



PRAKASH WOOLLEN & SYNTHETIC MILLS LTD.

Manufacturers, Exporters & Importers of High Class Mink Blankets

Regd. Office & Works :

18th KM. Stone Delhi Moradabad Road, NH-24, Vill. Amhera PO. Chaudherpur, Distt. Amroha - 244 102 U.P.
CIN: L17291UP1979PLC004804 • Tel:0591-2223008, 2223018, 8057908236 • Fax : 0591-2223009

H. O. & Mailing Address :

430, Civil Lines, Kanth Road, Moradabad - 244001 U.P. (India) • Mob. : 9837007288
E-mail : info@prakashwoollen.com • Website : www.prakashwoollen.com

Date: 05.10.2018

The Manager,
Department of Corporate Relationship,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai- 400001,

Scrip Code: 531437

Scrip ID: PWASML

SUB: - Annual Report for the Financial Year 2017-2018

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Annual Report of the Company which was approved and adopted in the 39th Annual General Meeting held on Saturday, 22nd September, 2018 at 10:30 A.M. and concluded at 2:15 P.M. at 18th KM Stone, Delhi Moradabad Road, NH-24, Village Amhera, Distt. J.P. Nagar- 244102.

This is for your information and record.

Thanking You,
Yours faithfully,

For PRAKASH WOOLLEN & SYNTHETIC MILLS LIMITED

Ruchi Gupta

Ruchi Gupta
Company Secretary & Compliance Officer
Mem. No. A48300

Encl. As Above



**PRAKASH WOOLLEN &
SYNTHETIC MILLS LIMITED**

ANNUAL | 2017-18
REPORT

PRAKASH WOOLLEN & SYNTHETIC MILLS LIMITED

BOARD OF DIRECTORS

Mr. Jai Kishan Gupta
Chairman & Managing Director

Mr. Vijay Kumar Gupta
Whole Time Director & CFO

Mr. Daya Kishan Gupta
Whole Time Director

Mr. Ved Prakash Gupta
Director

Mr. Pramod Kumar Agarwal
Independent Director

Mr. Mahendra K. Agarwal
Independent Director

Mr. Vijay Anand Rastogi
Independent Director

Dr. Satish Kumar Raj
Independent Director

Mrs. Sushma Pandey
Independent Director

COMPANY SECRETARY

Ms. Ruchi Gupta

BANKERS

State Bank of India
Commercial Branch,
Moradabad, U. P.

STATUTORY AUDITORS

M/s. A. Anand & Co.
Chartered Accountants
Moradabad, U. P.

SECRETARIAL AUDITORS

Mr. R. S. Bhatia
Company Secretary in Practice
New Delhi

REGISTERED OFFICE

18th KM, Stone, Delhi Moradabad Road,
NH-24, Village Amhera, Distt. J.P. Nagar-244102
Ph. No.: 0591-2223008/18; Fax: 0591-2223009
Email id: info@prakashwoollen.com
Website: www.prakashwoollen.com

REGISTRAR & TRANSFERS AGENTS

Skyline Financial Services Private Limited,
D-153 A, 1st Floor, Okhla, Indl. Area, Phase-I,
New Delhi-110024
Ph. No.: 01126812682/83 Fax: 011-30857562
Email id: admin@skylinerta.com

LISTING

Bombay Stock Exchange

CORPORATE IDENTIFICATION NUMBER

CIN:L17291UP1979PLC004804

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PRAKASH WOOLLEN & SYNTHETIC MILLS LIMITED

PRAKASH WOOLLEN & SYNTHETIC MILLS LIMITED

Regd. Office: 18th Km Stone Delhi Moradabad Road,
NH-24, Village Amhera, Distt. J.P Nagar-244102
Tel: 0591-2223008/18 Fax:0591-2223009
website : www.prakashwoollen.com ; Email : info@prakashwoollen.com
CIN: L17291UP1979PLC004804

NOTICE OF ANNUAL GENERAL MEETING

Dear Member(s),

NOTICE is hereby given that the 39th Annual General Meeting of the Members of **Prakash Woollen & Synthetic Mills Limited** will be held on Saturday, the 22nd day of September, 2018 at 10:30 A .M. at the registered office of the Company at 18th Km Stone, Delhi Moradabad Road, NH-24, Village Amhera, Distt. J. P. Nagar- 244102, to transact the following businesses:

ORDINARY BUSINESSES

1. To receive, consider and adopt the Audited Financial Statement of the Company for the year ending March 31st, 2018, together with the report of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Vijay Anand Rastogi (DIN: 00368488), who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESSES:

3. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution** :
“**RESOLVED THAT**, pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Dr. Sushma Pandey (DIN: 07022749), a Non-Executive Director, who was appointed as an Independent Director and who holds office of Independent Director up to the conclusion of the Annual General Meeting of the Company to be held in the calendar year 2018 i.e. September 22, 2018 and being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 3 (Three) consecutive years from September 23, 2018 up to September 22, 2021.”

By Order of the Board of Directors
For Prakash Woollen & Synthetic Mills Limited
Sd/-
(Jai Kishan Gupta)
Chairman & Managing Director
DIN : 00337659

11th August 2018
Registered Office:
18th Km. Stone, Delhi Moradabad Road
NH-24, Village Amhera, Distt. J.P Nagar,
Uttar Pradesh-244102
CIN: L17291UP1979PLC004804
E-mail: info@prakashwoollen.com

NOTES:

1. **MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE APPOINTMENT OF PROXY SHALL BE IN THE FORM NO. MGT-11. A BLANK PROXY FORM IS ATTACHED WITH THIS NOTICE. THE INSTRUMENT APPOINTING THE PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE COMPANY’S REGISTERED OFFICE, DULY COMPLETED AND SIGNED, NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF MEETING. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES, ETC., MUST BE SUPPORTED BY APPROPRIATE RESOLUTIONS/AUTHORITY, AS APPLICABLE.**
2. As per Section 105 of the Companies Act, 2013 and relevant rules made there under, a person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the company carrying voting rights. Further, a member holding more than ten percent (10%) of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
3. Corporate Members intending to send their authorized representative to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

PRAKASH WOOLLEN & SYNTHETIC MILLS LIMITED

4. The relevant details, as required under Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 read with Clause 1.2.5 of Secretarial Standard II, of the persons seeking re-appointments as Directors under Item No. 2 annexed as Annexure II and Appointment of Independent Director for second term under Item No. 3 annexed as Annexure I.
5. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
6. Members attending the meeting are requested to bring with them the Attendance Slip attached to the Annual Report duly filled in and signed and handover the same at the entrance of place of the meeting. Proxy/representative of a member should mark on the Attendance Slip as "Proxy" or "Representative" as the case may be.
7. Members who hold shares in dematerialized mode are requested to intimate any changes pertaining with their bank account details, ECS mandates, nominations, power of attorney, change of address/name etc. to their Depository Participant only and not to the Company's Registrar & Share Transfer Agent. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its Registrar & Share Transfer Agent to provide efficient and better service to the members.
8. Members holding shares in physical form are requested to intimate all changes pertaining to their bank details, ECS mandates, nominations, power of attorney, change of address/name etc. to the Company's Registrar & Share Transfer Agent quoting their registered folio number.
9. Members/Proxies/Authorized Representative are requested to:
 - a. Bring their copy of the Annual Report for the meeting and duly filled attendance Slip enclosed herewith along with a valid identity proof such as the PAN card, passport, AADHAR card, or driving license to attend the meeting.
 - b. Note that all correspondence relating to share transfers/transmission/Dividend/ Demat of shares etc should be addressed to Registrar and Transfer Agents of the Company, viz. Skyline Financial Services Private Limited D-153 A, 1st Floor, Okhla Industrial Area, Phase I, New Delhi, Delhi 110020.
 - c. Quote their DP ID No. /Client ID No. or folio number in all their correspondence.
10. Members desirous of having any information regarding accounts are requested to address their queries to the Compliance Officer at the registered office of the Company at least seven days before the date of the meeting, so that the requisite information is made available at the meeting.
11. As an austerity measure, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the meeting.
12. The annual report for 2017-18 along with the notice of Annual General Meeting, attendance slip and proxy form is being sent by electronic mode to all the shareholders who have registered their email ids with the depository participants / registrar and share transfer agent unless where any member has requested for the physical copy. Members who have not registered their email ids, physical copies of the annual report 2017-18 along with the notice of annual general meeting, attendance slip and proxy form are being sent by the permitted mode. Members may further note that the said documents will also be available on the Company's website www.prakashwoollen.com for download. Physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours on working days. For any communication, the shareholders may also send requests to the Company's email id viz. compliance@prakashwoollen.com.

