500	0.017	0	0
23	DHRUV R BACHKANIWALA	4700	0.006	0	4700	0.006	0	0
24	DEVANG VYAS	3860	0.005	0	3860	0.005	0	0
25	PRANAV BHARATKUMAR PANDYA	3800	0.005	0	3800	0.005	0	0
26	UNNATI D BACHKANIWALA	3000	0.004	0	3000	0.004	0	0
27	DHRUMAN JAGDISHCHANDRA VYAS	2500	0.003	0	2500	0.003	0	0
29	ASHOK BHANUSHANKER VYAS	1500	0.002	0	1500	0.002	0	0
30	DEEPIKA ASHOK KUMAR VYAS	1500	0.002	0	1500	0.002	0	0
31	USHMA VYAS	1250	0.002	0	1250	0.002	0	0
32	ARJUN VYAS	1250	0.002	0	1250	0.002	0	0
33	SMEETA VYAS	1250	0.002	0	1250	0.002	0	0
34	KRISHNA P BACHKANIWALA	1000	0.001	0	1000	0.001	0	0
35	LOKESH ASHOK KUMAR VYAS	1000	0.001	0	1000	0.001	0	0
36	NOMITA VYAS	1000	0.001	0	1000	0.001	0	0
37	RAJEN SHAH	800	0.001	0	800	0.001	0	0
38	HASIT PANDYA	300	0	0	300	0	0	0
39	HARILAXMI BHANUSHANKER VYAS	100	0	0	100	0	0	0
		35364345	35364345	0	35410779	35410779	0	

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

Shareholders Name	Shareholding at the beginning of the year 01.04.2016			Shareholding at the end of the year 31.03.2017			% of total Shares of the company
	No. of Shares at the beginning (01.04.2016)/ end of the year (31.03.2017)	% of total Shares of the company	Date	Increasing / Decreasing in shareholding	Reason	No. of Shares	
DEVILA HEMANT VYAS	847970	1.14	01-04-2016				
			15-04-2016	2700	Buy	850670	
			22-04-2016	150	Buy	850820	
			29-04-2016	3000	Buy	853820	
			06-05-2016	3000	Buy	856820	
			10-06-2016	7131	Buy	863951	
			17-06-2016	5000	Buy	868951	
			19-08-2016	1000	Buy	869951	
			30-09-2016	4350	Buy	874301	
			28-10-2016	2200	Buy	876501	
			18-11-2016	500	Buy	877001	
-Closing Balance			31-03-2017			877001	
VAISHALI VYAS	270534	0.364	01-04-2016				
			08-04-2016	2750	Buy	273284	
			22-04-2016	200	Buy	273484	
			29-04-2016	2000	Buy	275484	
			06-05-2016	2000	Buy	277484	
			20-05-2016	4999	Buy	282483	
			19-08-2016	1000	Buy	283483	
			04-11-2016	7214	Buy	290697	
			18-11-2016	500	Buy	291197	
-Closing Balance			31-03-2017			291197	
DEVENDRA PANNALAL BACHKANIWALA	261300	0.351	01-04-2016				
			08-04-2016	-500	Sold	260800	
			22-04-2016	500	Buy	261300	
-Closing Balance			31-03-2017			261300	
RAJESH AMRATLAL DOSHI	195317	0.263	01-04-2016				
			08-04-2016	-100	Sold	195217	
			22-04-2016	100	Buy	195317	
-Closing Balance			31-03-2017			195317	
DEVANG H VYAS (HUF)	32000	0.043	01-04-2016				
			25-11-2016	-3260	Sold	28740	
-Closing Balance			31-03-2017			28740	
DHRUV R BACHKANIWALA	4700	0.006	01-04-2016				
			08-04-2016	-1700	Sold	3000	
			22-04-2016	1700	Buy	4700	
-Closing Balance			31-03-2017			4700	
PRANAV BHARATKUMAR PANDYA	3800	0.005	01-04-2016				
			08-04-2016	-1800	Sold	2000	
			22-04-2016	1800	Buy	3800	
-Closing Balance			31-03-2017			3800	
HASIT PANDYA	300	0	01-04-2016				
			08-04-2016	-200	Sold	100	
			22-04-2016	200	Buy	300	
-Closing Balance			31-03-2017			300	

## Prag Bosimi Synthetics Limited

### iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRs AND ADRs):

Sr. No.	Name	No. of Shares at the beginning (01-04-2016)	% of total Shares Shares of the company	Date	Increasing / Decreasing in shareholding	Reason	No. of Shares	% of total No. of Shares of the company
1	BOMBAY SILK MILLS LTD -Closing Balance	2571870	3.458	01-04-2016 31-03-2017		No Change	2571870	3.458
2	SUBHASH BHAVANISHANKAR RAJGURU           -Closing Balance	1251501	1.683	01-04-2016 13-05-2016 16-09-2016 14-10-2016 21-10-2016 04-11-2016 18-11-2016 25-11-2016 16-12-2016 30-12-2016 06-01-2017 27-01-2017 31-03-2017	5000 3000 25317 18819 500 4000 2000 500 2000 650 -21017 15450	Buy Buy Buy Buy Buy Buy Buy Buy Buy Buy Sold Buy	1256501 1259501 1284818 1303637 1304137 1308137 1310137 1310637 1312637 1313287 1292270 1307720	1.689 1.693 1.727 1.753 1.753 1.759 1.761 1.762 1.765 1.766 1.737 1.758
3	SUHASINI MARKETING P LTD -Closing Balance	1000000	1.344	01-04-2016 31-03-2017		No Change	1000000	1.344
4	SHRICHAKRA MARKETING P LTD -Closing Balance	1000000	1.344	01-04-2016 31-03-2017		No Change	1000000	1.344
5	HIMSON TEXTILE ENGINEERING INDUSTIR -Closing Balance	903376	1.214	01-04-2016 31-03-2017		No Change	903376	1.214
6	SUNDEEP LALIT SAIGAL -Closing Balance	762001	1.024	01-04-2016 31-03-2017		No Change	762001	1.024
7	JINMATI M SHAH -Closing Balance	643807	0.866	01-04-2016 31-03-2017		No Change	643807	0.866
8	SAVITA LALIT SAIGAL -Closing Balance	612500	0.823	01-04-2016 31-03-2017		No Change	612500	0.823
9	SHRICHAKRA MARKETING P LTD -Closing Balance	505000	0.679	01-04-2016 31-03-2017		No Change	505000	0.679
10	ANKIT PRADIP CHOPRA -Closing Balance	480599	0.646	01-04-2016 31-03-2017		No Change	480599	0.646

v) **SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares of the Company	% of total shares	No. of shares of the Company	% of total shares
1	Hemant B Vyas (Managing Director)	328475	0.442%	0	0%
2	Devang Vyas (Director )	400	0.0001%	3460	0.005%
3	Mukund Trivedi (Independent Director)	3000	0.004%	0	0%
4	Rohit Doshi (Independent Director)	26500	0.036%	0	0%

v) **INDEBTEDNESS:**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal amount	495796469	1107446649	0	1603243118
Interest due but not paid	60926857	0	0	060926857
Interest accrued but not due	1816618	0	0	1816618
<b>Total (i+ii+iii)</b>	<b>558539944</b>	<b>1107446649</b>	<b>0</b>	<b>1665986593</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	2541370	118248144	0	120789514
Reduction	-119995101	0	0	-119995101
<b>Net Change</b>	<b>-117453731</b>	<b>118248144</b>		<b>794413</b>
<b>Indebtedness at the end of the financial year</b>				
Principal amount	417354913	1225694793	0	1643049706
Interest due but not paid	37491614	0	0	37491614
Interest accrued but not due	1682630	0	0	1682630
<b>Total (i+ii+iii)</b>	<b>456529157</b>	<b>1225694793</b>	<b>0</b>	<b>1682223950</b>

vi) **REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sr. No.	Particulars of Remuneration	Name of MD Hemant B. Vyas	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	649,980	649,980
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	131,250	131,250
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify	-	-
5	Others, please specify	-	-
	Total (A)	-	-

## Prag Bosimi Synthetics Limited

### B. REMUNERATION TO OTHER DIRECTORS:

Sr. No.	Particulars of Remuneration	Name of Directors		Total
		Rohit Doshi	Deepali Pathak	
1.	Independent Directors			
	Fee for attending board / committee meetings	2,500	2,500	
	Commission	-	-	
	Others, please specify	-	-	
	Total (1)	2,500	2,500	
2.	Other Non-Executive Directors			
	Fee for attending board / committee meetings	-	-	
	Commission	-	-	
	Others, please specify	-	-	
	Total (2)	-	-	
	Total (B)=(1+2)	2,500	2,500	
	Total Managerial Remuneration			
	Overall Ceiling as per the Act			

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel				Total
		CEO Ramesh Pokhriyal	Company Secretary (Shweta Mahajan)	Company Secretary (Madhu Dharewa)	CFO Raktim Das	
1	Gross salary	2,100,000	271,200	261,881	1,410,000	4,043,081
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961					
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	
2	Stock Option	-	-	-	-	
3	Sweat Equity	-	-	-	-	
4	Commission- as % of profit- others, specify...	-	-	-	-	
	Others, please specify	-	-	-	-	
	Total	2,100,000	271,200	261,881	1,410,000	4,043,081

### VII) PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed if any	Authority [RD /NCLT/ COURT]	Appeal made, (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

**ANNEXURE III**

- i. 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:

Median Remuneration		Rs. 71,309
Shri Hemant B. Vyas	Remuneration	Rs. 7,81,230
	Ratio	10.96

- ii. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year : None
- iii. The percentage increase in the median remuneration of employees in the financial year : Nil
- iv. The number of permanent employees on the rolls of the Company : 200
- v. Explanation on the relationship between average increase in remuneration and the Company's performance: Not Applicable as per Notification dated 30<sup>th</sup> June, 2016
- vi. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company: Not Applicable as per Notification dated 30<sup>th</sup> June, 2016
- vii. Variations in the market capitalization of the Company, price earning ratio as at the closing date of the current financial year and previous financial period and percentage increase over / decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current financial year and previous financial period: Not Applicable as per Notification dated 30<sup>th</sup> June, 2016.
- viii. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial period 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: Not applicable
- ix. Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company: Not Applicable as per Notification dated 30<sup>th</sup> June, 2016
- x. The key parameters for variable component of remuneration availed by the directors are as follows: Not Applicable as per Notification dated 30<sup>th</sup> June, 2016
- xi. 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 period : Not Applicable as per Notification dated 30<sup>th</sup> June, 2016

It is hereby affirmed that the remuneration paid is as per the as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.



## Prag Bosimi Synthetics Limited

### REPORT ON CORPORATE GOVERNANCE IN RESPECT OF THE FINANCIAL YEAR ENDED 31ST MARCH, 2017:

The detailed report on Corporate Governance of Prag Bosimi Synthetics Limited (PBSL or the Company) as per the requirements under Schedule V of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, is set out as below:

#### Company's Philosophy on Code of Governance:

Corporate Governance is an integral part of the Company's value system, management ethics and business practices. The Company is committed to creating long term value for all its shareholders, employees, customers, associates and the wider community. The Company is committed to and continues to practice good Corporate Governance. The Corporate Governance Code incorporates several practices aimed at a level of business ethics, effective supervision and enhancement of value for all stakeholders. PBSL conforms to all regulatory and legal requirements. The basic philosophy behind and endeavor towards better corporate governance is to enrich the value of stake holders by achieving business excellence.

The company has complied with all the requirements of Corporate Governance as prescribed in Schedule V of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 .

#### Board of Directors:

##### (a) Composition of the Board

As on 31st March, 2017 the Company's Board comprises of 8 directors. The Board has One Executive Director, the Managing Director is the Promoter Director. In addition, the Board has six Non-Executive Directors, consisting of four Independent Directors. The details of the Directors during the year ended 31<sup>st</sup> March, 2017 are given below:

Sr. No.	Name of Director	Category	Board meetings attended during the period	Whether attended last AGM	Directorships field in other Public companies incorporated in India.*
1	Shri H.K. Sharma	Chairman, Nominee of AIDC, Non Executive Director	2	Yes	4
2	Shri. Hemant B. Vyas	Managing Director, Promoter Director	7	No	3
3	Shri. Devang H. Vyas**	Non - Executive Director	5	No	1
4	Shri. M. K. Das	Nominee of AIDC, Non Executive	2	Yes	0
5	Shri. G.M. Das	Independent Director Non- Executive	2	Yes	0
6	Shri Rohit P. Doshi	Independent Director Non- Executive	7	No	1
7	Smt. Deepali Phatak	Independent Director Non- Executive	5	No	0
8	Shri Mukund Trivedi	Independent Director Non- Executive	7	No	0

\*The number of directorship excludes directorship of private companies, foreign companies, companies incorporated under Section 8 of the Companies Act, 2013 and alternate directorship.

Note:

\*\*Shri. Hemant B. Vyas and Shri. Devang H. Vyas are related to each other, no other Director is related to each other.

(b) Number of Board Meetings

Corporate Governance policy requires the Board to meet at least 4 times in a year with a maximum gap of 120 days between any two meetings. The Board of Directors met 9 times during the period under review. The details of Board Meetings held during the year are as under:

Sr No.	Date of Board Meeting	Board Strength	No. of Directors present
1	15.04.2016	7	3
2	30.05.2016	7	3
3	25.06.2016	7	4
4	11.08.2016	7	5
5	30.08.2016	8	5
6	17.10.2016	8	5
7	11.11.2016	8	5
8	16.12.2016	8	5
9	14.02.2017	8	5

**Board's Process**

It has always been the Company's policy and practice that apart from matters requiring the Board's approval by statute, all major decisions including quarterly results of the Company as a whole and debt restructuring, capital expenditure, collaborations, material investment proposals, sale and acquisition of assets of material nature, mortgages, guarantees and donations are placed before the Board. This is in addition to information with regard to actual operations, major litigation feedback reports and minutes of Committee Meetings.

The Board of PBSL is regularly presented with all information under the above heads, whenever/ wherever applicable. These are submitted either as part of the agenda papers in advance of the Board meetings or are tabled in the course of the Board meetings.

**(c) Code of conduct**

The Company has adopted Code of Conduct for all the Directors and Senior Management of the Company. All the Directors and the Senior Management have affirmed compliance with respective code of conduct. The Code of conduct for Directors and Senior management personnel are posted on the Company's website "www.pragbosimi.in".

**d) Familiarisation programme for independent directors**

The Independent Directors have been familiarised with the Company, their roles and responsibilities in the Company, nature of the industry in which Company operates. The details of the familiarisation programmes imparted to the Independent Directors during 2016-

2017 are put up on the website of the Company and can be accessed at [http://www.pragbosimi.in/companypolicies\\_procedures.php](http://www.pragbosimi.in/companypolicies_procedures.php)

**e) Formal letter of appointment to the independent directors**

The Company has issued formal letter of appointment to all the Independent Directors on their appointment explaining inter-alia their roles, responsibilities, code of conduct, functions and duties as Independent Director of the Company. The terms and conditions of appointment of independent directors have been hosted on the website of the Company and can be accessed at [http://www.pragbosimi.in/companypolicies\\_procedures.php](http://www.pragbosimi.in/companypolicies_procedures.php)

**f) Separate Meeting of the Independent Directors**

During the financial year 2016-2017, the independent directors met separately without the presence of non-independent directors on 14th February 2017 in compliance with Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Independent Directors at their meeting inter-alia discussed the following:

- i. Reviewed the performance of non independent directors and the Board as a whole
- ii. Reviewed the performance of the chairperson of the company
- iii. Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

**Committees of the Board:**

The Board of Directors has constituted three permanent committees of the Board - the Audit Committee, the Stakeholders Relationship Committee and the Nomination and Remuneration Committee. The functions of various committees their mode of operation and membership details is given below.

**(A) Audit Committee**

The Board of Directors has constituted an Audit Committee of Directors to exercise powers and discharge functions as stipulated in Section 177 of the Companies Act, 2013, Clause 49 of the Listing Agreements with Stock Exchanges up to 1st December, 2015 and thereafter as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other relevant statutory / regulatory provisions. The Committee, in addition to other business reviews the quarterly (unaudited) financial results, annual accounts and cost audit reports before submitting to the Board of Directors.

## Prag Bosimi Synthetics Limited

The Audit Committee of the Company, inter alia, provides reassurance to the Board on the existence of an effective internal control environment that ensures: -

- Efficiency and effectiveness of operations.
- Safeguarding of assets and adequacy of provisions for all liabilities,
- Reliability of all financial and other management information and adequacy of disclosures
- Compliance with all relevant statutes.

The Company follows best practices in financial reporting. The Company has been reporting on quarterly basis, the Un-audited Financial Results as required by the Regulation 33 of the Listing Regulations. The Company's quarterly Un-audited Standalone and Consolidated Financial Results are made available on the website www.pragbosimi.in and are also sent to the Stock Exchanges where the Company's equity shares are listed for display at their respective websites.

The Audit Committee also oversees and reviews the functioning of a vigil mechanism (implemented in the Company as a Whistle Blower Policy) and reviews the finding of investigation into cases of material nature and the actions taken in respect thereof.