Pursuant to Section 101 of the Companies Act, 2013 and rules made there under, the companies are allowed to send communication to shareholders electronically. We therefore, request you to kindly register/update your email ids with your respective depository participant and Company's registrar and share transfer agent (in case of physical shares) and make this initiative a success.
13. SEBI has made the submission of PAN by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ Registrar and Share Transfer Agents, Skyline Financial Services (P) Ltd.
14. 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 at the Annual General Meeting.
15. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate risks associated with physical shares and for ease in portfolio management. Members can contact the Company or Skyline Financial Services (P) Ltd. for assistance in this regard.
16. Members who hold shares in physical form in multiple folios in identical names or joint holding in same order of names are requested to send share certificates to Skyline Financial Services (P) Ltd (RTA), for consolidation in to a single folio.

Voting through electronic means

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 read with Companies (Management and Administration) Amendment Rules, 2015, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means.

PRAKASH WOOLLEN & SYNTHETIC MILLS LIMITED

Shareholders can also cast their vote electronically using CDSL's mobile app m-Voting available for android, Iphone and windows based mobiles. The m-Voting app can be downloaded from google play store, App store and the windows phone store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

The facility for voting through ballot paper will also be made available at the Annual General Meeting (AGM) and the members attending the AGM who have not already cast their votes by e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The instructions for e-voting are given below.

The Board of Directors has appointed Mr. Rupinder Singh Bhatia, Practicing Company Secretary (Membership No. FCS 2599), as scrutinizer for conducting the e-voting process in a fair and transparent manner.

The Scrutinizer shall immediately after the conclusion of voting at the AGM, will first count the votes cast at the AGM by Polling Papers and thereafter unlock the votes casted through remote e-voting in the presence of at least two witnesses not in the employment of the Company. The results of remote e-voting and votes casted at the meeting shall be aggregated. The Scrutinizer shall make, within a period not exceeding two days from the conclusion of the AGM; a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman of the meeting or a person authorized by him in writing.

The Results of voting along with the report of the Scrutinizer shall be placed on the website of the Company www.prakashwoollen.com and on the website of CDSL, immediately after the declaration of result by the Chairman of the meeting or a person authorized by him. The results shall also be communicated to the stock exchanges where the shares of the Company are listed.

The route map along with prominent land mark for easy location of the 39th Annual General Meeting venue is printed on the last page of the Annual report.

The instructions for shareholders voting electronically are as under:

- i. The e-voting period begins on 19th September, 2018 (10:00 Hours (IST)) and ends on 21st September, 2018 (17:00 Hours (IST)). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of dated 14th September, 2018, may cast their vote electronically. The e-voting module shall be displayed by CDSL for voting thereafter.
- ii. The shareholders should log on to the e-voting website www.evotingindia.com.
- iii. Click on "Shareholders" tab.
- iv. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vii. If you are a first time user follow the steps given below:

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

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

PRAKASH WOOLLEN & SYNTHETIC MILLS LIMITED

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the **PRAKASH WOOLLEN & SYNTHETIC MILLS LIMITED** on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Window phone users can download the app from the app store and the window phone store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3

Dr. Sushma Pandey (DIN: 07022749), was appointed as a Non-Executive Independent Director on the Board of the Company pursuant to the provisions of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreement with the stock exchanges. She holds office as an Independent Director of the Company upto the conclusion of the Annual General Meeting of the company to be held in the calendar year 2018.

The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation of Independent Directors, has recommended re-appointment of Dr. Sushma Pandey as an Independent Directors to hold office for a second term of 3 (Three) consecutive years up to the conclusion of the Annual General Meeting of the Company to be held in the calendar year 2021.

The Board, based on the performance evaluation of Independent Directors and as per the recommendation of the Nomination and Remuneration Committee, considers that, given her background and experience and contributions made by her during her tenure, the continued association of Dr. Sushma Pandey would be beneficial to the Company.

Except Dr. Sushma Pandey herself, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this item. She is a Gynaecologist and has a vast experience in this field. She has been associated with Prakash woollen & Synthetic Mills Limited as an Independent Director and has gained vast experience in corporate affairs as well.

PRAKASH WOOLLEN & SYNTHETIC MILLS LIMITED

This statement may also be regarded as an appropriate disclosure under the Listing Regulations.

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

The members are requested to consider and approve the above Special Resolution.

Information about the appointees as per the requirement of SS-2 on General Meeting issued by The Institute of Company Secretary of India and regulation 26(4) and 36(3) of the Securities and Exchange Board of India (Listing and Disclosure Obligations) Regulations, 2015 regarding Item No. 3.

Annexure 1

| | |
|---|--|
| Name | Dr. Sushma pandey |
| Designation | Independent Director |
| Date of Birth | 01-01-1951 |
| Date of first appointment | 12-02-2015 |
| Qualification | MBBS |
| Experience | 35 |
| Profile | She is a Gynaecologist and has a vast experience in this field. She has been associated with Prakash woollen & Synthetic Mills Limited as an Independent Director and has gained vast experience in corporate affairs as well. |
| Directorship held in other Companies | NIL |
| Directorship held in Listed entities (other than Prakash Woollen & Synthetic Mills Limited) | NIL |
| Membership of Committees of the Board (only Listed Entities) in which Chairmanship, membership is held (includes only Audit Committee and Stakeholder Relationship Committee) | Stakeholder Relationship Committee (Prakash woollen & Synthetic Mills Limited) |
| Numbers of shares held in the Company as on 31.03.2018 | 2300 |
| No. of Board Meeting attended during the year | Two meetings |
| Terms & Conditions of appointment/ re-appointment | In compliance with the provisions of Sec. 149 read with Schedule IV of the Act, the re-appointment of Dr. Sushma Pandey as an Independent Director to hold office for a second term of 3 (Three) consecutive years up to the conclusion of the Annual General Meeting of the Company to be held in the calendar year 2021. |
| Past Remuneration | Only Sitting fee was paid |
| Relationship with other Directors | None |
| Committee Positions | 1* |

* Only Committees which are necessary under the Companies Act, 2013 have been considered for this purpose.

In opinion of the Board Dr. Sushma Pandey fulfils all the condition as are required for her appointment as an Independent Director, as specified in act. Further, Dr. Sushma Pandey has also given a declaration to the Board that she meet the criteria of independence as provided under section 149(6) of Companies Act 2013 read with schedule IV of the act.