The Committee has powers similar to those stated in the listing agreements and exercises most of the functions in line with the requirements of the code of Corporate Governance. The details of the Audit Committee meeting

held during the year ended on 31<sup>st</sup> March, 2017 are as under:

### Audit Committee Meetings

The members of Audit Committee met five times on dated 14th April, 30th May, 11th August and 11th November in year 2016 and on 14th February in the year 2017 during the financial year ended on 31st March 2017.

Sr. No.	Directors	No. of Meetings Held	No. of Meetings attended
1	Shri G. M. Das	5	2
2	Shri M. K. Das	5	2
3	Shri Rohit Doshi	5	3
4	Shri Smt. Deepali Pathak	5	2
5	Shri Mukund Trivedi	5	3

### B. Nomination and Remuneration Committee

The Company has a Nomination and Remuneration Committee to review and recommend payment of annual salaries, commission, service agreements and other employment conditions of the Executives. The Committee met 3 times on 30th August, 11th November in the year 2016 and on 14th February, in the year 2017 and all the members were present.

The Committee comprises of Shri G.M. Das, Chairman, Shri M.K. Das and Shri Rohit Doshi. The Committee periodically reviews and recommends suitable revision in the remuneration package of Executive Directors to the Board.

Details of Remuneration, sitting fees paid/ accrued/credited to the Directors during the year ended March 31, 2017

Sr. No.	Name of the Director	Salary	Perquisites & other benefits*	Performance Bonus/Commission	Sitting Fee	Total
1	Shri H.K. Sharma, IAS	-	-	-	-	-
2	Shri. Hemant B. Vyas	649,980	131,250	-	-	781,230
3	Shri. Devang H. Vyas	-	-	-	-	-
4	Shri. M. K. Das	-	-	-	-	-
5	Shri.Girindra Mohan Das	-	-	-	-	-
6	Shri. Rohit P. Doshi	-	-	-	-	-
7	Smt. Deepali Pathak	-	-	-	2,500	2,500
8	Shri Mukund Trivedi	-	-	-	2,500	2,500

C. Stakeholders Relationship Committee:

A Stakeholders Relationship Committee has been constituted by the Board of Directors to monitor the redressal of the shareholders / investors grievances. The Committee comprises of the following Directors/ Secretary:-

1. Shri. Rohit P. Doshi (Non Executive Director) Chairman \*
2. Shri. H. B. Vyas
3. Shri. Devang Vyas
4. Mrs. Shweta K. Mahajan (Company Secretary) (upto 30th Sept 2016)
5. Ms Madhu P. Dharewa (Company Secretary) (wef 11.11.2016)

S. No.		Number of Meetings Held	No. of Meetings attended
1	* Shri Rohit Doshi	5	3
2	Shri Hemant B Vyas	5	2
3	Shri Devang Vyas	5	3

There has been no complaints pending as on 31st March 2017. Company Secretary also acts as a Secretary to the Committee and is the Compliance Officer of the Company

**General Body Meetings**

The last three General body meetings of the Members of the Company were held as per the following details: -

Year	Location	Whether any Special Resolutions passed	Date	Time
2015-2016	House No.4, Nilgiri Path, R.G.Barua Road, Near Doordarshan, Guwahati- 781 024	Yes(1)	29th September, 2016	11:30 a.m
2013-2015	House No.4, Nilgiri Path, R.G.Barua Road, Near Doordarshan, Guwahati- 781 024	Yes(1)	8th, July, 2015	11:30 a.m
2012-2013	House No.4, Nilgiri Path, R.G.Barua Road, Near Doordarshan, Guwahati- 781 024	No	09th, January, 2014	4.30 p.m.

**Disclosure**

- The Stock Exchange had on 15.06.2017 levied fine of Rs 947,404.50 for technical delay from company side in filing Annual Results for the year and quarter ended March 2017 which we have asked for relief vide letter dt: 27.06.2017
- There was related party transactions during the year, the details of which has been mentioned in the Notes to Accounts, Part 1(xii) as per AS-18 in Notes forming part of the Standalone Financial Statements for the year ended 31st March 2017
- There are no pecuniary relationships or transactions with the non - executive independent directors.
- The Company has complied with all the mandatory requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and erstwhile Clause 49 of the Listing Agreement and the Company has not adopted any non- mandatory requirements of Clause 49 of the Listing Agreement.

**Means of communication**

- A. Quarterly Results
- B. Newspapers wherein results normally published: The North East Times (English) and Dainik Assami (Regional)
- C. Any website, wherein displayed :www.pragbosimi.in
- D. Whether it also displays official news releases :Yes
- E. Presentations made to Institutional Investors or to the Analysts :

## Prag Bosimi Synthetics Limited

### SHAREHOLDERS INFORMATION

#### 1. Annual General Meeting:-

The information regarding 25th Annual General Meeting for the financial year ended on 31st March 2017 is as follows :-

th  
Date : 28 September, 2017  
Time: 11:30 a.m.

Venue: House No.4, Nilgiri Path, R.G.Barua Road, Near Doordarshan, Guwahati- 781 024 Assam

#### 2. Financial Calender : 1st April to 31st March

#### 3. Future Calendar for next financial year :

Financial Reporting of 1st Quarter ended on 30th June 2017	Mid of August, 2017
Financial Reporting of 2nd Quarter ended on 30th September 2017	Mid of November, 2017
Financial Reporting of 3rd Quarter ended on 31st December 2017	Mid of February 2017
Financial Reporting of 4th Quarter ended on 31st March 2018	During May 2018
Date of Annual General Meeting	During September 2018

#### 4. Dividend Payment Date:

No Dividend has been recommended for the year.

#### 5. Book Closure Date:

September 22 to September 28, 2017. (Both days inclusive)

#### 6. Dividend History:

The Company has not paid any Dividend during last 10 years

#### 7. Unclaimed Dividend / Share Certificates

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the company along with interest accrued, if any to the Investor Education and Protection Fund ('the IEPF'), a fund established under sub-section (1) of section 125. The details of unclaimed/unpaid dividend are available on the website of the Company viz. [www.pragbosimi.in](http://www.pragbosimi.in)

Section 124(6) of the Companies Act, 2013 mandates transfer of all those shares, in respect of which Unpaid or Unclaimed dividend has been transferred by the Company to the IEPF.

Details of Unclaimed Dividend and Due Dates for transfer are as follows as on March 31, 2017:

Sr No.	Year of Declaration of Dividend	Date of Declaration of Dividend	Unclaimed Amount	Due Date for transfer to IEPF Account
1	N.A.	N.A.	N.A.	N.A.

Further, as required to be disclosed under Regulation 34(3) read with Schedule V of Listing Regulations, Nil Shares are lying at the beginning or at the close of financial year in the Suspense Account. Further the Company did not moved in/out any Equity Share in said Suspense Account during the current financial year.

#### 8. Listing on Stock Exchange:

BSE Limited

#### 9. Listing Fees :

Annual Listing Fees for Financial year 2017-2018 has been paid.

#### 10. Stock Code & ISIN :

Scrip Code 500192 on BSE.  
ISIN INE962B01011 on NSDL & CDSL.

#### 11. Market Price Data (Equity Shares of Face Value of ₹ 10/-) :

Month	Price on BSE (₹) & Volume			S&P BSE Sensex	
	High	Low	Volume	High	Low
April, 2016	6.11	4.62	54659	26,100.54	24,523.20
May, 2016	5.15	4.10	70234	26,837.20	25,057.93
June, 2016	4.85	3.91	90958	27,105.41	25,911.33
July, 2016	5.70	4.31	141145	28,240.20	27,034.14
August, 2016	4.70	3.71	153104	28,532.25	27,627.97
September, 2016	4.09	3.47	125309	29,077.28	27,716.78
October, 2016	4.56	3.35	204863	28,477.65	27,488.30
November, 2016	5.49	4.05	124141	28,029.80	25,717.93
December, 2016	5.37	4.11	76892	26,803.76	25,753.74
January, 2017	4.89	3.92	94122	27,980.39	26,447.06
February, 2017	4.22	3.46	64883	29,065.31	27,590.10
March, 2017	3.81	3.02	175018	29,824.62	28,716.21

#### 12. Registrar & Share Transfer Agent

M/s. Sharex Dynamic (India) Pvt. Ltd. has been appointed as Registrar & Share Transfer Agent for all work relating to share registry in terms of both physical mode. All transfer, transmission, request related to correspondence/queries, intimation of change of address etc. should be addressed to our RTA directly at the following Address:

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

### 13. Share Transfer Systems

Share transfer in physical form are registered by the Share Transfer Agent and returned to the respective transferee within a period ranging from fifteen days provided the documents lodged with the Share Transfer Agent/ Company are clear in all respects

### 14. Shareholding pattern of the Company

Category	No. of Equity shares held	Percentage of shareholding
A Promoters		
1 Indian Promoters (Individuals/HUF)	1,61,27,849	21.68
2 Foreign Promoters	NIL	NIL
3 Bodies Corporate	NIL	NIL
4 Central/State Govt. Institutions (Assam Industrial Development Corporation Limited)	1,83,77,980	24.71
5 NRIs / Foreign Individuals	9,04,950	1.22
B Non-Promoters Holding		
1 Institutional Investors		
a Mutual Funds and UTI	98,900	0.13
b Banks, Financial Institutions, Insurance Companies, /Non-Govt. Institutions)	1,000	0.00
2 Others – Non Institutions		
a Others including Bodies Corporate	99,66,808	13.40
b Individuals holding nominal share capital up to Rs.2 lakh	1,77,45,117	23.86
c Individuals holding nominal share capital more than Rs.2 lakh	1,11,60,356	15.00
<b>TOTAL</b>	<b>7,43,82,960</b>	<b>100.00</b>

### 15. Distribution Schedule as on 31 March, 2017

NO OF SHARES	SHAREHOLDERS		SHARES	
	NUMBER	% TO TOTAL HOLDERS	NUMBER	% TO TOTAL CAPITAL
1 - 5000	86166	95.52	112,867,230	15.17
5001 - 10000	2208	2.45	18,759,570	2.52
10001 - 20000	870	0.96	13,688,480	1.84
20001 - 30000	275	0.30	7,133,540	0.96
30001 - 40000	118	0.13	4,218,390	0.57
40001 - 50000	134	0.15	6,456,770	0.87
50001 - 100000	166	0.18	1,254,820	1.69
100001 - ABOVE	269	0.30	56,815,742	76.38
<b>TOTAL</b>	<b>90720</b>	<b>100.00</b>	<b>743,829,60</b>	<b>100.00</b>

### 16. Investors Correspondence

All queries of investors regarding the Company's

shares in Physical/ Demat form may be sent to Registrar and Share Transfer Agent of the Company or at Company's corporate office at the following address or at the Registered Office of the Company.

#### Registrar and Share Transfer Agents:

Sharex Dynamic (India) Private Limited

Unit No. 1, Luthra Industrial Premises,

Andheri Kurla Road, Safed Pool, Andheri (East), Mumbai 400072.

#### Corporate Office:

The Company Secretary

Prag Bosimi Synthetics Ltd,

R-79/83, Lakshmi Insurance Bldg

Fifth Floor, Sir P.M. Road, Mumbai 400001.

#### Registered Office:

Prag Bosimi Synthetics Ltd.

House No.4, Niligiri Path,

R. G. Barua Road, Near Doordarshan,

Guwahati 781024, Assam.

### 17. Dematerialisation of Equity Shares and Liquidity

As per notification issued by the Securities and Exchange Board of India (SEBI), the trading in Company's shares is permitted only in dematerialized form w.e.f September, 2000. In order to enable the shareholders to hold their shares in electronic form and to facilitate scripless trading, the company has enlisted its shares with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL).

The Company's Equity Shares are in Physical/Demat trading segment and the Company had established connectivity with both NSDL & CDSL by signing the necessary agreements.

Procedures for dematerialization / rematerialization of Equity Shares:-

Shareholders seeking demat / remat of their shares need to approach their Depository Participants (DP) with whom they maintain a demat account. The DP will generate an electronic request and will send the physical share certificates to Registrar and Share Transfer Agents of the Company. Upon receipt of the request and share certificates, the Registrar will verify the same. Upon verification, the Registrar will request NSDL/CDSL to confirm the demat request. The demat account of the respective share holder will be credited with equivalent number of shares. In case of rejection of the request, the same shall be communicated to the shareholder.

## Prag Bosimi Synthetics Limited

In case of remat, upon receipt of the request from the shareholder, the DP generates a request and verification of the same is done by the Registrar. The Registrar then requests NSDL or CDSL to confirm the same. Approval of the Company is being sought and equivalent numbers of shares are issued in physical form to the shareholder. The share certificates are dispatched within 15 days from the date of issue of Shares.

No. of Shares Dematerialized		No. of Shares in Physical Form	
No. of Shares	Percentage	No. of Shares	Percentage
47,995,729	64.53%	26,387,231	35.47%

### 18. Plant Location of the Company:

Bijulibari Village, P.O.Khandajan, Via Sipajhar, Dist. Darrang 784 145

### 19. Bank Details of the Shareholders:

Shareholders holding shares in physical form are requested to notify/send the following to the Company to facilitate better service:-

- any change in their address/bank details, and
- particulars of their bank account, in case the same have not been sent earlier.

### 20. Depository Services

For guidance on depository services, Shareholders may write to the Company or to the respective Depositories: -

- National Securities Depository Ltd.  
Trade World, A Wing, 4<sup>th</sup> & 5<sup>th</sup> Floor, Kamala Mills Compound,  
Lower Parel, Mumbai 400013  
Telephone: (022) 24994200  
Fax: (022) 24976351 E-mail:  
info@nsdl.co.in Website:  
www.nsdl.co.in
- Central Depository Services (India) Ltd.  
17<sup>th</sup> floor, P J Towers,  
Dalal Street, Fort, Mumbai 400001  
Telephone: (022) 2723333  
Fax: (022) 22723199  
E-mail : investors@cdslindia.com  
Website: www.cdslindia.com

### 21. Nomination Facility

Individual Shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the depository participants as per the byelaws and business rules applicable to NSDL and CDSL. Nomination form SH-13 ([Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014] can be obtained from the Company's Registrar and Share Transfer Agent. It is also available on Public domain.

By order of the Board of Directors

Date : 18.08.2017

Place : Guwahati

**Hemant B. Vyas**

Managing Director  
Din No. 00076289

**Devang Vyas**

Director  
Din No. 00076459

**PRACTISING COMPANY SECRETARY'S CERTIFICATE ON COMPLIANCE OF  
CONDITIONS OF CORPORATE GOVERNANCE**

To,  
The Members of  
M/s. Prag Bosimi Synthetics Limited, House No.4, Nilgiri Path,  
R.G.Barua Road, Near Doordarshan,  
Guwahati, Assam - 781 024

We have examined the compliance of conditions of Corporate Governance by M/s Prag Bosimi Synthetics Ltd. for the period ended 31st March, 2017 as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

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

In our opinion and to the best of our information and accordingly the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement.

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

**For CS Rakesh Kapur**  
Company Secretary

Place: Mumbai  
Date: 18th August, 2017

Sole Proprietor  
FCS No. 3863  
CP No. 12085



# Prag Bosimi Synthetics Limited

## FORM NO. MR.3

### SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

Authorized Capital: Rs. 2,500,000,000

CIN: L17124AS1987PLC002758

Name of the Company: Prag Bosimi Synthetics Limited

To,  
The Members,  
M/s PRAG BOSIMI SYNTHETICS  
LTD. House No.4, Nilgiri Path,  
R.G.Barua Road, Near Doordarshan,  
Guwahati, Assam - 781 024

I have conducted the Secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by PRAG BOSIMI SYNTHETICS LTD. (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute 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 our opinion, the Company has, during the audit 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-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to Foreign Direct Investment, Overseas direct Investment and External Commercial Borrowings. - Not applicable to the Company
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - Not Applicable during the audit period
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October, 2014 - Not Applicable during the audit period
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not Applicable during the audit period

- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not Applicable during the audit period and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - Not Applicable during the audit period;

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India
- ii. The Listing Agreements entered into by the Company with stock exchanges.

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

The company has not declared its results within the stipulated time for the year 2016-17.

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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.

**For CS Rakesh Kapur**  
Sole Proprietor

Place: Mumbai  
Date: 18th August 2017

FCS No. 3863  
CP No. 12085

## DECLARATION OF THE MANAGING DIRECTOR & CEO

This is to certify that the Company has laid down Code of Conduct for all Board Members and Senior Management of the Company and the copies of the same are uploaded on the website of the Company.

This is to further certify that the Members of the Board of Directors and Senior Management personnel have affirmed having complied with the Code applicable to them during the year ended March 31, 2017.

Place: Guwahati  
Date: 18.08.2017

**HEMANT B VYAS**  
Managing Director  
Din No. 00076289

**RAMESH POKHRIYAL**  
Chief Executive Officer  
Pan No. AHFPP4020P

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## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of Prag Bosimi Synthetics Limited.

We have examined the compliance of conditions of Corporate governance by Prag Bosimi Synthetics Ltd. for the period from 1st April 2016 to 31st March, 2017 as stipulated in erstwhile Clause 49 of the Listing Agreement and Regulations 17,18,19,20,21,22,23,24,25,26,27 and clause (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") of the said Company with Stock exchanges.

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

In our opinion and to the best of our information and accordingly the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the erstwhile Listing Agreement and SEBI Listing Regulations, 2015.

We state that no investor grievance is pending for period exceeding one month against the Company as per the records maintained by the R & T Agents/ Company.

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

**For Bharat Shroff & Co.**  
Chartered Accountants  
(Firm Reg. No.131026W)

**Bharat B. Shroff**  
Proprietor  
(Membership No. 014822)

Place : Mumbai  
Date : 18th August, 2017

**For AMD & Associates**  
Chartered Accountants  
(Firm Regn.No.318191E)

**Debashish Bordoloi**  
Partner  
(Membership No. 068018)

**INDEPENDENT AUDITORS' REPORT**

**TO,**

**THE MEMBERS OF PRAG BOSIMI SYNTHETICS LIMITED**

**Report on the Financial Statement**

We have audited the accompanying standalone financial statements of PRAG BOSIMI SYNTHETICS LIMITED, which comprise the Balance Sheet as at 31<sup>st</sup> March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified u/s 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. Thus responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 adequate internal financial controls, 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 standalone financial statements based on our audit.

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

We conducted our audit in accordance with the Standard on Auditing specified u/s 143(10) of the Act and other authoritative pronouncement issued by the Institute of Chartered Accountants of Inada. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgments, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risks assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place adequate internal financial controls systems over financial reporting and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating overall presentation of the financial statements.

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2017 and its loss 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 in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on matters specified in the paragraph 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 the cash flow statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified u/s 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis on written representations received from the directors as on 31<sup>st</sup> March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2017 from being appointed as a 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31<sup>st</sup> March, 2017.
    - iv. The Company has provided requisite disclosure in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company.

**For Bharat Shroff & Co.**  
Chartered Accountants  
(Firm Reg. No.131026W)

**For AMD & Associates**  
Chartered Accountants  
(Firm Regn.No.318191E)

**Bharat B. Shroff**  
Proprietor  
(Membership No. 014822)

**Debashish Bordoloi**  
Partner  
(Membership No. 068018)

Place : Mumbai  
Date : 18.08.2017

Place : Guwahati  
Date : 18.08.2017

## Prag Bosimi Synthetics Limited

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### ANNEXURE –A TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)

- 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) The assets have been physically verified by the management in accordance with the phased programmed of verification adopted by the Company. In our opinion, the frequency of the verification is reasonable having regard to the size of the Company and nature of fixed assets. No material discrepancies have been noticed in respect of the assets physically verified during the year.
  - (c) Title Deeds of immovable properties are held in the name of the company.

- ii. In respect of its Inventories:

As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals. Inventory lying with the third parties and in transit have been verified by the management with reference to the confirmation received from them and/or subsequent receipt of goods.

- iii. The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- iv. According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013, with respect to the loans and investments made, and guarantees and security provided by it.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Companies Act, 2013 and the Rules framed there under to the extent notified.
- vi. The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the Company.
- vii. a) According to the information and explanations given to us and on the basis of examination of the records of the Company, there is following undisputed amounts payable in respect of aforesaid dues for a period exceeding six months from the date of becoming due as on 31<sup>st</sup> March, 2017:

The Act applicable	Details of outstanding Amount	Amount (₹ in Lakhs)
The Assam Professions, Trades, Callings and Employments Taxation Act, 1947	Professional Tax	14.29

- b) According to the information and explanations given to us and on the basis of examination of the records of the Company, there are no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax, which have not been deposited on account of any dispute.
- viii. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of loans and borrowings to a financial institution, banks, government or dues to debenture holders.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and not obtained 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 have been noticed or reported during the course of our audit.
- xi. The managerial remuneration has been paid or provided in accordance with the provisions of Section 197 read

with Schedule V of the Act. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees have been noticed or reported during the course of our audit.

- 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 are no transactions with the related parties. Accordingly, paragraph 3(xiii) of the Order is not applicable.
- xiv. According to the information and explanations given 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 any non-cash transactions with its directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

**For Bharat Shroff & Co.**  
Chartered Accountants  
(Firm Reg. No.131026W)

**For AMD & Associates**  
Chartered Accountants  
(Firm Regn.No.318191E)

**Bharat B. Shroff**  
Proprietor  
(Membership No. 014822)

Place : Mumbai  
Date : 18.08.2017

**Debashish Bordoloi**  
Partner  
(Membership No. 068018)

Place : Guwahati  
Date : 18.08.2017

## **Prag Bosimi Synthetics Limited**

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### **Annexure – B to the Independent Auditors’ Report**

**(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)**

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

We have audited the internal financial controls over financial reporting of Prag Bosimi Synthetics Limited (“the Company”) as of 31<sup>st</sup> March, 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**

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 Companies Act, 2013.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide 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**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, 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 31<sup>st</sup> March, 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 Bharat Shroff & Co.**  
Chartered Accountants  
(Firm Reg. No.131026W)

**For AMD & Associates**  
Chartered Accountants  
(Firm Regn.No.318191E)

**Bharat B. Shroff**  
Proprietor  
(Membership No. 014822)

Place : Mumbai  
Date : 18.08.2017

**Debashish Bordoloi**  
Partner  
(Membership No. 068018)

Place : Guwahati  
Date : 18.08.2017



## Prag Bosimi Synthetics Limited

### Standalone Balance Sheet as at 31st March, 2017

Sr. No.	Particulars	Note	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
<b>Equity and Liabilities</b>				
<b>1</b>	<b>Shareholders' Funds</b>			
	(a) Share Capital	3	743,829,600	743,829,600
	(b) Reserves and Surplus	4	185,472,381	310,489,984
<b>2</b>	<b>Non-current Liabilities</b>			
	(a) Long-term Borrowings	5	1,279,739,793	1,255,376,149
	(b) Other Long-term Liabilities	6	66,387,737	99,469,607
	(c) Long-term Provisions	7	5,804,769	7,171,044
<b>3</b>	<b>Current liabilities</b>			
	(a) Short-term Borrowings	8	357,879,082	346,178,488
	(b) Trade Payables	9	63,961,144	16,814,234
	(c) Other Current Liabilities	10	12,922,502	9,037,022
	(d) Short-term Provisions	11	6,376,917	6,113,777
	<b>Total</b>		<b>2,722,373,925</b>	<b>2,794,479,905</b>
<b>Assets</b>				
<b>1</b>	<b>Non-current assets</b>			
	(a) Fixed assets	12		
	(i) Tangible assets		2,064,578,332	1,981,337,640
	(ii) Intangible assets		—	—
	(ii) Capital work-in-progress		2,063,933	10,927,690
	(b) Non-Current Investments	13	1,249,910	1,249,910
	(c) Long-term Loans and Advances	14	186,299,943	184,056,910
	(d) Other Non-Current Assets	15	21,311,568	20,750,040
<b>2</b>	<b>Current assets</b>			
	(a) Current Investments	16	264,070,735	—
	(b) Inventories	17	115,673,238	102,046,296
	(c) Trade Receivables	18	11,364,760	276,331
	(d) Cash and Bank Balances	19	21,278,709	465,436,733
	(e) Short-term Loans and Advances	20	31,372,777	23,710,040
	(f) Other Current Assets	21	3,110,020	4,688,315
	<b>Total</b>		<b>2,722,373,925</b>	<b>2,794,479,905</b>

See accompanying notes forming part of the financial statements

In terms of our report attached.

**For Bharat Shroff & Co**  
Chartered Accountants  
(Firm Regn.No.131026W)

**Bharat B. Shroff**  
Proprietor (M.No. 014822)

Place : Mumbai  
Date : 18.08.2017

**For AMD & Associates**  
Chartered Accountants  
(Firm Regn.No.318191E)

**Debashish Bordoloi**  
Partner (M.No. 068018)

Place : Guwahati  
Date : 18.08.2017

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

**H.K.Sharma** Chairman  
**Hemant B. Vyas** Managing Director  
**M.K.Das** Director  
**Devang Vyas** Non Executive Director  
**Raktim Kumar Das** Chief Financial Officer  
**Madhu Dharewa** Company Secretary

**Standalone Statement of Profit and Loss for the year ended 31st March, 2017**

Sr. No.	Particulars	Note	For the year ended 31st March, 2017 ₹	For the year ended 31st March, 2016 ₹
<b>1</b>	<b>Revenue :</b>			
	Revenue from Operations (gross)	22	<b>24,870,398</b>	1,379,311,160
	Less: Excise duty		<b>576,143</b>	332,171.00
	Revenue from Operations (net)		<b>24,294,255</b>	1,378,978,989
<b>2</b>	Other Income	23	<b>28,620,495</b>	3,088,592
<b>3</b>	<b>Total Revenue (1+2)</b>		<b>52,914,750</b>	1,382,067,581
<b>4</b>	<b>Expenses:</b>			
	Cost of Materials Consumed	24	<b>23,146,096</b>	12,267,827
	Purchase of Stock-in-Trade	25	<b>3,340,579</b>	1,221,458,556
	Changes in inventories of Finished Goods, Work-in-Progress and Stock in Trade	26	<b>(10,219,374)</b>	4,716,576
	Employee Benefits Expenses	27	<b>38,939,177</b>	12,960,832
	Finance Cost	28	<b>61,537,887</b>	133,735,906
	Depreciation and Amortization Expenses	29	<b>98,535,769</b>	92,520,647
	Other Expenses	30	<b>25,282,379</b>	15,983,532
			<b>240,562,511</b>	1,493,643,876
<b>5</b>	<b>Profit before Prior Period Item and Tax (3 - 4)</b>		<b>(187,647,762)</b>	(111,576,295)
<b>6</b>	Prior Period Items (Net)	31	<b>3,250,580</b>	7,600,647
<b>7</b>	<b>Profit before Tax (5 - 6)</b>		<b>(184,397,182)</b>	(103,975,648)
<b>8</b>	<b>Tax expense</b>			
	a. Current Tax		—	—
	b. Deferred Tax		—	—
<b>9</b>	<b>Profit after Tax (7 - 8)</b>		<b>(184,397,182)</b>	(103,975,648)
<b>11</b>	<b>Earnings per share (of ₹.10/- each)</b>			
	Basic and Diluted		<b>(2.48)</b>	(1.40)

See accompanying notes forming part of the financial statements

In terms of our report attached.

**For Bharat Shroff & Co**  
Chartered Accountants  
(Firm Regn.No.131026W)

**Bharat B. Shroff**  
Proprietor (M.No. 014822)

Place : Mumbai  
Date : 18.08.2017

**For AMD & Associates**  
Chartered Accountants  
(Firm Regn.No.318191E)

**Debashish Bordoloi**  
Partner (M.No. 068018)

Place : Guwahati  
Date : 18.08.2017

For and on behalf of the Board of Directors

**H.K.Sharma** Chairman  
**Hemant B. Vyas** Managing Director  
**M.K.Das** Director  
**Devang Vyas** Non Executive Director  
**Raktim Kumar Das** Chief Financial Officer  
**Madhu Dharewa** Company Secretary

# Prag Bosimi Synthetics Limited

## Standalone Cash Flow Statement for the Year ended 31st March, 2017 (Indirect Method)

PARTICULARS	For the year ended 31st March, 2017 ₹	For the year ended 31st March, 2016 ₹
<b>A. Cash flow from Operating Activities</b>		
Net Profit/(Loss) before tax and extraordinary items	(184,397,182)	(103,975,648)
Adjustments for :		
Depreciation	98,515,777	92,500,655
Amortisation of Leasehold Land	19,992	19,992
Interest Expenses	61,537,887	133,735,906
Interest Income	(27,145,701)	(3,527,589)
Dividend Income	(1,473,020)	-
Gain/(Loss) on sale/redemption of Investments	2,285	-
Operating Profit/(Loss) before Working Capital Changes	(52,939,962)	118,753,316
Adjustments for :		
(Increase)/Decrease in Inventories	(13,626,942)	9,729,831
(Increase)/Decrease in Trade Receivable	(11,088,429)	2,192,106
(Increase)/Decrease in Other Non Current Assets	(561,528)	687,036
(Increase)/Decrease in Other Current Assets	1,578,295	701,195
Increase/(Decrease) in Trade Payables and Others	16,847,386	(21,223,966)
Cash generated from Operations	(59,791,179)	110,839,518
Less : Income-tax Paid	-	-
Net cash from Operating Activities	(59,791,179)	110,839,518
<b>B. Cash flow from Investing Activities</b>		
(Purchase)/Sale of Fixed Assets including CWIP (net)	(172,912,704)	(33,151)
Purchase of investments (net)	(264,070,735)	(49,910)
Interest received	20,226,364	148
Dividend received	1,473,020	-
Loans and Advances	(9,905,770)	(13,247,025)
Net cash used in Investing Activities	(425,189,826)	(13,329,938)
<b>C. Cash flow from Financing Activities</b>		
Repayment of Borrowings	(131,935,000)	(76,995,055)
Proceeds from long-term borrowings	223,987,088	529,389,071
Interest paid	(51,229,107)	(86,220,582)
Net cash from Financing Activities	40,822,981	366,173,434
Net increase in cash and cash equivalents (A+B+C)	(444,158,024)	463,683,014
Cash/Cash Equivalents (Opening)	465,436,733	1,753,719
Cash/Cash equivalents (Closing)	21,278,709	465,436,733
	(444,158,024)	463,683,014

In terms of our report attached.

**For Bharat Shroff & Co**  
Chartered Accountants  
(Firm Regn.No.131026W)

**Bharat B. Shroff**  
Proprietor (M.No. 014822)

Place : Mumbai  
Date : 18.08.2017

**For AMD & Associates**  
Chartered Accountants  
(Firm Regn.No.318191E)

**Debashish Bordoloi**  
Partner (M.No. 068018)

Place : Guwahati  
Date : 18.08.2017

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

**H.K.Sharma** Chairman  
**Hemant B. Vyas** Managing Director  
**M.K.Das** Director  
**Devang Vyas** Non Executive Director  
**Raktim Kumar Das** Chief Financial Officer  
**Madhu Dharewa** Company Secretary

**Notes forming part of the financial statements for the year ended 31st March, 2017****Note 3 - Share Capital**

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	₹		₹	
<b>(a) Authorised</b>				
Equity shares of ₹.10/- each with voting rights		1,200,000,000		1,200,000,000
Equity shares (Unclassified) of ₹.10/- each with voting rights		300,000,000		300,000,000
Optionally convertible preference shares of ₹.100/- each		100,000,000		100,000,000
Redeemable preference shares of ₹.100/- each		900,000,000		900,000,000
<b>Total</b>		<b>2,500,000,000</b>		<b>2,500,000,000</b>
<b>(b) Issued, Subscribed and Called up</b>				
Equity shares of ₹.10/- each with voting rights		743,829,600		743,829,600
<b>Total</b>		<b>743,829,600</b>		<b>743,829,600</b>

**Note 3.1 - Reconciliation of the shares outstanding at the beginning and at the end of the reporting year**

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	No. of shares		No. of shares	
Equity Shares at the beginning of the year		74,382,960		74,382,960
Add: Issued during the year		–		–
Equity Shares at the end of the year		<b>74,382,960</b>		<b>74,382,960</b>

**Note 3.2 - Details of equity shares held by shareholders in excess of 5% of the aggregated shares in the company :**

Particulars	As at 31st March, 2017		As at March, 2016	
	Number of shares held	% of holding	Number of shares held	% of holding
Holding				
Assam Industrial Development Corporation Limited	18,377,980	24.71	18,377,980	24.71
Akhilesh Mercantile Private Limited	6,423,909	8.64	6,423,909	8.64
Devsai Investments and Finances Private Limited	4,250,000	5.71	4,250,000	5.71

**Note 4 - Reserves and Surplus**

Particulars	As at 31st March, 2017		As at March, 2016	
	₹	₹	₹	₹
Capital Reserve		16,700,000		16,700,000
Capital Redemption Reserve		814,625,000		814,625,000
General Reserves				
Opening balance	1,315,840,498		897,891,268	
Add: Additions/transfers during the period	59,379,578	1,375,220,077	417,949,231	1,315,840,498
Surplus/(Deficit) in Statement of Profit and Loss				
Opening balance	(1,836,675,515)		(1,732,699,867)	
Add: Profit/(Loss) for the year	(184,397,182)	(2,021,072,696)	(103,975,648)	(1,836,675,515)
<b>Total</b>		<b>185,472,381</b>		<b>310,489,984</b>

## Prag Bosimi Synthetics Limited

### Notes forming part of the financial statements for the year ended 31st March, 2017

#### Note 5 - Long-term Borrowings

Particulars	As at 31st March, 2017	As at 31st March, 2016
	₹	₹
<b>Bonds / Debentures</b>		
Secured		
Optionally Cumulative Convertible Debentures (OCCD)	41,545,000	112,929,500
<b>Term Loans</b>		
From Financial Institution (secured)	12,500,000	35,000,000
<b>Other Loans</b>		
From Government (unsecured)	678,000,000	678,000,000
<b>Loans and Advances from Related Parties</b>		
Unsecured	547,694,793	429,446,649
<b>Total</b>	<b>1,279,739,793</b>	<b>1,255,376,149</b>