The above may be treated as a written memorandum setting out the terms of appointment of Dr. Sushma Pandey under section 149 of the Companies Act, 2013. Details as required under SS-2 are also given in corporate Governance report.

Directors recommends the resolution for approval of the shareholders.

PRAKASH WOOLLEN & SYNTHETIC MILLS LIMITED

Annexure 2

Details of Directors Seeking Re-appointment at the 39th Annual General Meeting

[Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Clause 1.2.5 of Secretarial Standards.

| | |
|---|---|
| Name | Mr. Vijay Anand Rastogi |
| Designation | Independent Director |
| Date of Birth | 12-01-1935 |
| Date of appointment | 11-11-2013 |
| Qualification | Graduate |
| Experience | 45 years |
| Profile | He has very rich experience in specific functional areas like marketing and finance. He is also a director in a pvt. ltd. company |
| Directorship held in other Companies | 1 (Crosswheels Auto Pvt. Ltd.) |
| Directorship held in Listed entities (other than Prakash Woollen & Synthetic Mills Limited) | NIL |
| Membership of Committees of the Board (only Listed Entities) in which Chairmanship, membership is held (includes only Audit Committee and Stakeholder Relationship Committee) | Audit Committee Stake holder Relationship Committee (Prakash Woollen & Synthetic Mills Limited) |
| Numbers of shares held in the Company | Nil |
| No. of Board Meeting attended during the year | Three |
| Terms & Conditions of appointment/ re-appointment | To be appointed as Ordinary Director liable to retire by rotation |
| Past Remuneration | Sitting Fees |
| Relationship with other Directors | None |

By Order of the Board of Directors
For Prakash Woollen & Synthetic Mills Limited
Sd/-
(Jai Kishan Gupta)
Chairman & Managing Director
DIN : 00337659

11th August 2018
Registered Office:
18th Km. Stone, Delhi Moradabad Road
NH-24, Village Amhera, Distt. J.P Nagar,
Uttar Pradesh-244102
CIN: L17291UP1979PLC004804
E-mail: info@prakashwoollen.com

PRAKASH WOOLLEN & SYNTHETIC MILLS LIMITED

BOARD'S REPORT

To The Members,

Your Directors are pleased to present 39th Annual Report covering the operational and financial performance of your Company along with the Audited Financial Statements for the Financial Year ended March 31, 2018.

FINANCIAL HIGHLIGHTS

(Rs. in lakhs)

| Particulars | 2017-2018 | 2016-2017 |
|--|----------------|-----------------|
| Revenue from operations | 9965.60 | 10452.07 |
| Other Income | 7.92 | 13.06 |
| Total Revenue | 9973.52 | 10465.13 |
| Profit before Depreciation & Tax | 861.13 | 858.86 |
| Depreciation | 474.27 | 441.05 |
| Profit before Tax & Exceptional Items | 386.86 | 417.81 |
| Current tax inclusive of earlier year tax | (86.42) | (146.44) |
| Deferred Tax Asset/Liability | (54.70) | 4.61 |
| Profit after Tax | 245.74 | 275.98 |
| Other Comprehensive Income | | |
| A (i) Items that will not be reclassified to profit or loss | | |
| Remeasurements of net defined benefit plans | 7.41 | (2.90) |
| Income tax relating to above items | (2.45) | 0.96 |
| Total Comprehensive Income for the period | 250.70 | 274.04 |
| Earning Per Share | Rs. 2.40 | Rs. 2.69 |

KEY HIGHLIGHTS/ REVIEW OF OPERATIONS

During the period under consideration the revenue of the Company has decreased from Rs. 10465.13 lakh to Rs 9973.52 lakh.

The net profit after Tax of the Company has decreased from Rs. 275.98 lakh to Rs. 245.74 lakh. Your directors hope for better results in the coming financial years. There is a decrease of 10.96% in profits for the year ended 31.03.2018 as compared to the profits earned in financial year ending 31.03.2017.

STATEMENT OF AFFAIRS

The company specializes in the production of Mink Blankets and Bed Covers. The manufacturing unit boasts of state-of-the-art machinery based on the most advanced technology which has been specially imported for the production facility. The company has stream lined facilities for knitting, dyeing, processing, printing, finishing and packaging. The complete facility is backed by the team of highly skilled and experienced workforce, who ensure zero defects at every stage of production. It is expected that the company will achieve good growth in times to come.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT

There are no material changes affecting the affairs of the company which have occurred between the end of the financial year on March 31, 2018 of the company to which the financial statements relate and the date of this report.

CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of the Business during the financial year under review.

DIVIDEND & RESERVES

In order to meet the working capital requirements of the Company, no Dividend has been recommended. During the period under review, no amount was transferred to General Reserve.

DEPOSITS

Your Company has no unclaimed / unpaid matured deposit or interest due thereon. Your Company has not accepted any deposits covered under 'Chapter V - Acceptance of Deposits by Companies' under the Companies Act, 2013 during the financial year ended March 31, 2018.

PRAKASH WOOLLEN & SYNTHETIC MILLS LIMITED

CAPITAL STRUCTURE

The Authorized Share Capital of the Company as on March 31, 2018 stands at Rs. 12,00,00,000/- divided into 1,20,00,000 equity shares of Rs. 10/- each. The Paid up Equity Share Capital as at March 31, 2018 stood at Rs. 10,25,97,500/- divided into 1,02,59,750 equity shares of Rs. 10/- each and the Subscribed and Paid-up Share Capital is Rs. 10,25,97,500/- divided into 1,02,59,750 equity shares of Rs. 10/- each fully paid-up.

During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. As on March 31, 2018, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(3) read with Schedule V (B) of the Securities of Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, is presented in a separate section forming part of the Annual Report.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

Your company does not have any unlisted/listed subsidiary company or Joint Venture or any Associate Company, pursuant to the provisions of the Rule 8 of Companies (Accounts) Rules, 2014, therefore, no requirement of attachment of Form AOC-1.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to section 134(5) of the Companies Act 2013, your Directors state that:

- a) in the preparation of the annual accounts for the year ended March 31, 2018, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the profit of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. The Company has also implemented several best corporate governance practices as prevalent globally. The report on Corporate Governance as stipulated under the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 forms an integral part of this Report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of corporate governance is attached to the report on Corporate Governance.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions or covered under Section 188 of the Companies act, 2013. Hence, the details of such contracts or arrangements with its related parties are not disclosed in Form AOC-2 as prescribed under the Companies Act, 2013 and the Rules framed thereunder.

Considering the nature of the industry in which the Company operates, transactions with related parties of the Company are in the ordinary course of business specially w.r.t. transactions which are also on arms' length basis. All such related Party Transactions are placed before the Audit Committee for approval, wherever applicable. Prior omnibus approval for normal business transactions is also obtained from the Audit Committee for the related party transactions which are of repetitive nature as well as for the normal business transactions which cannot be foreseen and accordingly the details of related party transactions entered into by the company pursuant to each of the omnibus approval give has been reviewed by audit committee on a quarterly basis in terms of the approval of the Committee.

The Policy on dealing with related party transactions and on determining materiality of related party transactions as approved by the Board may be accessed on the Company's website at the link <http://www.prakashwoollen.com/reports/policies/related-party-policy.pdf>

RISK MANAGEMENT

In accordance with provisions of Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is not required to maintain Risk Management Committee.

Further, a Risk Management Policy of the Company as adopted by the Board during the FY 2014-15 is available on Company's Website at the link http://www.prakashwoollen.com/reports/policies/PWM_Risk_Management_Policy.pdf

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Pursuant to the provisions of Section 135 of the Companies Act, 2013 every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year shall

PRAKASH WOOLLEN & SYNTHETIC MILLS LIMITED

constitute a Corporate Social Responsibility Committee of the Board and shall formulate a Corporate Social Responsibility Policy. Your Company is not falling under the preview of said section during the year.

INTERNAL FINANCIAL CONTROLS

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosures.

The Company's Internal Control Systems are commensurate with the nature of its business and the size and complexity of its operations. It comprises of audit and compliance by internal audit checks by M/s Agarwal Pawan Kumar & Co., Internal Auditors of the Company.

The Internal Auditors independently evaluate the adequacy of internal controls and concurrently audit the financial transactions and review various business processes. Independence of the Internal Auditors and compliance is ensured by the direct report of Internal Auditors to the Audit Committee of the Board.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Your Company is managed and controlled by a Board comprising an optimum blend of Executives and Non-Executive Professional Directors. As on March 31, 2018, the Board of Directors consists of Nine (9) Directors including (1) Chairman & Managing Director, (2) Whole time Director and six (6) Non-executive Directors, out of which five (5) are Independent Directors including one Woman Director. The composition of the Board is in conformity with Regulation 17 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and the relevant provisions of the Companies Act, 2013. All the Directors possess the requisite qualifications and experience in general corporate Management, finance, banking and other allied fields which enable them to contribute effectively to the Company in their capacity as Directors of the Company.

There is no change in directors except that change in designation of Mr. Ved Prakash Gupta from Whole Time Director to Non-Executive Director of the Company w.e.f. 1st June, 2017.

Ms. Shivangi Agarwal, Company Secretary and Compliance Officer resigned with effect from 12th June 2018 and Ms. Ruchi Gupta was appointed as Company Secretary and Compliance Officer with effect from 12th June 2018. There has been no change in any other Key Managerial Personnel of the Company during the year.

DECLARATION BY INDEPENDENT DIRECTORS

There was no Appointment and Re-appointment of Independent Director during the year.

The existing Independent directors had submitted their disclosure to the Board that they fulfill all the requirements as to qualify for their appointment as an Independent Director under the provisions of Section 149 read with Schedule IV of the Companies Act, 2013. The Board confirms that the independent directors meet the criteria as laid down under the Companies Act, 2013.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

In accordance with the provisions of Schedule IV to the Companies Act, 2013 and Regulation 25(3) of SEBI (LODR), 2015, a separate meeting of the Independent Directors of the Company was held on 20th March 2018 to discuss the agenda items as prescribed under the applicable laws. The meeting was attended by all Independent Directors of the Company.

FORMAL ANNUAL EVALUATION

The Companies Act, 2013 and SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 mandates that the Board shall monitor and review the Board evaluation i.e. evaluation of the performance of: (i) the Board as a whole, (ii) individual directors (including independent directors and Chairperson) and (iii) various Committees of the Board

The framework includes the evaluation of directors on various parameters such as:

- Board dynamics and relationships
- Information flows
- Decision-making
- Relationship with stakeholders
- Company performance and strategy
- Tracking Board and committees' effectiveness
- Peer evaluation

In compliance with the Companies Act, 2013 and Regulation 17 (10) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Board has carried out an evaluation of its own performance, Committees and performance of individual Directors during the period under review. The aspects covered in the evaluation included the contribution to and monitoring of corporate governance practices, participation in the long-term strategic planning and the fulfillment of Directors' obligations and fiduciary responsibilities, including but not limited to, active participation at the Board and Committee meetings. Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated. The evaluation involves Self-Evaluation by the Board Members and subsequent assessment by the Board of Directors. The Board of Directors expressed their satisfaction with the evaluation process.

The details of the framework for performance evaluation of Independent Directors, Board, Committees and other individual Directors are placed on the website of the company at the link: <http://prakashwoollen.com/node/190>

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The details of programmes for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at the link: www.prakashwoollen.com <http://www.prakashwoollen.com/node/278>

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, key managerial personnel and senior management of the company. This policy also lays down criteria for selection and appointment of Board Members. The details of the policy are explained in the Corporate Governance Report.

AUDITORS

Statutory Auditors

The shareholders of the Company at AGM held on September 23rd 2016 had appointed M/s. A. Anand & Co., Chartered Accountants (Firm Registration No. **005147C**), as the Statutory Auditors of the Company for an initial term of 5 years, , i.e., at the Thirty Seventh Annual General Meeting of the Company to hold such office till the conclusion of the Forty Second Annual General Meeting of the Company , subject to ratification by members at every AGM, if required under the provisions of the Companies Act, 2013. However, the Companies Amendment Act, 2013 has deleted the condition of ratification of statutory auditors.

AUDITORS' REPORT

The Report given by M/s. A. Anand & Co, Statutory Auditors on the financial statement of the Company for the year ended March 2018 is part of the Annual Report. There are no qualification, reservation or adverse remark or disclaimer in their Report. During the year under review, the Auditors had not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134 (3)(ca) of the Act.

Cost Auditors

Companies (cost records and audit) (Amendment) Rules, 2015 are not applicable on the Company for the financial year 2017–18:

Secretarial Auditor

The Board had appointed Mr. R.S. Bhatia (CP No.2514). Practicing Company Secretary, to carry out Secretarial Audit in accordance with the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, for the financial year ended March 31, 2018. The Secretarial Audit Report for the financial year ended March 31, 2018 has been obtained and does not contain any qualification, which requires any comments from the Board. A copy of Secretarial Audit Report from Mr. R.S. Bhatia for financial year ended March 31, 2018 in the prescribed Form No. MR-3 is annexed to this report as **Annexure I**.

COMPOSITION OF COMMITTEES

Audit Committee

The Board of Directors of the Company has a duly constituted Audit Committee in terms of the provisions of Section 177 of the Companies Act, 2013 read with the Rules framed thereunder and Regulation 18 of the Listing Regulations. The terms of reference of the Audit Committee has been approved by the Board of Directors. Composition of the Audit Committee, number of meetings held during the year under review, brief terms of reference and other details have been provided in the Corporate Governance Report which forms part of this Annual Report.

The Audit Committee comprises Independent Directors namely Mr. Vijay Anand Rastogi (Chairman), Mr. Mahendra Kumar Agarwal and Dr. Satish Kumar Raj as other members. All the recommendations made by the Audit Committee were accepted by the Board.

Nomination and Remuneration Committee

The Board of Directors constituted a Nomination and Remuneration Committee comprising three Non-Executive Independent Directors namely Mr. Vijay Anand Rastogi (Chairman), Mr. Mahendra Kumar Agarwal and Dr. Satish Kumar Raj as other members The function of the Nomination and Remuneration Committee includes recommendation of appointment of Whole-time Director(s)/ Managing Director/ Joint Managing Director and recommendation to the Board of their remuneration.

A Nomination and Remuneration Committee has been constituted under section 178 of the Companies Act 2013 for formulization of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

The aforesaid policy has been posted on the Website of the Company (<http://www.prakashwoollen.com/reports/policies/nomination-remuneration-policy.pdf>)

Stakeholder Relationship Committee

The Board of Directors constituted a Stakeholder Relationship Committee comprising three Non- Executive Independent Directors namely Mr. Vijay Anand Rastogi (Chairman), Mr. Pramod Kumar Agarwal and Ms. Sushma Pandey as other members. The Stakeholder Relationship Committee, inter alia, oversees and reviews all matters connected with the investor services in connection with applications received and shares allotted in the Initial Public Offer, status of refund account, conversion of partly paid shares into fully paid shares, rematerialization and dematerialization of shares and transfer of shares of the Company.