#### Note 6 - Other Long-term Liabilities

Long Term Trade Payables	17,107,098	23,795,235
Interest accrued on borrowings	37,491,614	60,312,147
Advances from customers	1,824,621	1,523,300
Salary Payable	5,283,384	5,228,052
Other Expenses Payable	2,386,649	5,995,370
Security Deposits	50,610	50,610
Statutory Liabilities	2,243,761	2,564,893
<b>Total</b>	<b>66,387,737</b>	<b>99,469,607</b>

#### Note 7 - Long-term Provisions

Provision for Employee Benefits		
(i) Gratuity	4,543,548	5,950,565
(ii) Leave Travel Allowance	1,097,198	1,056,455
(iii) Other defined benefit plans - Insurance	164,024	164,024
<b>Total</b>	<b>5,804,769</b>	<b>7,171,044</b>

#### Note 8 - Short-term Borrowings

<b>Term Loan</b>		
From Financial Institution (secured)	50,000,000	50,000,000
<b>Loans and Advances from Related Parties</b>		
Unsecured	209,569,169	212,696,809
Others		
Bank Overdraft (secured)	98,309,913	83,481,679
<b>Total</b>	<b>357,879,082</b>	<b>346,178,488</b>

**Notes forming part of the financial statements for the year ended 31st March, 2017****Note 9 - Trade payables**

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Creditors for Goods and Services	63,961,144	16,814,234
Total	<u>63,961,144</u>	<u>16,814,234</u>

**Note 10 - Other Current Liabilities**

Interest accrued on borrowings	1,682,630	1,816,618
Salary Payable	6,847,870	2,498,639
Other Expenses Payable	2,514,654	370,972
Statutory Liabilities	1,877,334	4,049,472
Advances from customers	14	301,321
Total	<u>12,922,502</u>	<u>9,037,022</u>

**Note 11 - Short-term Provisions****Provision for Employee Benefits**

(i) Gratuity	1,859,536	2,226,380
(ii) Leave Encashment	4,517,381	3,887,397
Total	<u>6,376,917</u>	<u>6,113,777</u>

**Note 12: Fixed Assets**

Particulars	Tangible Assets							Capital Work- in progress ₹	Total
	Land Freehold ₹	Land Leasehold ₹	Building Owned ₹	Plant & Equipment ₹	Furniture & Fixtures ₹	Vehicles ₹	Office Equipement ₹		
Original Cost									
At 1st April, 2015	578,617	599,678	518,628,613	2,223,693,945	13,095,989	2,708,533	3,926,955	10,927,690	2,774,160,020
Additions	-	-	-	-	238,369	769,239	-	-	1,007,608
Disposals	-	-	-	-	-	(1,734,096)	-	-	(1,734,096)
At 31st March, 2016	578,617	599,678	518,628,613	2,223,693,945	13,334,358	1,743,676	3,926,955	10,927,690	2,773,433,532
Additions	-	-	-	181,302,232	475,228	-	-	169,432,481	351,208,941
Disposals/Transfer	-	-	-	-	-	-	-	(178,296,238)	(178,296,238)
At 31st March, 2017	578,617	599,678	518,628,613	2,404,995,177	13,809,586	1,743,676	3,926,955	2,063,933	2,946,346,235
Depreciation and Amortization									
At 1st April, 2015	-	349,956	211,759,040	464,078,139	9,736,988	673,421	2,809,649	-	689,407,194
Charge for the year	-	19,992	15,848,414	76,037,227	401,228	213,785	-	-	92,520,647
Deduction/Adjustments during the year	-	-	-	-	-	(759,639)	-	-	(759,639)
As at 31st March, 2016	-	369,948	227,607,455	540,115,366	10,138,216	127,568	2,809,649	-	781,168,202
Charge for the year	-	19,992	17,027,207	80,867,092	418,540	202,938	-	-	98,535,769
Deduction/Adjustments during the year	-	-	-	-	-	-	-	-	-
As at 31st March, 2017	-	389,940	244,634,661	620,982,458	10,556,756	330,506	2,809,649	-	879,703,971
Net Block									
As at 31st March, 2017	578,617	209,738	273,993,952	1,784,012,719	3,252,830	1,413,170	1,117,306	2,063,933	2,066,642,265
As at 31st March, 2016	578,617	229,730	291,021,158	1,683,578,579	3,196,142	1,616,108	1,117,306	10,927,690	1,992,265,330

## Prag Bosimi Synthetics Limited

### Notes forming part of the financial statements for the year ended 31st March, 2017

#### Note 13 - Non Current Investments

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Investments in subsidiaries in fully paid equity instruments (unquoted)		
Prag Bosimi Packaging Pvt Ltd (10,000 shares of ₹.10 each fully paid up)	100,000	100,000
Prag Bosimi Texturising Pvt Ltd (10,000 shares of ₹.10 each fully paid up)	100,000	100,000
Prag Jyoti Textile Park Pvt Ltd (1,04,991 shares of ₹.10 each fully paid up)	1,049,910	1,049,910
<b>Total</b>	<b>1,249,910</b>	<b>1,249,910</b>

#### Note 14 - Long-term Loans and Advances

Unsecured, considered good		
Advance to Suppliers	2,260,630	35,262
Advance receivable in Cash/Kind	184,039,313	184,021,648
<b>Total</b>	<b>186,299,943</b>	<b>184,056,910</b>

#### Note 15 - Other Non-current Assets

Unsecured, considered good		
Long-term Trade Receivables	5,796,941	5,508,413
Security Deposits	9,619,796	8,946,796
Others	5,894,831	6,294,831
<b>Total</b>	<b>21,311,568</b>	<b>20,750,040</b>

#### Note 16 - Current Investments

Fixed Deposits with Bank	166,500,000	—
Investment in Mutual Fund	97,570,735	—
<b>Total</b>	<b>264,070,735</b>	<b>—</b>

#### Note 17 - Inventories (At lower of cost and net realisable value)

Raw materials	17,144,312	13,736,745
Work-in-progress	7,705,699	7,740,262
Finished goods	43,176,014	32,922,077
Stores and spares	47,647,212	47,647,212
<b>Total</b>	<b>115,673,238</b>	<b>102,046,296</b>

#### Note 18 - Trade Receivables

Trade Receivables		
Unsecured, considered good	11,364,760	276,331
<b>Total</b>	<b>11,364,760</b>	<b>276,331</b>

## Notes forming part of the financial statements for the year ended 31st March, 2017

## Note 19- Cash and Bank Balances

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Cash - on - hand	210,558	143,207
Balances with Banks		
(i) In current accounts	19,764,192	13,989,567
(ii) In deposit accounts	1,303,959	1,303,959
(iii) In escrow accounts	–	450,000,000
<b>Total</b>	<b>21,278,709</b>	<b>465,436,733</b>

## Note 20- Short-term Loans and Advances

Advances to Suppliers	13,975,754	8,001,512
Loans and Advances to Related Parties		
Unsecured, considered good	1,035,530	3,929,523
Loans and Advances to Employees		
Unsecured, considered good	2,525,575	2,161,873
Balances with Government Authorities	13,835,918	9,617,132
<b>Total</b>	<b>31,372,777</b>	<b>23,710,040</b>

## Note 21 - Other Current Assets

Interest accrued but not due on Fixed Deposits	486,924	3,204,758
Prepaid Expenses	2,623,096	1,483,557
<b>Total</b>	<b>3,110,020</b>	<b>4,688,315</b>

## Note 22 - Revenue from Operations

Particulars	For the year ended 31st March, 2017 ₹	For the year ended 31st March, 2016 ₹
Sales of Products	16,314,998	1,376,619,977
Other Operating Revenues:		
Sale of Scrap	8,555,400	2,691,183
<b>Total</b>	<b>24,870,398</b>	<b>1,379,311,160</b>

## Note 22.1 - Sale of Products

Corrugate Box	9,629,344	5,852,458
Polyster Filament Yarn	277,949	–
Readymade Garment	6,407,705	–
Fabrics	–	1,370,767,519
<b>Total</b>	<b>16,314,998</b>	<b>1,376,619,977</b>



## Prag Bosimi Synthetics Limited

### Notes forming part of the financial statements for the year ended 31st March, 2017

#### Note 23 - Other Income

Particulars	For the year ended 31st March, 2017 ₹	For the year ended 31st March, 2016 ₹
Interest Income	27,145,701	3,527,589
Dividend Income	1,473,020	–
Gain/(Loss) on sale of Fixed Assets	–	(439,457)
Gain/(Loss) on sale/redemption of Investments	(2,285)	–
Miscellaneous Receipts	4,059	460
<b>Total</b>	<b>28,620,495</b>	<b>3,088,592</b>

#### Note 24 - Cost of Materials Consumed

Opening stock	13,736,744	17,834,001
Add : Purchases	26,553,664	8,170,570
	40,290,408	26,004,571
Less : Closing stock	17,144,312	13,736,744
<b>Total</b>	<b>23,146,096</b>	<b>12,267,827</b>

#### Note 25 - Purchase of Stock-in-Trade

Fabrics	–	1,221,458,556
Readymade Garment	3,340,579	–
<b>Total</b>	<b>3,340,579</b>	<b>1,221,458,556</b>

#### Note 26 - Changes in inventories of Finished Goods, Work-in-Progress and Stock in Trade

##### Closing Inventories

Finished Goods	43,176,014	32,922,077
Work-in-Progress	7,705,699	7,740,262
Stock-in-Trade	–	–
	50,881,714	40,662,339

##### Opening Inventories

Finished Goods	32,922,077	37,638,654
Work-in-Progress	7,740,262	7,740,262
Stock-in-Trade	–	–
	40,662,339	45,378,916
	(10,219,374)	4,716,576

#### Note 27 - Employee Benefits Expenses

Salaries, Wages and Bonus	37,416,882	12,266,417
Contributions to Provident and Other Funds	1,051,684	245,296
Staff Welfare Expenses	470,611	449,119
<b>Total</b>	<b>38,939,177</b>	<b>12,960,832</b>

#### Note 28 - Finance Costs

Interest Expenses	61,537,887	133,735,906
<b>Total</b>	<b>61,537,887</b>	<b>133,735,906</b>

**Notes forming part of the financial statements for the year ended 31st March, 2017****Note 29 - Depreciation and Amortisation Expenses**

Particulars	For the year ended 31st March, 2017 ₹	For the year ended 31st March, 2016 ₹
Depreciation of Tangible Assets	98,515,777	92,500,655
Amortisation of Intangible Assets	19,992	19,992
<b>Total</b>	<b>98,535,769</b>	<b>92,520,647</b>

**Note 30 - Other Expenses**

Consumption of Stores and Spares	115,124	-
Power and fuel	4,022,686	533,239
Freight and forwarding	440,461	274,039
Advertisement expenses	178,045	-
Rent including lease rentals	1,639,808	756,808
Repairs and maintenance - Buildings	47,800	-
Repairs and maintenance - Machinery	388,470	163,112
Repairs and maintenance - Others	873,535	468,915
Insurance Expenses	1,872,690	1,932,567
Interest on delayed payment	314,382	-
Rates and taxes	82,822	308,072
Communication	574,621	502,995
Vehicle Expenses	1,276,018	1,017,578
Travelling and conveyance	2,656,086	1,430,239
Printing and stationery	1,312,974	824,913
Sales Commission	33,775	87,519
Donations and contributions	35,173	23,766
Legal and professional	3,669,103	1,450,024
Auditors' Remuneration (See details below)	372,930	391,666
Miscellaneous expenses	5,375,876	5,818,080
<b>Total</b>	<b>25,282,379</b>	<b>15,983,532</b>

**Details of Auditors' Remuneration:**

Audit Fees	287,930	295,966
Taxation matters	75,000	86,250
Other services	10,000	9,450
<b>Total</b>	<b>372,930</b>	<b>391,666</b>

## Prag Bosimi Synthetics Limited

### Notes forming part of the financial statements for the year ended 31st March, 2017

#### Note 31 - Prior Period Item (Net)

Particulars	For the year ended 31st March, 2017 ₹	For the year ended 31st March, 2016 ₹
<b>Prior Period Income</b>		
Settlement of Statutory Dues	-	2,500
Excess Provision	3,801,876	2,429,286
Settlement of Dues	-	5,904,814
<b>Total (a)</b>	<b>3,801,876</b>	<b>8,336,600</b>
<b>Prior Period Expenses</b>		
Settlement of Statutory Dues	111,507	36,621
Unrecorded Expenditure	130,826	699,332
Short Provision	308,963	-
<b>Total (b)</b>	<b>551,296</b>	<b>735,953</b>
<b>Total (a-b)</b>	<b>3,250,580</b>	<b>7,600,647</b>

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

### 1. COMPANY INFORMATION

Prag Bosimi Synthetics Limited ("the company") is a domestic public limited company with registered office situated at House No.4, Nilgiri Path, R. G. Barua Road, Near Doordarshan, Guwahati – 781 024. It is engaged primarily in manufacturing of Polyester Yarn.

The Company has restarted its manufacturing operations with effect from 28/03/2017.

The company continued its activities in separate division Bosimi Appaarel.

### 1.1 SIGNIFICANT ACCOUNTING POLICIES:

#### (i) Basis of Preparation:

The Financial Statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 2013.

The Company follows the accrual system of accounting and recognizes income and expenditure on accrual basis.

Accounting policies not referred to otherwise are consistent with the Generally Accepted Accounting Principles.

As the company's Net Worth is less than ₹ 500 Crores during the financial year 2016 – 2017, the preparation of financial Statements in accordance with IND AS is not mandatory.

#### (ii) Fixed Assets:

Fixed Assets are stated at cost of acquisition or construction and includes amounts added/reduced on revaluation less accumulated depreciation. Impairment losses have been accounted as per the mandatory Accounting Standards issued by The Institute of Chartered Accountants of India as applicable and the relevant provisions of The Companies Act, 2013.

#### (iii) Depreciation:

(a) Depreciation on fixed assets other than lease-hold land is provided on straight-line method at the rates and in the manner specified in Schedule II of Companies Act, 2013.

(b) Leasehold Land is amortized over the remaining period of lease.

(c) Depreciation on additions/deductions during the year has been provided on pro-rata basis with reference to the month of addition/deduction.

#### (iv) Expenditure during construction year:

As per the consistent accounting policy all expenditure related to the project construction/implementation and income arising out of project activities and funds related to the project are capitalized and allocated to the respective fixed assets.

#### (v) Investments:

Investments which are intended to be held for more than a year from the date of acquisition are classified as long term investments and are valued at cost subject to reduction made for diminution in value that is other than temporary in nature. Investments other than long term investments being current investments are valued at cost or fair market value whichever is lower.

#### (vi) Inventories:

In accordance with the revised Accounting Standard (AS-2), Inventories are valued at lower of cost or net realizable value after providing for obsolescence, if any.

(a) Raw materials, stores, spares, consumables and construction materials: At lower of cost or net realizable value.

(b) Work in process: At lower of cost or net realizable value.

(c) Finished Goods: At lower of cost or net realizable value.

#### (vii) Retirement Benefits:

(a) Defined Contribution Plan:

The Company's liability towards Employee's Provident Fund scheme administered by the Employees Provident Fund Scheme, Govt. of India is considered as Defined Contribution Plan. The Company's contributions paid towards these defined contribution plans

## Prag Bosimi Synthetics Limited

is recognized as expense in the Profit and Loss Account during the year in which the employees rendered the related service.

(b) Defined Benefit Plan:

Company's liabilities towards gratuity and leave encashment if any are considered as Defined Benefit Plans. The present value of the obligations towards gratuity is determined based on actuarial valuation using the projected unit credit method. As regards the Leave encashment, it is calculated on the actual balance leave of each employee on the year-end. This is done on the same basis as in the last accounting year.

**(viii) Transactions of foreign currency items:**

Transactions in foreign currency are recorded at the rate of exchange in force at the date of transaction. Foreign currency assets and other liabilities other than for financing fixed assets are stated at the rate of exchange prevailing at the year-end and resultant gains/losses are recognized in the capital work in progress. Foreign currency loans for financing fixed assets (other than those where the company is protected against exchange fluctuations) are accounted for at the rate of exchange prevailing at the year end and the resultant exchange difference is adjusted to the cost of assets.

**(ix) Government Grants:**

- (a) Revenue grants are recognized in the Statement of Profit & Loss.
- (b) Capital Grants relating to specific fixed assets are shown under capital reserve.

**(x) Taxes on Income:**

No provision for taxation is made as the company has incurred losses during the year and has also brought forward unabsorbed losses.

No provision for deferred taxation is made in accounts as the company has been incurring losses year after year.