The Committee oversees performance of the Registrar and Transfer Agents of the Company and recommends measures for overall improvement in the quality of investor services.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of provisions of Section 177 of the Companies Act, 2013 and Rules framed thereunder read with Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements)

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Regulations, 2015, includes an Ethics & Compliance Task Force comprising senior executives of the Company. The Company has a whistle blower policy/ vigil mechanism for directors and employees to report genuine concerns or grievances.

The whistle Blower policy has been posted on the Website of the Company (<http://www.prakashwoollen.com/reports/polices/whistle-blower-policy.pdf>)

MEETINGS OF THE BOARD OF DIRECTORS

Five meetings of the Board of Directors were held during the financial year 2017-18 i.e. on 26.05.2017, 18.08.2017, 12.09.2017, 14.12.2017 and 12.02.2018. The details of the meetings of the Board held during the financial year 2017-18 forms part of the Corporate Governance Report.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

The Company has not given any loan, made investment and provided security in terms of section 186 of the Companies Act, 2013.

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

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in **Annexure II** to this Report.

DEPOSIT

Your Company has neither accepted nor any fixed deposit was outstanding as on the Balance Sheet date.

EXTRACT OF ANNUAL RETURN

Extract of Annual Return in Form No. MGT – 9, as required under Section 92 of the Companies Act, 2013, is included in this Report as **Annexure III** and forms an integral part of this Report.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

Your Directors state that during the financial year ended March 31, 2018 under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

| Non-executive directors | Ratio to median Remuneration |
|----------------------------|------------------------------|
| Mr. Vijay Anand Rastogi | 0.08:1 |
| Mr. Pramod Kumar Agarwal | 0.08:1 |
| Mr. Mahendra Kumar Agarwal | 0.09:1 |
| Mr. Satish Kumar Raj | 0.07:1 |
| Ms. Sushma Pandey | 0.04:1 |
| Mr. Ved Prakash Gupta | 0.01:1 |
| Executive directors | Ratio to median Remuneration |
| Mr. Vijay Kumar Gupta | 10.68:1 |
| Mr. Daya Kishan Gupta | 10.68:1 |
| Mr. Jai Kishan Gupta | 10.68:1 |

b. The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:

| Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary | % increase in remuneration in the financial year |
|---|--|
| Mr. Vijay Kumar Gupta | 7.14 |
| Mr. Daya Kishan Gupta | 7.14 |
| Mr. Jai Kishan Gupta | 7.14 |
| Mr. Ved Prakash Gupta | - 99.79 |
| Mr. Vijay Anand Rastogi | 0.00 |
| Mr. Pramod Kumar Agarwal | 44.44 |
| Mr. Mahendra Kumar Agarwal | 0.00 |
| Mr. Satish Kumar Raj | - 26.67 |
| Ms. Sushma Pandey | - 22.22 |
| Ms. Shivangi Agarwal | 4.54 |

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Remuneration of Independent Director is sitting fees.

c. The percentage increase in the median remuneration of employees in the financial year: 0.74%

d. The number of permanent employees on the rolls of Company : 30

e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average annual increase was around 11.12%.

Decrease in the managerial remuneration for the year was - 10%

f. Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company affirms remuneration is as per the remuneration policy of the Company.

Information Pursuant to compliance Section 197 of the Act read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

| S. No | Name of The Employee | Designation | Nature of Employment | Educational Qualification | Age | Experience (in years) | Date of Joining | Remuneration Paid (₹) | Whether employee is relative of Director |
|-------|----------------------|----------------------------------|----------------------|----------------------------------|-----|-----------------------|-----------------|-----------------------|--|
| 1 | Vijay Kumar Gupta | Whole Time Director & CFO | Permanent | Commerce Graduate | 65 | 39 | 23/08/1979 | 4500000 | Brother of Mr. Daya Kishan Gupta, Mr. Jai Kishan Gupta, Mr. Ved Prakash Gupta |
| 2 | Daya Kishan Gupta | Whole Time Director | Permanent | Commerce Graduate | 69 | 39 | 23/08/1979 | 4500000 | Brother of Mr. Vijay Kumar Gupta, Mr. Jai Kishan Gupta, Mr. Ved Prakash Gupta |
| 3 | Jai Kishan Gupta | Chairman & Managing Director | Permanent | Commerce Graduate | 71 | 39 | 23/08/1979 | 4500000 | Brother of Mr. Vijay Kumar Gupta, Mr. Daya Kishan Gupta, Mr. Ved Prakash Gupta |
| 4 | Kapil Gupta | Vice President-Sales & Marketing | Permanent | M.Com | 43 | 18 | 1/6/2004 | 1764000 | Son of Mr. Daya Kishan Gupta |
| 5 | Adeep Gupta | Vice President-Production | Permanent | Commerce Graduate | 46 | 21 | 1/7/2004 | 1764000 | Son of Mr. Jai Kishan Gupta |
| 6 | Ashish Gupta | Vice President-Finance | Permanent | Commerce Graduate | 39 | 14 | 1/7/2004 | 1764000 | Son of Mr. Vijay Kumar Gupta |
| 7 | Sanjay Kumar Agarwal | Manager-Plant & Operations | Permanent | Mechanical Engineer-B.E | 58 | 32 | 1/4/2000 | 1764000 | NIL |
| 8 | Praveen Gupta | Manager Accounts | Permanent | B.Com, FCA | 58 | 32 | 1/11/1994 | 1767000 | NIL |
| 9 | Omkar Dongre | General Manager | Permanent | Diploma in Industrial Management | 59 | 37 | 1/1/2015 | 1827000 | NIL |

Change in designation of Mr. Ved Prakash Gupta was made from Whole Time Director to Director w.e.f. 1st June 2017.

GENERAL DISCLOSURES

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares/ ESOP) to employees of the Company under any scheme.
4. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
5. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review.

Your Directors proudly acknowledge the contribution and hard work of the employees of the Company and its subsidiaries at all levels, who, through their competence, hard work, solidarity and commitment have enabled the Company to achieve consistent growth.

For and on behalf of the Board of Directors
Sd/-

Jai Kishan Gupta
Chairman and Managing Director
DIN: 00337659

Place : Vill Amhera (J.P. Nagar)

Date : 11th August 2018

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2018**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,
Prakash Woollen & Synthetic Mills Limited
18th km Stone, Delhi Moradabad Road
Nh-24, Village Amhera
District J P Nagar, Uttar Pradesh
CIN No.: L17291UP1979PLC004804

I have conducted the Secretarial Audit in respect of compliance with specific applicable statutory provisions and adherence to good corporate practices by "Prakash Woollen & Synthetic Mills Limited" formerly known as "Prakash Woollen Mills Limited" (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me with a reasonable basis for evaluating the corporate conduct /statutory compliance and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company, the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to me and the representations made by the Management, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2018 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 according to the provisions of:

- (i) The Companies Act, 1956 and Companies Act, 2013 ("the Acts") and the rules made thereunder, as applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; Not applicable
 - e. Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not applicable as the Company has not issued any debt securities during the financial year under review;
 - f. Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review;
 - g. Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not applicable as the Company has not delisted its equity shares from any stock exchange during the financial year under review; and
 - h. Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998 - Not applicable as the Company has not bought back any of its securities during the financial year under review.
- (vi) The Management has identified and confirmed the following laws as being specifically applicable to the Company:
 - a. Explosives Act, 1884
 - b. Petroleum Act, 1934

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- c. The Legal Metrology Act, 2009 & Rules
- d. The Trade Marks Act, 1999
- e. Hazardous Wastes (Management & Handling) rules 1989 and Amendment Rules

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) SEBI (The Listing Obligations And Disclosure Requirements) Regulations, 2015

Based on my 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, I hereby report that in my opinion, the Company has, during the financial year ended **March 31, 2018** complied with the aforesaid laws.

Based on the information received and records made available, I further report that:

1. 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 financial year under review, were carried out in compliance with the provisions of the Acts and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
2. Adequate notice was given to all the Directors regarding holding of the Board Meetings. Agenda was sent in advance before the meeting. There exists a system for Directors to seek and obtain further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting;
3. Decisions at the Board Meetings were taken unanimously and recorded as part of the Minutes of the Meetings; (No dissent was there nor any dissent recorded)

In my opinion, 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 and applicable general laws like labour laws, environmental laws and competition laws etc.

Based on the compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) of the Managing Director, Company Secretary and Chief Financial Officer taken on record by the Board of Directors at its meeting(s), I am of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with the specifically applicable laws, rules, regulations and guidelines as mentioned in this report and applicable general laws like labour laws competition laws, environmental laws, etc.

I further report that:

1. The Company sought approval of Shareholders in 38th Annual General Meeting held on 20th September, 2017 pursuant to the section 73(2) and 76 of the Companies Act, 2013 ("the Act" which term includes any amendment or modification or re-enactment thereof) and other applicable provisions of the said act or other laws and subject to conditions laid down in those provisions and the Companies (Acceptance of Deposit) Rules, 2014 to invite and accept deposits from the members of the Company on such terms and conditions as the Board may decide, so however that the borrowing by way of fixed deposits, as above, shall not exceed the limits laid down under the Companies (Acceptance of Deposits) Rules, 2014 in force and as amended from time to time.
2. The Company sought approval of Shareholders in 38th Annual General Meeting held on 20th September, 2017 pursuant to the provisions of Section 196, 197, 198 and 203 of the Companies Act, 2013 read with Rule 8 of Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014, Schedule V and all other applicable statutory provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and as recommended by the Nomination and Remuneration Committee to increase the remuneration to Rs 7 lakh of Mr. Jai Kishan Gupta, Managing Director of the Company, Mr. Daya Kishan Gupta & Mr. Vijay Kumar Gupta, Director of the Company with effect from 01.10.2017.
3. During the financial year 2017-18 a penalty of Rs. 1 lakh was imposed on the company under regulation 15A(b) of SEBI Act for the violation of regulation 13(6) of Prohibition of Insider Trading Regulation 2015.

R.S. BHATIA
PRACTICING COMPANY SECRETARY
CP NO.: 2514

PLACE : NEW DELHI
DATE : 11th August, 2018

PRAKASH WOOLLEN & SYNTHETIC MILLS LIMITED

Annexure A

The Members,
Prakash Woollen & Synthetic Mills Limited,
18th Km Stone,
Delhi Moradabad Road,
Nh-24, Village Amhera Distt,
J P Nagar U.P 244102
CIN No.: L17291UP1979PLC004804

Our Secretarial Audit Report of given date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, device proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Whether required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, etc.

Disclaimer

5. The Secretarial Audit is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
6. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

R. S. Bhatia
Practicing Company Secretary
CP No: 2514

Place: New Delhi
Date: 11th August, 2018

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

The information under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2018 is given below and forms part of the Directors' Report.

A) Conservation of energy:

(i) the steps taken or impact on conservation of energy;

In line with the company's commitment toward conservation of energy, it continues with its efforts aimed at improving energy efficiency through improved operational and maintenance practices. The steps taken in this direction include: replacement of inefficient motor with energy efficient motors, replacement of lightings with LED and installation of capacitors at various machines.

(ii) the steps taken by the company for utilising alternate sources of energy;

The Company has installed Solar Power Plant and using solar energy as other alternate sources of energy in its factory.

(iii) the capital investment on energy conservation equipments: NIL

(B) Technology absorption:

(i) the efforts made towards technology absorption;

The efforts made by the company towards technology absorption during the year under review are:

- Efficient utilization of new boiler to reduce fuel consumption.
- Replacement of Lighting with LED.

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;

The company has set a standard that can match any global company in international products. The company produces mink blankets of single ply as well as of double ply with superfine finish.

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- :
Not Applicable

(a) the details of technology imported;

(b) the year of import;

(c) Whether the technology been fully absorbed;

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and

(iv) the expenditure incurred on Research and Development. : NIL

(C) Foreign exchange earnings and Outgo:

The Foreign Exchange earned in terms of actual inflows during the year:

| | 2017-18 | 2016-17 |
|--|----------------|----------------|
| | NIL | NIL |

The Foreign Exchange outgo during the year in terms of actual outflows:

| | 2017-18 | 2016-17 |
|------------|----------------|----------------|
| Imports | 693.92 | 143.02 |
| Travelling | 4.26 | 10.50 |
| | 698.18 | 153.52 |

For and on behalf of the Board of Directors

Place : Vill Amhera (J.P. Nagar)

Date : 11th August 2018

Jai Kishan Gupta
Chairman and Managing Director
DIN: 00337659

FORM NO. MGT 9

**EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31.03.2018**

**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014.**

I. REGISTRATION & OTHER DETAILS:

| | | |
|----|--|---|
| 1. | CIN | L17291UP1979PLC004804 |
| 2. | Registration Date | 23/08/1979 |
| 3. | Name of the Company | PRAKASH WOOLLEN & SYNTHETIC MILLS LIMITED |
| 4. | Category/Sub-category of the Company | Category: Company Limited by Shares Sub-Category : Indian Non-Government Company |
| 5. | Address of the Registered office & contact details | 18th Km Stone, Delhi Moradabad Road, NH-24, Vill-Amhera, Distt. J. P. Nagar-244102 Ph. No.: 0591-2223008/18; Fax: 0591-2223009 Website: www.prakashwoollen.com E-mail: info@prakashwoollen.com |
| 6. | Whether listed company | Listed |
| 7. | Name, Address & contact details of the Registrar & Transfer Agent, if any. | Skyline Financial Services Private Ltd, D-153 A, 1 st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020. Tel.: +91 11 64732681-88 Fax: +91 11 26812682 Email : admin@skylinerta.com Website:www.skylinerta.com |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

| S. No. | Name and Description of main products / services | NIC Code of the Product/service | % to total turnover of the company |
|--------|--|---------------------------------|------------------------------------|
| 1 | Blanket | 13926 | 100% |
| 2 | | | |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| S. No. | Name and Address of the Company | CIN/GLN | Holding/ Subsidiary/ Associate Company | % of Shares Held | Applicable Section |
|--------|---------------------------------|---------|--|------------------|--------------------|
| 1 | | | N.A | | |
| 2 | | | | | |