**(xi) Provisions:**

A provision is recognized when there is a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

**(xii) There were no events occurring after the Balance Sheet date which require reporting.**

**(xiii) Revenue Recognition:**

- (a) Sales are recognized on dispatch to customers and are net of returns, discounts and sales tax.
- (b) Other Income and Expenditure are recognized and accounted on accrual basis.

## 2. NOTES TO ACCOUNTS

i. Contingent liabilities not provided for:

Sr. No.	Particulars	As At 31st March, 2017 ₹	As At 31st March, 2016 ₹
a)	Counter Guarantees for Sales tax	5,000	5,000
b)	Claims against the Group not acknowledged as debts	31,66,45,000	32,15,94,000
c)	Letter of undertaking executed in favour of Joint Director General of foreign trade under Duty Exemption Entitlement Scheme (Advance License Scheme) for custom duty	13,040,682	13,040,682
d)	Letters of credit and Bank Guarantees given by bankers on behalf of the Company.	5,250,000	5,250,000

Contingent liabilities are considered only when converted into demands.

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- ii. The Board is contemplating taking steps for recovering the calls-in-arrears from defaulting applicants, including forfeiture of the shares as a last resort after exhausting all other avenues for recovery in a spirit of maintaining shareholder friendly environment. The Board therefore considers it prudent not to provide for the interest on calls-in-arrears.
- iii. Estimated amount of contracts remaining to be executed on capital account net of advances is ₹. Nil (Previous Year ₹. Nil).
- iv. During the year, the Company invested in subsidiary company ₹. Nil [Previous Year ₹.49,910 (4,991 Equity Shares of ₹. 10/- each)] which is reflected as Non-Current Investment in the Financial Statement.
- v. Loans and Advances include ₹. 81,99,880/- (Previous Year ₹. 77,69,880/-) overdue from various parties on account of accommodation deposits, security deposits, advances given to suppliers, ex-employees, etc. Compensation for delayed payment, if any, will be accounted in the books of account, if and when realized.
- vi. There is no amount overdue and remaining unpaid to small scale/or ancillary Industrial Suppliers on principal and/or interest as at the close of the year.
- vii. In the opinion of the Board of Directors, in the ordinary course of business the value on realization of current assets, loans and advances, including security Deposits are at least equal to the amount at which they are

stated in the Balance Sheet.

- viii. Amounts appearing in Trade Receivables & Payables are realized and paid as on date of signing. Balances of Banks, Sundry Debtors, Sundry Creditors, Loans & Advance, and Deposits are subject to confirmation.

- ix. Disclosure under AS – 17 : Segment Report:

Operating Segments:

Packaging	Corrugate Box
Garment	Readymade Garment
Others	Fabric, Yarn & others

The chief operational decision maker monitors the operating results of its business for the purpose of making decisions about resource allocation and performance assessment. Operating segments have been identified on the basis of the nature of products.

Revenue and Expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated on the basis of associated revenue of the segment. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses.

Assets & Liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets & Liabilities are disclosed as unallocable.

	Fabrics	Packaging	Garment	Others	Total
<b>REVENUE</b>					
External Revenue	–	96,29,344	64,07,705	2,77,949	1,63,14,998
Previous year	(1,37,07,67,519)	(58,52,458)	(-)	(-)	(1,37,66,19,977)
<b>RESULTS</b>					
Total Segment Results	–	-27,05,215	-1,14,60,983	2,77,949	-1,38,88,249
Previous year	(14,31,92,098)	(-19,32,497)	(-)	(-)	(14,12,59,601)
Finance Cost					-6,15,37,887
Previous year					(-13,37,35,906)
Unallocable Expenses net of Unallocable Income					-10,89,71,046
Previous year					(-11,14,99,343)
<b>Net Profit</b>					-18,43,97,182
Previous year					(-10,39,75,648)

\*Previous Year's (2015 – 2016) figures are indicated in the bracket.

## Prag Bosimi Synthetics Limited

- x. 1. Related Party Disclosures:
- a. Related Parties where control exists:
- |                                      |                         |
|--------------------------------------|-------------------------|
| 1. Prag Bosimi Texturising Pvt. Ltd. | Wholly owned Subsidiary |
| 2. Prag Jyoti Textile Park Pvt. Ltd. | 60.87% shareholding     |
| 3. Prag Bosimi Packaging Pvt. Ltd    | Wholly owned Subsidiary |
- b. Other Related Parties in transactions with the company:
- |                          |  |
|--------------------------|--|
| Key Managerial Personnel | Mr. Hemant B. Vyas (MD)<br>Mr. Ramesh C. Pokhriyal (CEO)<br>Mr. Raktim Kumar Das (CFO)<br>Ms. Madhu Dharewa (CS)<br>Mrs. Shweta Mahajan (CS)(Till 30.09.2016)<br>Mr. Rajesh Shetty (CS)(Till 29.02.2016) |
| Directors                | Mr. Rohit Doshi<br>Ms. Deepali Pathak<br>Mr. Mukund Trivedi  |
| Director in common       | Ayodhya Vintrade Pvt. Ltd.<br>Karmaland Infrastructure & Development Pvt. Ltd.<br>Interlink Suppliers  |

2. Related Parties in transaction with the company:

Particulars	For the year ended 31.03.2017 ₹	Balance as on 31.03.2017 ₹
<b>1. Remuneration</b>		
Mr. Hemant B. Vyas	7,81,230 (7,81,230)	44,73,606 (40,30,782)
Mr. Ramesh C. Pokhriyal	21,00,000 (-)	1,04,049 (-)
Mr. Raktim Kumar Das	14,10,000 (-)	1,53,492 (-)
Ms. Madhu Dharewa (DOJ – 11.11.2016)	2,61,881 (-)	1,59,533 (-)
Mrs. Shweta Mahajan (Till 30.9.2016)	2,71,200 (33,865)	- (33,665)
Mr. Rajesh Shetty (Till 29.02.2016)	- (3,41,853)	- (-)

## Related Parties in transaction with the company: (Contd.)

Particulars	For the year ended 31.03.2017 ₹	Balance as on 31.03.2017 ₹
<b>2. Sitting Fees</b>		
Mr. Rohit Doshi	–	–
	(4,000)	(–)
Ms. Deepali Pathak	2,500	–
	(4,000)	(–)
Mr. Mukund Trivedi	2,500	–
	(–)	(–)
<b>3. Interest Expenses</b>		
Karmaland Infrastructure & Development Pvt. Ltd.	32,64,604 (29,46,394)	29,38,144 (26,51,755)
<b>4. Loan Received (Net)</b>		
i. Mr. Hemant B. Vyas	6,29,10,000 (–)	34,83,51,614 (28,54,41,614)
ii. Karmaland Infrastructure & Development Pvt. Ltd.	26,51,755 (23,93,280)	2,72,05,035 (2,45,53,280)
iii. Interlink Suppliers	5,24,00,000 (35,00,000)	8,92,50,000 (3,68,50,000)
<b>5. Loan Repaid</b>		
Ayodhya Vintrade Pvt. Ltd.	– (4,90,00,000)	7,99,50,000 (7,99,50,000)
<b>6. Advances to:</b>		
i. Prag Bosimi Texturising Pvt. Ltd	-13,325 (22,112)	1,05,590 (1,18,915)
ii. Prag Jyoti Textile Park Pvt. Ltd.	4,49,154 (–)	4,49,154 (–)
iii. Prag Bosimi Packaging Pvt. Ltd	-28,80,668 (28,76,072)	4,80,786 (33,61,454)
<b>7. Advances from:</b>		
Prag Jyoti Textile Park Pvt. Ltd.	31,27,640 (–)	20,95,69,169 (21,26,96,809)

\* Previous Year's (2015 – 2016) figures are indicated in the bracket.

- iv. During the year, the Company has entered into One Time Settlement (OTS) with Allahabad Bank, State bank of India, Bank of Baroda, New India Assurance Company, National Insurance Company, Oriental Insurance Company and United India Insurance Company in respect of their dues of holding 8% Optionally Cumulative Convertible Debentures (OCCDs). As per the agreement of OTS with the aforesaid Institutions; the details of final settlement and payments made are as follows:

Name	Principal Amount of 8% OCCDs (₹ in Crores)	Settlement Amount (₹ in Crores)	Principal Amount waived (₹ in Crores)	Amount of Interest accrued and due waived (₹ in Crores)
Allahabad Bank	0.81	0.16	0.65	0.37
State Bank of India	4.83	4.00	0.83	2.25
Bank Of Baroda	1.02	0.20	0.82	0.43
New India Assurance Company	0.17	0.04	0.13	0.08
National Insurance Company	0.09	0.02	0.07	0.04
Oriental Insurance Company	0.09	0.02	0.07	0.04
United India Insurance Company	0.13	0.03	0.10	0.06
Total	7.14	4.47	2.67	3.27



## Prag Bosimi Synthetics Limited

Therefore, the remaining balance of OCCD amounting ₹ 2.67 Crores and interest accrued and due amounting ₹ 3.27 Crores aggregating ₹ 5.94 crores being non payable to the above referred Institutions are transferred to General Reserve as per the companies policies.

- v. Details of Specified Bank Notes (SBN) held and transacted during the period 8th Nov, 2016 to 30th Dec, 2016 (pursuant to MCA notification GSR 308 ( E ) dated March 30, 2017):

Particulars	SBNs	Other Denomination Notes	Total
Closing Balance as on November 8, 2016	20,27,500	7,970	20,35,470
Add: Permitted & Non Permitted receipts	2,31,000	10,30,127	12,61,127
Less: Permitted & Non Permitted payments	1,48,500	9,06,691	10,55,191
Less: Amount deposited in Banks	21,10,000	1,800	21,11,800
Closing Cash in hand as on December 30, 2016	Nil	1,29,522	1,29,522

- vi. Prag Bosimi Synthetics Ltd (Holding Company) has three subsidiaries company out of which two subsidiaries viz Prag Bosimi Texturising Pvt. Ltd. and Prag Bosimi Packaging Pvt. Ltd. are non operating and non revenue generating. Therefore, operating expenditure incurred by the company are absorbed by the holding Company.

- vii. Earnings per Share:

Earnings per Share	31.03.2017	31.03.2016
Net profit /(loss) as per P/L Account (₹.)	<b>(18,43,97,182)</b>	(10,39,75,648)
Weighted average number of equity shares outstanding (Numbers)	<b>7,43,82,960</b>	7,43,82,960
Basic and diluted earnings per share (Face value ₹. 10/- per Share)	<b>(2.48)</b>	(1.40)

- viii. Previous Year Comparatives:

Previous Year's figures of the Company have been regrouped / reclassified / rearranged wherever necessary, to conform to this year's classification.

In terms of our report attached.

**For Bharat Shroff & Co**  
Chartered Accountants  
(Firm Regn.No.131026W)

**Bharat B. Shroff**  
Proprietor (M.No. 014822)

Place : Mumbai  
Date : 18.08.2017

**For AMD & Associates**  
Chartered Accountants  
(Firm Regn.No.318191E)

**Debashish Bordoloi**  
Partner (M.No. 068018)

Place : Guwahati  
Date : 18.08.2017

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

**H.K.Sharma** Chairman  
**Hemant B. Vyas** Managing Director  
**M.K.Das** Director  
**Devang Vyas** Non Executive Director  
**Raktim Kumar Das** Chief Financial Officer  
**Madhu Dharewa** Company Secretary

## Annual Report 2016 - 2017

### A. DETAILS OF OPENING STOCK, PURCHASES, SALES & CLOSING STOCK OF FINISHED GOODS ARE AS UNDER

	Unit	For the 12 months year ended 31.03.2017		For the 12 months year ended 31.03.2016	
		Quantity	Amount ₹	Quantity	Amount ₹
a. Opening Stock					
Yarn	MT	120.79	9,345,599	120.79	14,062,175
Readymade Garment	Pcs				23,576,479
Others					
b. Purchases					
Yarn	MT				
Fabric	MTRS			9,489,787	1,221,458,556
Readymade Garment	Pcs	8936	3,340,579		
Others					
c. Actual Production/Processed					
Yarn (net of captive consumption)	MT	4.96			
Garments	Pcs	36330			
d. Sales					
Yarn	MT	2.78	277,949		
Readymade Garment	Pcs	14572	6,407,705		
Fabric	MTRS			9,489,787	1,370,767,519
Others			9,629,344		8,211,470
e. Closing Stock					
Yarn	MT	122.97	9,539,143	120.79	9,345,599
Readymade Garment	Pcs	30694	10,060,393		
Others					23,576,479
B. (i) Details of Raw Materials Consumed					
Polyester chips	MT	32.00	2,296,960	-	-
Yarn Purchases	MT	4.96	406,077	-	-
Others			20,443,058		12,267,827
<b>Total</b>			<b>23,146,096</b>		<b>12,267,827</b>

### (ii) Details of value of imported and indigenous Raw Material, Components consumed and percentage of each to the total consumption

	For the 12 months year ended 31.03.2017		For the 12 months period ended 31.03.2016	
	%	Amount ₹	%	Amount ₹
Raw Materials				
-imported	-	-	-	-
-indigenous	100	-	100	-
	<u>100</u>	<u>-</u>	<u>100</u>	<u>-</u>
Others				
-imported				
-indigenous	100	-	100	-
	<u>100</u>	<u>-</u>	<u>100</u>	<u>-</u>

## Prag Bosimi Synthetics Limited

	For the 12 months year ended 31.03.2017	For the 12 months period ended 31.03.2016
C. Auditors' remuneration includes:		
Audit Fees	287,930	295,966
Certification Fees	75,000	86,250
<b>Fees for Taxation matter</b>	<b>10,000</b>	<b>9,450</b>
Management Consultancy Fees		
Other Matters		
	<b>372,930</b>	<b>391,666</b>
D. Licenced & installed Capacity (as certified by the Management)		As at 31-Mar-2017
	Units	Licenced Capacity
Polyester Filament Yarn	TPA	36,000
Draw Texturising Machines	Nos	2
Cone Winding Machine	Nos	1
Dyeing Machine	Nos	1
	For the twelve months period ended 31.03.2017	For the twelve months period ended 31.03.2016
	₹	₹
E. Expenditure in Foreign Currency (On actual payment basis)		
i) Technical Services	-	-
ii) Other matters	-	-

## ANNEXURE-II

### BALANCE SHEET ABSTRACT & COMPANY'S GENERAL BUSINESS PROFILE

i. Registration Details			
Registration No	2758	State Code	02
Balance Sheet Date	31-Mar-17		
ii. Capital raised during the year (Amount in rupees thousands)			
Public issue	Nil	Rights issue	Nil
Bonus issue	Nil	Private Placement	Nil
iii. Position of Mobilisation and Deployment of Funds (Amount in rupees thousands)			
Total liabilities	2,722,373,925	Total assets	2,722,373,925
Sources of funds			
Paid up Capital	743,829,600	Reserves & Surplus	185,472,381
Non-current liabilities	1,351,932,299	Current liabilities	441,139,645
Application of Funds:			
Net Fixed Assets & CWIP	2,066,642,265		
Non - Current Investments	1,249,910	Current Investments	264,070,735
Non - Current assets	207,611,511	Current assets	182,799,504
iv. Performance of Company (Amount in rupees thousands)			
Turnover (including other income)	52,914,750	Total Expenditure	237,311,931
Profit/(Loss) Before Tax	(184,397,182)	Profit/(Loss)After Tax	(184,397,182)
v. Generic Name of the Principal Products of the Company		Earning Per Share	(2.48)
Item Code No.(ITC Code)	5402.42		
Product Description	Polyester Filament Yarn (PFY)		

## INDEPENDENT AUDITORS' REPORT

TO,

**THE MEMBERS OF PRAG BOSIMI SYNTHETICS LIMITED**

### **Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of PRAG BOSIMI SYNTHETICS LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at 31<sup>st</sup> March, 2017, the consolidated Statement of Profit and Loss, consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

### **Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (hereinafter referred to as "the Act") with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India, including the Accounting Standards specified u/s 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. Thus responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting 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 adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

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

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

We conducted our audit in accordance with the Standard on Auditing specified u/s 143(10) of the Act and other authoritative pronouncement issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgments, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risks assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has in place adequate internal financial controls systems over financial reporting and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating overall presentation of the consolidated financial statements.

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

## Prag Bosimi Synthetics Limited

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### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31<sup>st</sup> March, 2017 and their consolidated loss and their consolidated cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. Our report on adequacy of internal financial control system for financial reporting and operating effectiveness of such control for the Holding Company and its subsidiaries s annexed.
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 Group so far as it appears from our examination of those books;
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statement;
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified u/s 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis on written representations received from the directors of the Group as on 31<sup>st</sup> March 2017 taken on record by the respective Board of Directors of the Group, none of the directors is disqualified as on 31<sup>st</sup> March 2017 from being appointed as a director in terms of section 164 (2) of the Act;
  - (f) With respect to the other matters to be included in the Auditor's Report in accordance with the Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Group did not have any pending litigations which would impact its financial position.
    - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There has not been an occasion in case of the Group during the year ended 31<sup>st</sup> March, 2017 to transfer any sums to the Investor Education and Protection Fund. Hence, the question of delay in transferring such sums does not arise.
    - iv. The Group has provided requisite disclosure in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company.

### For Bharat Shroff & Co.

Chartered Accountants  
(Firm Reg. No.131026W)

### Bharat B. Shroff

Proprietor  
(Membership No. 014822)

Place : Mumbai  
Date : 18.08.2017

### For AMD & Associates

Chartered Accountants  
(Firm Regn.No.318191E)

### Debashish Bordoloi

Partner  
(Membership No. 068018)

Place : Guwahati  
Date : 18.08.2017

## **Annexure to the Independent Auditors' Report**

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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

We have audited the internal financial controls over financial reporting of Prag Bosimi Synthetics Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") as at 31<sup>st</sup> March, 2017 in conjunction with our audit of the consolidated financial statements of the Group for the year ended on that date.

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

The respective Board of Directors of the Holding Company and its subsidiaries companies, are 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide 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.

## **Prag Bosimi Synthetics Limited**

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

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

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Group have 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 31<sup>st</sup> March, 2017, based on the internal control over financial reporting criteria established by the respective 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 Bharat Shroff & Co.**  
Chartered Accountants  
(Firm Reg. No.131026W)

**Bharat B. Shroff**  
Proprietor  
(Membership No. 014822)

Place : Mumbai  
Date : 18.08.2017

**For AMD & Associates**  
Chartered Accountants  
(Firm Regn.No.318191E)

**Debashish Bordoloi**  
Partner  
(Membership No. 068018)

Place : Guwahati  
Date : 18.08.2017

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

Sr. No.	Particulars	Note	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
<b>Equity and Liabilities</b>				
<b>1</b>	<b>Shareholders' Funds</b>	3	<b>744,416,250</b>	744,416,250
	(b) Reserves and Surplus	4	<b>224,905,057</b>	349,934,288
<b>2</b>	<b>Non-current Liabilities</b>			
	(a) Long-term Borrowings	5	<b>1,501,710,793</b>	1,473,772,149
	(b) Other Long-term Liabilities	6	<b>66,390,682</b>	99,472,554
	(c) Long-term Provisions	7	<b>5,804,769</b>	7,171,044
<b>3</b>	<b>Current liabilities</b>			
	(a) Short-term Borrowings	8	<b>148,309,913</b>	133,481,679
	(b) Trade Payables	9	<b>73,328,277</b>	16,850,203
	(c) Other Current Liabilities	10	<b>20,725,815</b>	13,789,028
	(d) Short-term Provisions	11	<b>6,376,917</b>	6,113,777
	Total		<b>2,791,968,474</b>	2,845,000,972
<b>Assets</b>				
<b>1</b>	<b>Non-current assets</b>			
	(a) Fixed assets	12		
	(i) Tangible assets		<b>2,064,650,897</b>	1,982,787,621
	(ii) Intangible assets		-	-
	(ii) Capital work-in-progress		<b>62,722,662</b>	19,500,138
	(b) Non-Current Investments	13	-	-
	(c) Long-term Loans and Advances	14	<b>186,299,943</b>	184,056,910
	(d) Other Non-Current Assets	15	<b>21,311,568</b>	20,750,040
<b>2</b>	<b>Current assets</b>			
	(a) Current Investments	16	<b>264,070,735</b>	37,500,000
	(b) Inventories	17	<b>115,673,238</b>	102,046,296
	(c) Trade Receivables	18	<b>11,364,760</b>	276,331
	(d) Cash and Bank Balances	19	<b>23,893,353</b>	472,706,071
	(e) Short-term Loans and Advances	20	<b>38,492,415</b>	20,310,365
	(f) Other Current Assets	21	<b>3,488,904</b>	5,067,199
	Total		<b>2,791,968,474</b>	2,845,000,972

See accompanying notes forming part of the financial statements

In terms of our report attached.

**For Bharat Shroff & Co**  
Chartered Accountants  
(Firm Regn.No.131026W)

**Bharat B. Shroff**  
Proprietor (M.No. 014822)

Place : Mumbai  
Date : 18.08.2017

**For AMD & Associates**  
Chartered Accountants  
(Firm Regn.No.318191E)

**Debashish Bordoloi**  
Partner (M.No. 068018)

Place : Guwahati  
Date : 18.08.2017

For and on behalf of the Board of Directors

**H.K.Sharma** Chairman  
**Hemant B. Vyas** Managing Director  
**M.K.Das** Director  
**Devang Vyas** Non Executive Director  
**Raktim Kumar Das** Chief Financial Officer  
**Madhu Dharewa** Company Secretary



## Prag Bosimi Synthetics Limited

### CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

Sr. No.	Particulars	Note	For the year ended 31st March, 2017 ₹	For the year ended 31st March, 2016 ₹
1	Revenue:			
	Revenue from Operations (gross)	22	24,870,398	1,379,311,160
	Less: Excise duty		576,143	332,171.00
	Revenue from Operations (net)		24,294,255	1,378,978,989
2	Other Income	23	28,620,495	3,088,592
3	Total Revenue (1+2)		52,914,750	1,382,067,581
4	Expenses:			
	Cost of Materials Consumed	24	23,146,096	12,267,827
	Purchase of Stock-in-Trade	25	3,340,579	1,221,458,556
	Changes in inventories of Finished Goods, Work-in-Progress and Stock in Trade	26	(10,219,374)	4,716,576
	Employee Benefits Expenses	27	38,939,177	12,960,832
	Finance Cost	28	61,537,887	133,735,906
	Depreciation and Amortization Expenses	29	98,547,396	92,523,801
	Other Expenses	30	25,282,379	15,983,532
			240,574,138	1,493,647,030
5	Profit before Prior Period Item and Tax (3 - 4)		(187,659,389)	(111,579,449)
6	Prior Period Items (Net)	31	3,250,580	7,600,647
7	Profit before Tax (5 - 6)		(184,408,809)	(103,978,802)
8	Tax expense			
	a. Current Tax		-	-
	b. Deferred Tax		-	-
9	Profit after Tax (7 - 8)		(184,408,809)	(103,978,802)
11	Earnings per share (of ₹.10/- each)			
	Basic and Diluted		(2.48)	(1.40)

See accompanying notes forming part of the financial statements

In terms of our report attached.

**For Bharat Shroff & Co**  
Chartered Accountants  
(Firm Regn.No.131026W)

**Bharat B. Shroff**  
Proprietor (M.No. 014822)

Place : Mumbai  
Date : 18.08.2017

**For AMD & Associates**  
Chartered Accountants  
(Firm Regn.No.318191E)

**Debashish Bordoloi**  
Partner (M.No. 068018)

Place : Guwahati  
Date : 18.08.2017

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

**H.K.Sharma** Chairman  
**Hemant B. Vyas** Managing Director  
**M.K.Das** Director  
**Devang Vyas** Non Executive Director  
**Raktim Kumar Das** Chief Financial Officer  
**Madhu Dharewa** Company Secretary

## Annual Report 2016 - 2017

### CONSOLIDATED CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH , 2017 (Indirect Method)

PARTICULARS	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	₹	₹
<b>A . Net Profit/(Loss)before tax and Extraordinary items</b>	<b>(184,408,809)</b>	<b>(103,978,802)</b>
Adjustments for :		
Depreciation	98,527,404	92,503,809
Amortisation of Leasehold Land	19,992	19,992
Interest Expenses	61,537,887	133,735,906
Interest Income	(27,145,701)	(3,527,589)
Dividend Income	(1,473,020)	-
Gain/(Loss) on sale/redemption of Investments	2,285	-
Operating Profit/(Loss) before capital changes	<u>(52,939,962)</u>	<u>118,753,316</u>
Adjustments for :		
(Increase)/Decrease in Inventories	(13,626,942)	9,729,831
(Increase)/Decrease in Trade Receivable	(11,088,429)	2,192,106
(Increase)/Decrease in Other Non Current Assets	(561,528)	687,036
(Increase)/Decrease in Other Current Assets	1,578,295	691,204
Increase/(Decrease) in Trade Payables and Others	29,229,855	(18,993,016)
Cash generated from operations	<u>(47,408,710)</u>	<u>113,060,477</u>
Less: Income-tax Paid	-	-
Net cash from operating activities	<u>(47,408,710)</u>	<u>113,060,477</u>
<b>B. Cash flow from investing activities</b>		
(Purchase)/Sale of Fixed Assets including CWIP (Net)	(223,633,196)	(8,007,338)
Purchase of Investments (net)	(226,570,735)	-
Interest received	20,226,364	148
Dividend received	1,473,020	-
Loans and advances	(20,425,082)	(11,090,714)
Net cash used in investing activities	<u>(448,929,630)</u>	<u>(19,097,904)</u>
<b>C. Cash flow from financing activities</b>		
Repayment of Borrowings	(128,360,000)	(76,995,055)
Proceeds from long-term borrowings	227,114,728	535,152,843
Interest paid	(51,229,107)	(86,220,584)
Net cash from financing activities	<u>47,525,621</u>	<u>371,937,204</u>
Net increase in cash and cash equivalents (A+B+C)	<u>(448,812,718)</u>	<u>465,899,777</u>
Cash/Cash Equivalents (Opening)	472,706,071	44,223,637
Cash/Cash Equivalents (Closing)	<u>23,893,353</u>	<u>510,123,414</u>
	<u>(448,812,718)</u>	<u>465,899,777</u>

In terms of our report attached.

**For Bharat Shroff & Co**  
Chartered Accountants  
(Firm Regn.No.131026W)

**Bharat B. Shroff**  
Proprietor (M.No. 014822)

Place : Mumbai  
Date : 18.08.2017

**For AMD & Associates**  
Chartered Accountants  
(Firm Regn.No.318191E)

**Debashish Bordoloi**  
Partner (M.No. 068018)

Place : Guwahati  
Date : 18.08.2017

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

**H.K.Sharma** Chairman  
**Hemant B. Vyas** Managing Director  
**M.K.Das** Director  
**Devang Vyas** Non Executive Director  
**Raktim Kumar Das** Chief Financial Officer  
**Madhu Dharewa** Company Secretary

## Prag Bosimi Synthetics Limited

### Notes forming part of the consolidated financial statements for the year ended 31st March, 2017

#### Note 3 - Share Capital

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	₹		₹	
<b>(a) Authorised</b>				
Equity shares of ₹.10/- each with voting rights		1,200,000,000		1,200,000,000
Equity shares (Unclassified) of ₹.10/- each with voting rights		300,000,000		300,000,000
Optionally convertible preference shares of ₹.100/- each		100,000,000		100,000,000
Redeemable preference shares of ₹.100/- each		900,000,000		900,000,000
<b>Total</b>		<b>2,500,000,000</b>		<b>2,500,000,000</b>
<b>(b) Issued, Subscribed and Called up</b>				
Equity shares of ₹.10/- each with voting rights		744,416,250		744,416,250
<b>Total</b>		<b>744,416,250</b>		<b>744,416,250</b>

#### Note 3.1 - Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	No. of shares		No. of shares	
Equity Shares at the beginning of the year		74,382,960		74,382,960
Add: Issued during the year		-		-
Equity Shares at the end of the year		<b>74,382,960</b>		<b>74,382,960</b>

#### Note 3.2 - Details of equity shares held by shareholders in excess of 5% of the aggregated shares in the company :

Particulars	As at 31st March, 2017		As at March, 2016	
	Number of shares held	% of holding	Number of shares held	% of holding
Assam Industrial Development Corporation Limited	18,377,980	24.71	18,377,980	24.71
Akhilesh Mercantile Private Limited	6,423,909	8.64	6,423,909	8.64
Devsai Investments and Finances Private Limited	4,250,000	5.71	4,250,000	5.71

#### Note 4 - Reserves and Surplus

Particulars	As at 31st March, 2017		As at March, 2016	
	₹	₹	₹	₹
Capital Reserve		56,700,000		56,700,000
Capital Redemption Reserve		814,625,000		814,625,000
General Reserves				
Opening balance	1,315,840,498		897,891,268	
Add: Additions/transfers during the period	59,379,578	1,375,220,077	417,949,231	1,315,840,498
Surplus/(Deficit) in Statement of Profit and Loss				
Opening balance	(1,837,231,211)		(1,733,252,409)	
Add: Profit/(Loss) for the year	(184,408,809)	(2,021,640,020)	(103,978,802)	(1,837,231,211)
<b>Total</b>		<b>224,905,057</b>		<b>349,934,288</b>

## Notes forming part of the consolidated financial statements for the year ended 31st March, 2017

## Note 5 - Long-term Borrowings

Particulars	As at 31st March, 2017	As at 31st March, 2016
	₹	₹
<b>Bonds / Debentures</b>		
Secured		
Optionally Cumulative Convertible Debentures (OCCD)	41,545,000	112,929,500
<b>Term Loans</b>		
From Financial Institution (secured)	227,500,000	250,000,000
<b>Other Loans</b>		
From Government (unsecured)	678,000,000	678,000,000
<b>Loans and Advances from Related Parties</b>		
Unsecured	554,665,793	432,842,649
<b>Total</b>	<u>1,501,710,793</u>	<u>1,473,772,149</u>

## Note 6 - Other Long-term Liabilities

Long Term Trade Payables	17,107,098	23,795,235
Interest accrued on borrowings	37,491,614	60,312,147
Advances from customers	1,824,621	1,523,300
Salary Payable	5,283,384	5,228,052
Other Expenses Payable	2,389,594	5,998,317
Security Deposits	50,610	50,610
Statutory Liabilities	2,243,761	2,564,893
<b>Total</b>	<u>66,390,682</u>	<u>99,472,554</u>

## Note 7 - Long-term Provisions

## Provision for Employee Benefits

(i) Gratuity	4,543,548	5,950,565
(ii) Leave Travel Allowance	1,097,198	1,056,455
(iii) Other defined benefit plans - Insurance	164,024	164,024
<b>Total</b>	<u>5,804,769</u>	<u>7,171,044</u>

## Note 8 - Short-term Borrowings

## Term Loan

From Financial Institution (secured)	50,000,000	50,000,000
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## Loans and Advances from Related Parties

Unsecured	-	-
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## Others

Bank Overdraft (secured)	98,309,913	83,481,679
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<b>Total</b>	<u>148,309,913</u>	<u>133,481,679</u>
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## Prag Bosimi Synthetics Limited

### Notes forming part of the consolidated financial statements for the year ended 31st March, 2017

#### Note 9 - Trade payables

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Creditors for Goods and Services	64,627,582	16,850,203
Creditors for Capital Goods	8,700,695	-
<b>Total</b>	<b>73,328,277</b>	<b>16,850,203</b>

#### Note 10 - Other Current Liabilities

Earnest Money Deposit	100,000	100,000
Retention Money	1,592,443	-
Interest accrued on borrowings	1,682,630	1,816,618
Salary Payable	7,474,940	2,722,570
Other Expenses Payable	2,654,944	408,782
Statutory Liabilities	2,859,051	4,077,944
Advance received against shares	4,361,793	4,361,793
Advances from customers	14	301,321
<b>Total</b>	<b>20,725,815</b>	<b>13,789,028</b>

#### Note 11 - Short-term Provisions

##### Provision for Employee Benefits

(i) Gratuity	1,859,536	2,226,380
(ii) Leave Encashment	4,517,381	3,887,397
<b>Total</b>	<b>6,376,917</b>	<b>6,113,777</b>

#### Note 12: Fixed Assets

Particulars	Land Freehold ₹	Tangible Assets						Capital Work- in progress ₹	Total
		Land Leasehold ₹	Building Owned ₹	Plant & Equipment ₹	Furniture & Fixtures ₹	Vehicles ₹	Office Equipment ₹		
<b>Original Cost</b>									
At 1st April, 2015	578,617	599,678	518,628,613	2,223,693,945	13,095,989	2,708,533	3,926,955	10,927,690	2,774,160,020
Additions	-	-	-	1,365,789	290,680	769,239	35,035	8,572,448	11,033,191
Disposals	-	-	-	-	-	(1,734,096)	-	-	(1,734,096)
<b>At 31st March, 2016</b>	<b>578,617</b>	<b>599,678</b>	<b>518,628,613</b>	<b>2,225,059,734</b>	<b>13,386,669</b>	<b>1,743,676</b>	<b>3,961,990</b>	<b>19,500,138</b>	<b>2,783,459,115</b>
Additions	-	-	-	179,935,443	475,228	-	-	221,518,762	401,929,433
Disposals/Transfer	-	-	-	-	-	-	-	(178,296,238)	(178,296,238)
<b>At 31st March, 2017</b>	<b>578,617</b>	<b>599,678</b>	<b>518,628,613</b>	<b>2,404,995,177</b>	<b>13,861,897</b>	<b>1,743,676</b>	<b>3,961,990</b>	<b>62,722,662</b>	<b>3,007,092,310</b>
<b>Depreciation and Amortization</b>									
At 1st April, 2015	-	349,956	211,759,040	464,078,139	9,736,988	673,421	2,809,649	-	689,407,194
Charge for the year	-	19,992	15,848,414	76,037,227	402,654	213,785	1,728	-	92,523,801
Deduction/Adjustments during the year	-	-	-	-	-	(759,639)	-	-	(759,639)
<b>As at 31st March, 2016</b>	<b>-</b>	<b>369,948</b>	<b>227,607,455</b>	<b>540,115,366</b>	<b>10,139,642</b>	<b>127,568</b>	<b>2,811,377</b>	<b>-</b>	<b>781,171,356</b>
Charge for the year	-	19,992	17,027,207	80,867,092	423,510	202,938	6,657	-	98,547,396
Deduction/Adjustments during the year	-	-	-	-	-	-	-	-	-
<b>As at 31st March, 2017</b>	<b>-</b>	<b>389,940</b>	<b>244,634,661</b>	<b>620,982,458</b>	<b>10,563,152</b>	<b>330,506</b>	<b>2,818,034</b>	<b>-</b>	<b>879,718,752</b>
<b>Net Block</b>									
<b>As at 31st March, 2017</b>	<b>578,617</b>	<b>209,738</b>	<b>273,993,952</b>	<b>1,784,012,719</b>	<b>3,298,745</b>	<b>1,413,170</b>	<b>1,143,956</b>	<b>62,722,662</b>	<b>2,127,373,559</b>
As at 31st March, 2016	578,617	229,730	291,021,158	1,684,944,368	3,247,027	1,616,108	1,150,613	19,500,138	2,002,287,759