PRAKASH WOOLLEN & SYNTHETIC MILLS LIMITED

III. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year [As on 31-March-2017] | | | | No. of Shares held at the end of the year [As on 31-March-2018] | | | | % Change during the year |
|--|--|----------------|-----------------|-------------------|--|----------------|-----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoter s | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/ HUF | 6441520 | 0 | 6441520 | 62.78 | 6441520 | 0 | 6441520 | 62.78 | 0 |
| b) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) Bodies Corp. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f) Any other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total shareholding of Promoter (A) | 6441520 | 0 | 6441520 | 62.78 | 6441520 | 0 | 6441520 | 62.78 | 0 |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | 0 | 13400 | 13400 | 0.13 | 0 | 13400 | 13400 | 0.13 | 0 |
| b) Banks / FI | 120000 | 0 | 120000 | 1.17 | 120000 | 0 | 120000 | 1.17 | 0 |
| c) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f) Insurance Companies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| g) FIs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| h) Foreign Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| i) Others (specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (B)(1):- | 120000 | 13400 | 133400 | 1.30 | 120000 | 13400 | 133400 | 1.30 | 0 |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | | | | | | | | | |
| i) Indian | 877249 | 127400 | 1004649 | 9.79 | 410156 | 127400 | 537556 | 5.24 | -4.55 |
| ii) Overseas | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 | 0.00 |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto Rs. 2 lakh | 687326 | 606700 | 1294026 | 12.61 | 559032 | 594500 | 1153532 | 11.24 | -1.37 |
| ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh | 851392 | 369280 | 1220672 | 11.90 | 1453116 | 369280 | 1822396 | 17.76 | 5.86 |
| c) Others (specify)Resident Indian HUF | 146635 | 0 | 146635 | 1.43 | 159674 | 0 | 159674 | 1.56 | 0.13 |
| Non Resident Indians | 12390 | 4500 | 16890 | 0.16 | 7062 | 4500 | 11562 | 0.11 | -0.05 |
| Overseas Corporate Bodies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 | 0.00 |
| Foreign Nationals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 | 0.00 |
| Clearing Members | 1958 | 0 | 1958 | 0.02 | 110 | 0 | 110 | 0.001 | -0.019 |
| Trusts | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 | 0.00 |
| Foreign Bodies - D R | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 | 0.00 |
| Sub-total (B)(2):- | 2576950 | 1107880 | 3684830 | 35.92 | 2589150 | 1095680 | 3684830 | 35.92 | 0.00 |
| Total Public Shareholding (B)= (B)(1)+ (B)(2) | 2696950 | 1121280 | 3818230 | 37.22 | 2709150 | 1109080 | 3818230 | 37.22 | 0.00 |
| C. Shares held by Custodian for GDRs & ADRs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total (A+B+C) | 9138470 | 1121280 | 10259750 | 100.00 | 9150670 | 1109080 | 10259750 | 100.00 | 0.00 |

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ii) Shareholding of Promoter-

| SN | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change shareholding during in the year |
|----|-------------------------|---|---------------------------------|--|-------------------------------------|---------------------------------|--|--|
| | | No. of Shares | % of total Share of the company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Share of the company | % of Shares Pledged / encumbered to total shares | |
| 1 | VIJAY KUMAR GUPTA | 453709 | 4.42 | 0 | 453709 | 4.42 | 0 | 0 |
| 2 | SHALINI GUPTA | 420800 | 4.1 | 0 | 420800 | 4.1 | 0 | 0 |
| 3 | JAI KISHAN GUPTA | 417960 | 4.07 | 0 | 417960 | 4.07 | 0 | 0 |
| 4 | ASHISH GUPTA HUF | 400000 | 3.9 | 0 | 400000 | 3.9 | 0 | 0 |
| 5 | RAJNI GUPTA | 393600 | 3.84 | 0 | 393600 | 3.84 | 0 | 0 |
| 6 | KAPIL GUPTA HUF | 381350 | 3.72 | 0 | 381350 | 3.72 | 0 | 0 |
| 7 | REETIKA GUPTA | 366100 | 3.57 | 0 | 366100 | 3.57 | 0 | 0 |
| 8 | ADEEP GUPTA | 348450 | 3.4 | 0 | 348450 | 3.4 | 0 | 0 |
| 9 | ADEEP GUPTA | 338000 | 3.29 | 0 | 338000 | 3.29 | 0 | 0 |
| 10 | GUPTA JAI KISHAN | 330590 | 3.22 | 0 | 330590 | 3.22 | 0 | 0 |
| 11 | DAYA KISHAN GUPTA | 325490 | 3.17 | 0 | 325490 | 3.17 | 0 | 0 |
| 12 | ANITA GUPTA | 324110 | 3.16 | 0 | 324110 | 3.16 | 0 | 0 |
| 13 | VIJAY KUMAR GUPTA HUF | 294281 | 2.87 | 0 | 294281 | 2.87 | 0 | 0 |
| 14 | HIMANI AGARWAL | 274900 | 2.68 | 0 | 274900 | 2.68 | 0 | 0 |
| 15 | MADHU GUPTA | 227558 | 2.22 | 0 | 227558 | 2.22 | 0 | 0 |
| 16 | VED PRAKASH GUPTA | 176393 | 1.72 | 0 | 176393 | 1.72 | 0 | 0 |
| 17 | DAYA KISHAN GUPTA | 170910 | 1.67 | 0 | 170910 | 1.67 | 0 | 0 |
| 18 | KAPIL GUPTA | 85770 | 0.84 | 0 | 85770 | 0.84 | 0 | 0 |
| 19 | ATUL GUPTA | 78795 | 0.77 | 0 | 78795 | 0.77 | 0 | 0 |
| 20 | ASHISH GUPTA | 71000 | 0.69 | 0 | 71000 | 0.69 | 0 | 0 |
| 21 | MANJUSHA AGARWAL | 68305 | 0.67 | 0 | 68305 | 0.67 | 0 | 0 |
| 22 | PUSHPA GUPTA | 55340 | 0.54 | 0 | 55340 | 0.54 | 0 | 0 |
| 23 | SHALAB GUPTA | 53200 | 0.52 | 0 | 53200 | 0.52 | 0 | 0 |
| 24 | SANJAY KUMAR AGARWALA | 52560 | 0.51 | 0 | 52560 | 0.51 | 0 | 0 |
| 25 | SHASHI GUPTA | 49217 | 0.48 | 0 | 49217 | 0.48 | 0 | 0 |
| 26 | DEEPALI GUPTA | 25840 | 0.25 | 0 | 38420 | 0.37 | 0 | 0.12 |
| 27 | RAM KISHAN GUPTA & SONS | 36822 | 0.36 | 0 | 36822 | 0.36 | 0 | 0 |
| 28 | VED PRAKASH GUPTA HUF | 35690 | 0.35 | 0 | 35690 | 0.35 | 0 | 0 |
| 29 | SHALINI GUPTA | 20000 | 0.19 | 0 | 20000 | 0.19 | 0 | 0 |
| 30 | MEGHNA TAYAL | 20000 | 0.19 | 0 | 20000 | 0.19 | 0 | 0 |
| 31 | CHHAVI AGARWAL | 20000 | 0.19 | 0 | 20000 | 0.19 | 0 | 0 |
| 32 | SHALAB GUPTA | 20000 | 0.19 | 0 | 20000 | 0.19 | 0 | 0 |
| 33 | PARUL GUPTA | 18700 | 0.18 | 0 | 18700 | 0.18 | 0 | 0 |
| 34 | SANJAY AGARWAL - | 15000 | 0.15 | 0 | 15000 | 0.15 | 0 | 0 |
| 35 | B K GUPTA (HUF) | 15000 | 0.15 | 0 | 15000 | 0.15 | 0 | 0 |
| 36 | ATUL GUPTA | 15000 | 0.15 | 0 | 15000 | 0.15 | 0 | 0 |
| 37 | SHALINI GUPTA | 10000 | 0.1 | 0 | 10000 | 0.1 | 0 | 0 |
| 38 | REKHA GOVIL | 10000 | 0.1 | 0 | 10000 | 0.1 | 0 | 0 |
| 39 | SANJAY GUPTA | 8500 | 0.08 | 0 | 8500 | 0.08 | 0 | 0 |
| 40 | SANJEEV GUPTA | 12580 | 0.12 | 0 | - | - | - | -0.12 |
| | | 6441520 | 62.78 | - | 6441520 | 62.78 | 0 | 0 |