Notes forming part of the consolidated financial statements for the year ended 31st March, 2017

Note 14 - Long-term Loans and Advances

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
<b>Unsecured, considered good</b>		
Advance to Suppliers	2,260,630	35,262
Advance receivable in Cash/Kind	184,039,313	184,021,648
<b>Total</b>	<b>186,299,943</b>	<b>184,056,910</b>

Note 15 - Other Non-current Assets

<b>Unsecured, considered good</b>		
Long-term Trade Receivables	5,796,941	5,508,413
Security Deposits	9,619,796	8,946,796
Others	5,894,831	6,294,831
<b>Total</b>	<b>21,311,568</b>	<b>20,750,040</b>

Note 16 - Current Investments

Fixed Deposits with Bank	166,500,000	37,500,000
Investment in Mutual Fund	97,570,735	-
<b>Total</b>	<b>264,070,735</b>	<b>37,500,000</b>

Note 17 - Inventories (At lower of cost and net realisable value)

Raw materials	17,144,312	13,736,745
Work-in-progress	7,705,699	7,740,262
Finished goods	43,176,014	32,922,077
Stores and spares	47,647,212	47,647,212
<b>Total</b>	<b>115,673,238</b>	<b>102,046,296</b>

Note 18 - Trade Receivables

Unsecured, considered good	11,364,760	276,331
<b>Total</b>	<b>11,364,760</b>	<b>276,331</b>

Note 19- Cash and Bank Balances

Cash - on - hand	221,050	153,800
Balances with Banks		
(i) In current accounts	19,992,911	15,311,085
(ii) In deposit accounts	1,303,959	1,303,959
(iii) In escrow accounts	2,375,433	455,937,227
<b>Total</b>	<b>23,893,353</b>	<b>472,706,071</b>

## Prag Bosimi Synthetics Limited

### Notes forming part of the consolidated financial statements for the year ended 31st March, 2017

#### Note 20- Short-term Loans and Advances

Particulars	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Advances to Suppliers	21,900,311	8,426,512
Advances for Expenses	-	10,000
Loans and Advances to Related Parties		
Unsecured, considered good	-	-
Loans and Advances to Employees		
Unsecured, considered good	2,543,075	2,175,773
Balances with Government Authorities	14,049,029	9,698,080
<b>Total</b>	<b>38,492,415</b>	<b>20,310,365</b>

#### Note 21 - Other Current Assets

Interest accrued but not due on Fixed Deposits	486,924	3,204,758
Prepaid Expenses	2,623,096	1,483,557
Preliminary Expenditure (to the extent not written off or adjusted)	378,884	378,884
<b>Total</b>	<b>3,488,904</b>	<b>5,067,199</b>

#### Note 22 - Revenue from Operations

Particulars	For the year ended 31st March, 2017 ₹	For the year ended 31st March, 2016 ₹
Sales of Products	16,314,998	1,376,619,977
Other Operating Revenues:		
Sale of Scrap	8,555,400	2,691,183
<b>Total</b>	<b>24,870,398</b>	<b>1,379,311,160</b>

#### Note 22.1 - Sale of Products

Corrugate Box	9,629,344	5,852,458
Polyster Filament Yarn	277,949	-
Readymade Garment	6,407,705	-
Fabrics	-	1,370,767,519
<b>Total</b>	<b>16,314,998</b>	<b>1,376,619,977</b>

#### Note 23 - Other Income

Interest Income	27,145,701	3,527,589
Dividend Income	1,473,020	-
Gain/(Loss) on sale of Fixed Assets	-	(439,457)
Gain/(Loss) on sale of Investments	(2,285)	-
Miscellaneous Receipts	4,059	460
<b>Total</b>	<b>28,620,495</b>	<b>3,088,592</b>

## Notes forming part of the consolidated financial statements for the year ended 31st March, 2017

## Note 24 - Cost of Materials Consumed

Particulars	For the year ended 31st March, 2017 ₹	For the year ended 31st March, 2016 ₹
Opening stock	13,736,744	17,834,001
Add: Purchases	26,553,664	8,170,570
	40,290,408	26,004,571
Less : Closing Stock	17,144,312	13,736,744
Total	23,146,096	12,267,827

## Note 25 - Purchase of Stock-in-Trade

Fabrics	-	1,221,458,556
Readymade Garment	3,340,579	-
Total	3,340,579	1,221,458,556

## Note 26 - Changes in inventories of Finished Goods, Work-in-Progress and Stock in Trade

## Closing Inventories

Finished Goods	43,176,014	32,922,077
Work-in-Progress	7,705,699	7,740,262
Stock-in-Trade	-	-
	50,881,714	40,662,339

## Opening Inventories

Finished Goods	32,922,077	37,638,654
Work-in-Progress	7,740,262	7,740,262
Stock-in-Trade	-	-
	40,662,339	45,378,916
	(10,219,374)	4,716,576

## Note 27 - Employee Benefits Expenses

Salaries, Wages and Bonus	37,416,882	12,266,417
Contributions to Provident and Other Funds	1,051,684	245,296
Staff Welfare Expenses	470,611	449,119
Total	38,939,177	12,960,832

## Note 28 - Finance Costs

Interest Expenses	61,537,887	133,735,906
Total	61,537,887	133,735,906

## Note 29 - Depreciation and Amortisation Expenses

Depreciation of Tangible Assets	98,527,404	92,503,809
Amortisation of Intangible Assets	19,992	19,992
Total	98,547,396	92,523,801



## Prag Bosimi Synthetics Limited

### Notes forming part of the consolidated financial statements for the year ended 31st March, 2017

#### Note 30 - Other Expenses

Particulars	For the year ended 31st March, 2017 ₹	For the year ended 31st March, 2016 ₹
Consumption of Stores and Spares	115,124	–
Power and fuel	4,022,686	533,239
Freight and forwarding	440,461	274,039
Advertisement expenses	178,045	–
Rent including lease rentals	1,639,808	756,808
Repairs and maintenance - Buildings	47,800	–
Repairs and maintenance - Machinery	388,470	163,112
Repairs and maintenance - Others	873,535	468,915
Insurance Expenses	1,872,690	1,932,567
Interest on delayed payment	314,382	–
Rates and taxes	82,822	308,072
Communication	574,621	502,995
Vehicle Expenses	1,276,018	1,017,578
Travelling and conveyance	2,656,086	1,430,239
Printing and stationery	1,312,974	824,913
Sales Commission	33,775	87,519
Donations and contributions	35,173	23,766
Legal and professional	3,669,103	1,450,024
Auditors' Remuneration (See footnote below)	372,930	391,666
Miscellaneous expenses	5,375,876	5,818,080
<b>Total</b>	<b>25,282,379</b>	<b>15,983,532</b>

#### Details of Auditors' Remuneration:

Audit Fees	287,930	295,966
Taxation matters	75,000	86,250
Other services	10,000	9,450
<b>Total</b>	<b>372,930</b>	<b>391,666</b>

#### Note 31 - Prior Period Item (Net)

##### Prior Period Income

Settlement of Statutory Dues	–	2,500
Excess Provision	3,801,876	2,429,286
Settlement of Dues	–	5,904,814
<b>Total (a)</b>	<b>3,801,876</b>	<b>8,336,600</b>

##### Prior Period Expenses

Settlement of Statutory Dues	111,507	36,621
Unrecorded Expenditure	130,826	699,332
Short Provision	308,963	–
<b>Total (b)</b>	<b>551,296</b>	<b>735,953</b>
<b>Total (a-b)</b>	<b>3,250,580</b>	<b>7,600,647</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

### 1. COMPANY INFORMATION:

Prag Bosimi Synthetics Limited ("the company") is a domestic public limited company with registered office situated at House No.4, Nilgiri Path, R. G. Barua Road, Near Doordarshan, Guwahati – 781 024 and is listed on the Bombay Stock Exchange. The company is engaged primarily in manufacturing of Polyester Yarn.

The Company has restarted its manufacturing operations with effect from 28/03/2017.

The company continued its activities in separate division Bosimi Appaarel

### 1.1 SIGNIFICANT ACCOUNTING POLICIES

#### (A) BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS:

The Consolidated Financial Statements (CFS) relates to parent company Prag Bosimi Synthetics Limited (PBSL) and its subsidiary companies (collectively

referred to as the "Group").

The Financial Statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 2013.

Principles of Consolidation:

The CFS are prepared, as far as possible using uniform significant accounting policies for the transactions and other events in similar circumstances and are presented in the same manner as PBSL's separate financial statements. The Financial statements of PBSL and its subsidiaries have been consolidated on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses, the intra group balance and intra group transactions and unrealized profits or losses resulting from intra group transactions are fully eliminated.

#### Companies included in Consolidation:

The CFS comprises the audited financial statements (except as mentioned otherwise) of PBSL and its subsidiaries for the year ended 31st March, 2017, which are as under:

Name of the Company	Country of Incorporation	PBSL's Ownership Interest	
		31.03.2017	31.03.2016
Prag Jyoti Textile Park Pvt. Ltd.	India	60.87%	60.87%
Prag Bosimi Texturising Pvt. Ltd.	India	100%	100%
Prag Bosimi Packaging Pvt. Ltd.	India	100%	100%

#### (B) SIGNIFICANT ACCOUNTING POLICIES:

The Company follows the accrual system of accounting and recognizes income and expenditure on accrual basis.

Accounting policies not referred to otherwise are consistent with the Generally Accepted Accounting Principles.

##### (i) Fixed Assets:

Fixed Assets are stated at cost of acquisition or construction and includes amounts added/reduced on revaluation less accumulated depreciation. Impairment losses have been accounted as per the mandatory Accounting Standards issued by The Institute of Chartered Accountants of India as applicable and the

relevant provisions of The Companies Act, 2013.

Borrowing costs for acquisition or construction of a qualifying asset and revenue expenses incurred (including expenses on test runs and experimental production) for the year prior to the commencement of commercial production are capitalized proportionately as part of the asset cost in respect of machineries put to use.

##### (ii) Depreciation:

(a) Depreciation on fixed assets other than lease-hold land is provided on straight-line method at the rates and in the manner specified in Schedule II of Companies Act, 2013.

## Prag Bosimi Synthetics Limited

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- (b) Leasehold Land is amortized over the remaining period of lease.
  - (c) Depreciation on additions/deductions during the year has been provided on pro-rata basis with reference to the month of addition/deduction.
- (iii) Expenditure during construction year:**
- As per the consistent accounting policy all expenditure related to the project construction/implementation and income arising out of project activities and funds related to the project are capitalized and allocated to the respective fixed assets.
- (iv) Investments:**
- Investments which are intended to be held for more than a year from the date of acquisition are classified as long term investments and are valued at cost subject to reduction made for diminution in value that is other than temporary in nature. Investments other than long term investments being current investments are valued at cost or fair market value whichever is lower.
- (v) Inventories:**
- In accordance with the revised Accounting Standard (AS-2), Inventories are valued at lower of cost or net realizable value after providing for obsolescence, if any.
- (a) Raw materials, stores, spares, consumables and construction materials: At lower of cost or net realizable value
  - (b) Materials in process: At lower of cost or net realizable value.
  - (c) Finished Goods: At lower of cost or net realizable value.
- (vi) Retirement Benefits:**
- (a) Defined Contribution Plan  
The Company's liability towards Employee's Provident Fund scheme administered by the Employees Provident Fund Scheme, Govt. of India is considered as Defined Contribution Plan. The Company's contributions paid towards these defined contribution plans is recognized as expense in the Profit and Loss Account during the year in which the employees rendered the related service.
  - (b) Defined Benefit Plan  
Company's liabilities towards gratuity and leave encashment if any are considered as Defined Benefit Plans. The present value of the obligations towards gratuity is determined based on actuarial valuation using the projected unit credit method. As regards the Leave encashment, it is calculated on the actual balance leave of each employee on the year-end. This is done on the same basis as in the last accounting year.
- (vii) Transactions of foreign currency items:**
- Transactions in foreign currency are recorded at the rate of exchange in force at the date of transaction. Foreign currency assets and other liabilities other than for financing fixed assets are stated at the rate of exchange prevailing at the year-end and resultant gains/losses are recognized in the capital work in progress. Foreign currency loans for financing fixed assets (other than those where the company is protected against exchange fluctuations) are accounted for at the rate of exchange prevailing at the year end and the resultant exchange difference is adjusted to the cost of assets.
- (viii) Government Grants:**
- (a) Revenue grants are recognized in the Profit & Loss account.
  - (b) Capital Grants relating to specific fixed assets are shown under capital reserve.
- (ix) Taxes on Income:**
- No provision for taxation is made as the company has incurred losses during the year and has also brought forward unabsorbed losses.
- No provision for deferred taxation is made in accounts as the company has been incurring losses year after year.
- (x) Provisions:**
- A provision is recognized when there is a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.
- (xi) There were no events occurring after the Balance Sheet date which are reportable.**

**(xii) Revenue Recognition:**

- (a) Sales are recognized on dispatch to customers and are net of returns, discounts and sales tax.
- (b) Other Income and Expenditure are recognized and accounted on accrual basis.

**2. NOTES TO ACCOUNTS**

- i. Contingent liabilities not provided for:

Sr. No.	Particulars	As At 31st March, 2017 ₹	As At 31st March, 2016 ₹
a)	Counter Guarantees for Sales tax	5,000	5,000
b)	Claims against the Group not acknowledged as debts	316,645,000	321,594,000
c)	Letter of undertaking executed in favour of Joint Director General of foreign trade under Duty Exemption Entitlement Scheme (Advance License Scheme) for custom duty	13,040,682	13,040,682
d)	Letters of credit and Bank Guarantees given by bankers on behalf of the Company.	5,250,000	5,250,000

Contingent liabilities are considered only when converted into Demands.

- ii. The Board is contemplating taking steps for recovering the calls-in-arrears from defaulting applicants, including forfeiture of the shares as a last resort after exhausting all other avenues for recovery in a spirit of maintaining shareholder friendly environment. The Board therefore considers it prudent not to provide for the interest on calls-in-arrears.
- iii. Estimated amount of contracts remaining to be executed on capital account net of advances is ₹. Nil (Previous Year ₹. Nil).
- iv. Loans and Advances include ₹.81,99,880/- (Previous Year ₹. 77,69,880/-) overdue from various parties on account of accommodation deposits, security deposits, advances given to suppliers, ex-employees, etc. Compensation for delayed payment, if any, will be accounted in the books of account, if and when realized. No provision is made since the Company has recovered part of the amount and is hopeful of recovering the balance amount.
- v. There is no amount overdue and remaining unpaid to small scale/or ancillary Industrial Suppliers on principal and/or interest as at the close of the year.
- vi. In the opinion of the Board of Directors, in the ordinary course of business the value on realization of current assets, loans and advances, including security Deposits are at

least equal to the amount at which they are stated in the Balance Sheet.

- vii. Amounts appearing in Trade Receivables & Payables are realized and paid as on date of signing. Balances of Banks, Sundry Debtors, Sundry Creditors, Loans & Advance, and Deposits are subject to confirmation.

- viii. Disclosure under AS – 17 : Segment Report:

Operating Segments:

Packaging	Corrugate Box
Garment	Readymade Garment
Others	Fabric, Yarn & others

The chief operational decision maker monitors the operating results of its business for the purpose of making decisions about resource allocation and performance assessment. Operating segments have been identified on the basis of the nature of products.

Revenue and Expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated on the basis of associated revenue of the segment. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses.

## Prag Bosimi Synthetics Limited

Assets & Liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets & Liabilities are disclosed as unallocable.

	Fabrics	Packaging	Garment	Others	Total
<b>REVENUE</b>					
External Revenue	–	96,29,344	64,07,705	2,77,949	1,63,14,998
Previous year	(1,37,07,67,519)	(58,52,458)	(–)	(–)	(1,37,66,19,977)
<b>RESULTS</b>					
Total Segment Results	–	-27,05,215	-1,14,60,983	2,77,949	-1,38,88,249
Previous year	(14,31,92,098)	(-19,32,497)	(–)	(–)	(14,12,59,601)
Finance Cost					
Previous year					-6,15,37,887 (-13,37,35,906)
Unallocable Expenses net of Unallocable Income					
Previous year					-10,89,82,673 (-11,15,02,497)
<b>Net Profit</b>					
Previous year					-18,44,08,809 (-10,39,75,648)

\*Previous Year's (2015 – 2016) figures are indicated in the bracket.

ix. **1. Related Party Disclosures:**

a. Related Parties where control exists:

1. Prag Bosimi Texturising Pvt. Ltd. Wholly owned Subsidiary
2. Prag Jyoti Textile Park Pvt. Ltd. 60.87% shareholding
3. Prag Bosimi Packaging Pvt. Ltd. Wholly owned Subsidiary

b. Other Related Parties in transactions with the company:

- |                          |  |
|--------------------------|--|
| Key Managerial Personnel | Mr. Hemant B. Vyas (MD)                          |
|                          | Mr. Ramesh C. Pokhriyal (CEO)                    |
|                          | Mr. Raktim Kumar Das (CFO)                       |
|                          | Ms. Madhu Dharewa (CS)                           |
|                          | Mrs. Shweta Mahajan (CS)(Till 30.09.2016)        |
|                          | Mr. Rajesh Shetty (CS)(Till 28.02.2016)          |
| Directors                | Mr. Rohit Doshi                                  |
|                          | Ms. Deepali Pathak                               |
|                          | Mr. Mukund Trivedi                               |
| Director in common       | Ayodhya Vintrade Pvt. Ltd.                       |
|                          | Karmaland Infrastructure & Development Pvt. Ltd. |
|                          | Interlink Suppliers                              |

## 2. Related Parties in transaction with the company:

Particulars	For the year ended 31.03.2017 ₹	Balance as on 31.03.2017 ₹
<b>1. Remuneration</b>		
Mr. Hemant B. Vyas	<b>7,81,230</b> (7,81,230)	<b>44,73,606</b> (40,30,782)
Mr. Ramesh C. Pokhriyal (DOJ – 01.04.2016)	<b>21,00,000</b> (–)	<b>1,04,049</b> (–)
Mr. Raktim Kumar Das (DOJ – 01.04.2016)	<b>14,10,000</b> (–)	<b>1,53,492</b> (–)
Ms. Madhu Dharewa (DOJ – 11.11.2016)	<b>2,61,881</b> (–)	<b>1,59,533</b> (–)
Mrs. Shweta Mahajan (Till 30.9.2016)	<b>2,71,200</b> (33,865)	– (33,665)
Mr. Rajesh Shetty (Till 29.02.2016)	– (3,41,853)	– (–)
<b>2. Sitting Fees</b>		
Mr. Rohit Doshi	– (4,000)	– (–)
Ms. Deepali Pathak	<b>2,500</b> (4,000)	– (–)
Mr. Mukund Trivedi	<b>2,500</b> (–)	– (–)
<b>3. Interest Expenses</b>		
Karmaland Infrastructure & Development Pvt. Ltd.	<b>32,64,604</b> (29,46,394)	<b>29,38,144</b> (26,51,755)
<b>4. Loan Received (Net)</b>		
i. Mr. Hemant B. Vyas	<b>6,64,85,000</b> (–)	<b>35,53,22,614</b> (28,54,41,614)
ii. Karmaland Infrastructure & Development Pvt. Ltd.	<b>26,51,755</b> (23,93,280)	<b>2,72,05,035</b> (2,45,53,280)
iii. Interlink Suppliers	<b>5,24,00,000</b> (35,00,000)	<b>8,92,50,000</b> (3,68,50,000)
<b>5. Loan Repaid</b>		
Ayodhya Vintrade Pvt. Ltd.	– (4,90,00,000)	<b>7,99,50,000</b> 7,99,50,000

\* Previous Year's (2015 – 2016) figures are indicated in the bracket.

- x. During the year, the company has entered into One Time Settlement (OTS) with Allahabad Bank, Bank of Baroda, State Bank of India, New India Assurance Company, National Insurance Company Oriental Insurance

## Prag Bosimi Synthetics Limited

Company and United India Insurance Company in respect of their dues of holding 8% Optionally Cumulative Convertible Debentures (OCCDS). As per the terms of OTS with the aforesaid Institutions; the details of settlement and payments made are as follows:

Name	Principal Amount of 8% OCCDS (₹ in Crores)	Settlement Amount (₹ in Crores)	Principal Amount waived (₹ in Crores)	Amount of Interest accrued and due waived (₹ in Crores)
Allahabad Bank	0.81	0.16	0.65	0.37
Bank of Baroda	1.02	0.20	0.83	0.43
State Bank of India	4.83	4.00	0.82	2.25
New India Assurance Company	0.17	0.04	0.13	0.08
National Insurance Company	0.09	0.02	0.07	0.04
Oriental Insurance Company	0.09	0.02	0.08	0.04
United India Insurance Company	0.13	0.03	0.10	0.06
Total	7.14	4.47	2.67	3.27

Therefore, the remaining balance in OCCD of ₹. 2.67 Crores and interest accrued and due of ₹. 3.27 Crores aggregating ₹. 5.94 crores being non payable to the above referred institution (as per the terms of OTS) are transferred to General Reserve as per the past practice.

- xi. Details of Specified Bank Notes (SBN) held and transacted during the period 8th Nov, 2016 to 30th Dec, 2016 (pursuant to MCA notification GSR 308 ( E ) dated March 30, 2017):

Particulars	SBNs	Other Denomination Notes	Total
Closing Balance as on November 8, 2016	20,27,500	7,970	20,35,470
Add: Permitted & Non Permitted receipts	2,31,000	10,30,127	12,61,127
Less: Permitted & Non Permitted payments	1,48,500	9,06,691	10,55,191
Less: Amount deposited in Banks	21,10,000	1,800	21,11,800
Closing Cash in hand as on December 30, 2016	Nil	1,29,522	1,29,522

- xii. Prag Bosimi Synthetics Ltd (Holding Company) has three subsidiaries company out of which two subsidiaries viz Prag Bosimi Texturising Pvt. Ltd. and Prag Bosimi Packaging Pvt. Ltd. Both these companies are non operating and non revenue generating. Therefore certain operating expenditure incurred by the company are absorbed by the holding Company. Accordingly such expenses incurred during the year are absorbed.

- xiii. Earnings per Share

Earnings per Share	31.03.2017	31.03.2016
Net profit /(loss) as per P/L Account (₹.)	( 18,44,08,808)	(10,39,75,648)
Weighted average number of equity shares outstanding (Numbers)	7,44,41,625	7,44,41,625
Basic and Diluted earnings per share (Face value ₹. 10/- per Share)	(2.48)	(1.40)

- xiv. Previous Year Comparatives:

Previous Year's figures of the Company have been regrouped / reclassified / rearranged wherever necessary, to conform to this year's classification.

**ANNEXURE-I**

**A. DETAILS OF OPENING STOCK, PURCHASES, SALES & CLOSING STOCK OF FINISHED GOODS ARE AS UNDER**

	Unit	For the 12 months year ended 31.03.2017		For the 12 months period ended 31.03.2016	
		Quantity	Amount ₹	Quantity	Amount ₹
a. Opening Stock					
Yarn	MT	120.79	9,345,599	120.79	14,062,175
Readymade Garment	Pcs	-	-	-	-
Others		-	-	-	23,576,479
b. Purchases					
Yarn	MT	-	-	-	-
Fabric	MTRS	-	-	9,489,787	1,221,458,556
Readymade Garment	Pcs	8936	3,340,579	-	-
Others		-	-	-	-
c. Actual Production/Processed					
Yarn (net of captive consumption)	MT	4.96	-	-	-
Garments	Pcs	36330	-	-	-
d. Sales					
Yarn	MT	2.78	277,949	-	-
Readymade Garment	Pcs	14572	6,407,705	-	-
Fabric	MTRS	-	-	9,489,787	1,370,767,519
Others		-	9,629,344	-	8,211,470
e. Closing Stock					
Yarn	MT	122.97	9,539,143	120.79	9,345,599
Readymade Garment	Pcs	30694	10,060,393	-	-
Others		-	-	-	23,576,479
B. (i) Details of Raw Materials Consumed					
Polyester chips	MT	32.00	2,296,960	-	-
Yarn Purchases	MT	4.96	406,077	-	-
Others		-	20,443,058	-	12,267,827
<b>Total</b>			<b>23,146,096</b>		<b>12,267,827</b>

(ii) Details of value of imported and indigenous Raw Material, Components consumed and percentage of each to the total consumption

	For the 12 months year ended 31.03.2017		For the 12 months period ended 31.03.2016	
	%	Amount ₹	%	Amount ₹
Raw Materials				
- imported	-	-	-	-
- indigenous	100	-	100	-
	<u>100</u>	<u>-</u>	<u>100</u>	<u>-</u>
Others				
- imported	-	-	-	-
- indigenous	100	-	100	-
	<u>100</u>	<u>-</u>	<u>100</u>	<u>-</u>



## Prag Bosimi Synthetics Limited

	For the 12 months year ended 31.03.2017	For the 12 months period ended 31.03.2016
C. Auditors' remuneration includes:		
Audit Fees	287,930	295,966
Certification Fees	75,000	86,250
Fees for Taxation matter	10,000	9,450
<b>Total</b>	<b>372,930</b>	<b>391,666</b>
D. Licenced & installed Capacity (as certified by the Management)		
	Licenced Capacity	As at 31-Mar-2017 Installed Capacity
Polyester Filament Yarn	TPA 25,000	36,000
Draw Texturising Machines	Nos	2
Cone Winding Machine	Nos	1
Dyeing Machine	Nos	1
	For the twelve months period ended 31.03.2017 ₹	For the twelve months period ended 31.03.2016 ₹
E. Expenditure in Foreign Currency (On actual payment basis)		
i) Technical Services	-	-
ii) Other matters	-	-

### ANNEXURE-II

#### BALANCE SHEET ABSTRACT & COMPANY'S GENERAL BUSINESS PROFILE

i. Registration Details			
Registration No	2758	State Code	02
Balance Sheet Date	31-Mar-17		
ii. Capital raised during the year (Amount in rupees thousands)			
Public issue	Nil	Rights issue	Nil
Bonus issue	Nil	Private Placement	Nil
iii. Position of Mobilisation and Deployment of Funds (Amount in rupees thousands)			
Total liabilities	2,791,968,474	Total assets	2,791,968,474
Sources of funds			
Paid up Capital	744,416,250	Reserves & Surplus	224,905,057
Non-current liabilities	1,573,906,244	Current liabilities	248,740,922
Application of Funds:			
Net Fixed Assets&CWIP	2,127,373,559	Non-Current Investments	-
Current Investments	264,070,735	Non-current assets	207,611,511
Current assets	192,912,670		
iv. Performance of Company (Amount in rupees thousands)			
Turnover (including other income)	52,914,750	Total Expenditure	237,323,558
Profit/(Loss) Before Tax	(184,408,809)	Profit/(Loss)After Tax	(184,408,809)
v. Generic Name of the Principal Products of the Company		Earning Per Share	(2.48)
Item Code No.(ITC Code)	5402.42		
Product Description	Polyester Filament Yarn (PFY)		

## Prag Bosimi Synthetics Limited

CIN: L17124AS1987PLC002758

Regd. Office : House No.4, Nilgiri Path, R.G.Barua Road, Near Doordarshan, Guwahati 781 024 Assam.

### ATTENDANCE SLIP

Name of Member(s)	
Name of Proxy	
Folio No. / *DP Id and Client Id	

*\* Applicable for investors holding shares in electronic form*

I / We hereby record my / our presence at the 25th ANNUAL GENERAL MEETING of the Company held on Thursday, September 28, 2017 at House No.4, Nilgiri Path, R.G.Barua Road, Near Doordarshan, Guwahati 781 024 Assam. at 11.30 a.m.

\_\_\_\_\_  
Member's / Proxy's Signature  
(To be signed at the time of handing over this slip)

#### NOTES

- Please complete this attendance slip and hand it over at the entrance of the meeting hall.
- Joint shareholder may obtain additional attendance slip at the venue of the meeting

..... TEAR HERE .....

## Prag Bosimi Synthetics Limited

CIN: L17124AS1987PLC002758

Regd. Office : House No.4, Nilgiri Path, R.G.Barua Road, Near Doordarshan, Guwahati 781 024 Assam.

**Form No. MGT- 11**

#### Proxy Form

[Pursuant to section 105(6) of the Company Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s):		E-mail id:	
Registered address:		Folio No./Client id:*DP id:	

*\*Applicable for investors holding shares in electronic form*

I/We, being the member(s) of \_\_\_\_\_ Shares of Prag Bosimi Synthetics Ltd., hereby appoint:

1. Name		E-mail id:	
Address		Signature	

or failing him

2. Name		E-mail id:	
Registered		Signature	

or failing him

3. Name		E-mail id:	
Registered		Signature	

as my/our proxy to attend and vote (on a poll) for me/us on my/our behalf at the 25th ANNUAL GENERAL MEETING of the Company on Thursday, September 28, 2017 at 11.30 a.m. at House No.4, Nilgiri Path, R.G.Barua Road, Near Doordarshan, Guwahati 781 024 Assam. and at any adjournment thereof in respect of such resolutions as are indicated below:-

Tear Here

..... TEAR HERE .....

Sr. No.	Resolutions	For	Against
1	Consider and adopt		
	a) Audited Financial Statement, Reports of the Board of Directors and Auditors		
	b) Audited Consolidated Financial Statement		
2	Re-appointment of Shri Devang H. Vyas, retiring by rotation		
3	Appointment of Auditors and fixing their remuneration		
4	To recover Charges for service of documents under Section 20 of Companies Act 2013		
5	To Issue Preference Shares by converting Borrowings on direction of Govt. of Assam on preferential basis		
6	To Issue OCCD by converting Borrowings on direction of Govt of Assam on preferential basis		

Signature of Shareholder \_\_\_\_\_

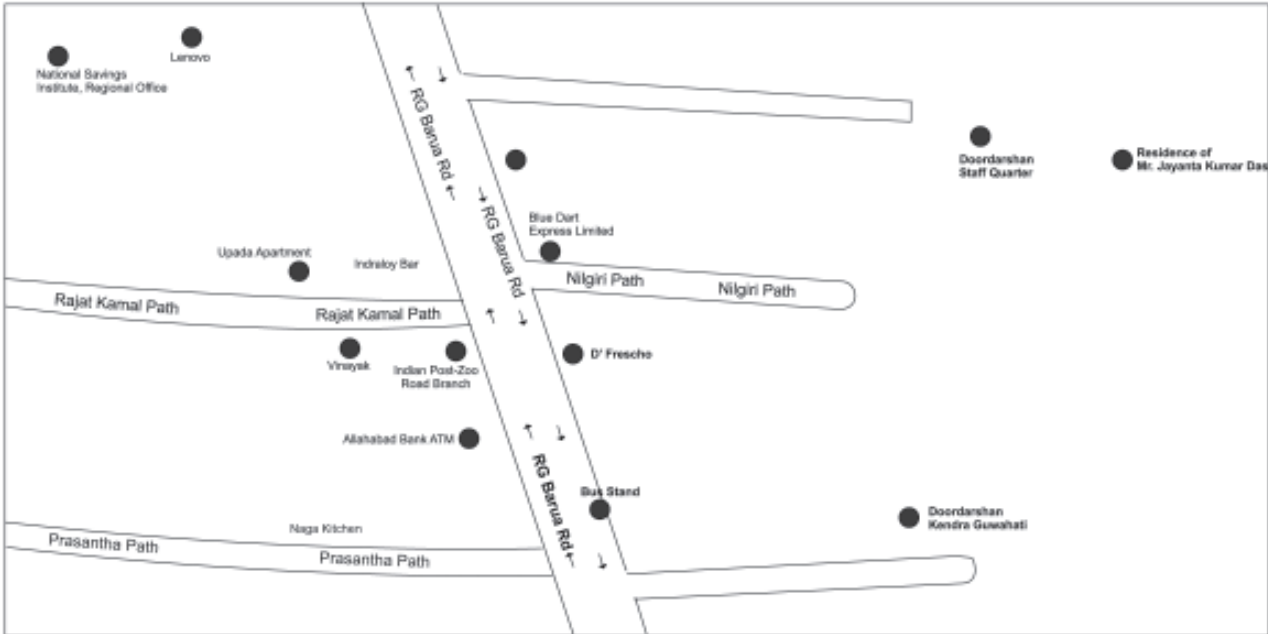
Affix  
Revenue  
Stamp

Signature of Proxy \_\_\_\_\_

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017

**Notes:**This Form in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Route Map for the Venue of the Annual General Meeting



**By Post / Courier**

If undelivered, please return to :-

**Prag Bosimi Synthetics Limited**

R-79/83, Laxmi Insurance Building,

5th Floor, Sir P. M. Road,

Mumbai 400 001.