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iii) Change in Promoters' Shareholding (please specify, if there is no change)

| SN | Particulars | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|----|----------------------|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | SANJEEV GUPTA | 12580 | 0.12 | 0 | 0 |
| 2 | DEEPALI GUPTA | 25840 | 0.25 | 38420 | 0.37 |

iv) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

| SN | For each of the Top 10 Shareholders | Shareholding at the beginning of the year | | Date of Change in Shareholding | Increase/ Decrease in Shareholding | Reason for Increase/ Decrease | Cumulative Shareholding during the year | |
|----|---|---|----------------------------------|--------------------------------|------------------------------------|-------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | | | | No. of shares | % of total shares of the company |
| 1 | Modex International Securities Ltd # | 200200 | 1.95 | 01.04.2017 | - | - | 200200 | 1.95 |
| | | - | - | 02.06.2017 | 100000 | Sale | 100200 | 0.98 |
| | | - | - | 09.06.2017 | 100000 | Sale | 200 | 0.00 |
| | | - | - | 31.03.2018 | - | - | 200 | 0.00 |
| 2 | Navdeep Varshney | 200000 | 1.95 | 01.04.2017 | - | - | 200000 | 1.95 |
| | | - | - | 02.06.2017 | 100000 | Buy | 300000 | 2.92 |
| | | - | - | 01.09.2017 | 107792 | Buy | 407792 | 3.97 |
| | | - | - | 03.11.2017 | 31333 | Sale | 376459 | 3.67 |
| | | - | - | 17.11.2017 | 6890 | Sale | 369569 | 3.60 |
| | | - | - | 01.12.2017 | 5800 | Sale | 363769 | 3.55 |
| | | - | - | 29.12.2017 | 1950 | Sale | 361819 | 3.53 |
| | | - | - | 05.01.2018 | 2700 | Sale | 359119 | 3.50 |
| | | - | - | 19.01.2018 | 5000 | Sale | 354119 | 3.45 |
| | | - | - | 26.01.2018 | 3379 | Sale | 350740 | 3.42 |
| | | - | - | 02.02.2018 | 8000 | Sale | 342740 | 3.34 |
| | | - | - | 16.02.2018 | 43623 | Sale | 299117 | 2.92 |
| | | - | - | 23.02.2018 | 6990 | Sale | 292127 | 2.85 |
| | | - | - | 31.03.2018 | - | - | 292127 | 2.85 |
| 3 | Prakash Chand Gupta | 182725 | 1.78 | 01.04.2017 | - | - | 182725 | 1.78 |
| | | - | - | 31.03.2018 | - | - | 182725 | 1.78 |
| 4 | R K Stockholdings (P) Ltd # | 172371 | 1.68 | 01.04.2017 | - | - | 172371 | 1.68 |
| | | - | - | 02.06.2017 | 167693 | Sale | 4678 | 0.05 |
| | | - | - | 09.06.2017 | 107792 | Buy | 112470 | 1.10 |
| | | - | - | 01.09.2017 | 112292 | Sale | 178 | 0.00 |
| | | - | - | 15.09.2017 | 59216 | Buy | 59394 | 0.58 |
| | | - | - | 30.09.2017 | 3000 | Buy | 62394 | 0.61 |
| | | - | - | 03.11.2017 | 59216 | Sale | 3178 | 0.03 |
| | | - | - | 10.11.2017 | 11700 | Buy | 14878 | 0.15 |
| | | - | - | 01.12.2017 | 8000 | Buy | 22878 | 0.22 |
| | | - | - | 05.01.2018 | 1000 | Sale | 21878 | 0.21 |
| | | - | - | 12.01.2018 | 500 | Buy | 22378 | 0.22 |
| | | - | - | 19.01.2018 | 5500 | Sale | 16878 | 0.16 |
| | | - | - | 02.02.2018 | 1000 | Buy | 17878 | 0.17 |
| | | - | - | 09.02.2018 | 2500 | Sale | 15378 | 0.15 |
| 5 | Dheeraj Kumar Lohia | - | - | 09.03.2018 | 20 | Sale | 15358 | 0.15 |
| | | - | - | 31.03.2018 | - | - | 15358 | 0.15 |
| | | 160087 | 1.56 | 01.04.2017 | - | - | 160087 | 1.56 |
| | | - | - | 06.10.2017 | 6279 | Buy | 166366 | 1.62 |
| | | - | - | 08.12.2017 | 5000 | Sale | 161366 | 1.57 |
| | | - | - | 22.12.2017 | 13576 | Sale | 147790 | 1.44 |
| | | - | - | 09.03.2018 | 2229 | Sale | 145561 | 1.42 |
| - | - | 16.03.2018 | 500 | Sale | 145061 | 1.41 | | |
| - | - | 23.03.2018 | 1052 | Sale | 144009 | 1.40 | | |
| - | - | 31.03.2018 | - | - | 144009 | 1.40 | | |

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| | | | | | | | | |
|----|--|--------|------|------------|--------|------|--------|------|
| 6 | Globe Capital Market Ltd # | 148621 | 1.45 | 01.04.2017 | - | - | 148621 | 1.45 |
| | | - | - | 07.04.2017 | 109207 | Sale | 39414 | 0.38 |
| | | - | - | 21.04.2017 | 36101 | Sale | 3313 | 0.03 |
| | | - | - | 28.04.2017 | 300 | Sale | 3013 | 0.03 |
| | | - | - | 23.06.2017 | 961 | Sale | 2052 | 0.02 |
| | | - | - | 30.06.2017 | 4983 | Buy | 7035 | 0.07 |
| | | - | - | 07.07.2017 | 4983 | Sale | 2052 | 0.02 |
| | | - | - | 27.10.2017 | 200 | Sale | 1852 | 0.02 |
| | | - | - | 03.11.2017 | 1142 | Buy | 2994 | 0.03 |
| | | - | - | 01.12.2017 | 1802 | Sale | 1192 | 0.01 |
| | | - | - | 19.01.2018 | 200 | Sale | 992 | 0.01 |
| | | - | - | 26.01.2018 | 142 | Sale | 850 | 0.01 |
| | | - | - | 02.02.2018 | 100 | Sale | 750 | 0.01 |
| | | - | - | 09.02.2018 | 500 | Sale | 250 | 0.00 |
| | | - | - | 16.02.2018 | 100 | Sale | 150 | 0.00 |
| | | - | - | 23.02.2018 | 1076 | Buy | 1226 | 0.01 |
| | | - | - | 31.03.2018 | - | - | 1226 | 0.01 |
| 7 | Rajsthan Global Securities Private Limited # | 131442 | 1.28 | 01.04.2017 | - | - | 131442 | 1.28 |
| | | - | - | 07.04.2017 | 69142 | Buy | 200584 | 1.96 |
| | | - | - | 19.05.2017 | 4550 | Buy | 205134 | 2.02 |
| | | - | - | 16.06.2017 | 2000 | Buy | 207134 | 2.02 |
| | | - | - | 23.06.2017 | 5467 | Buy | 212601 | 2.07 |
| | | - | - | 07.07.2017 | 8739 | Buy | 221340 | 2.16 |
| | | - | - | 14.07.2017 | 250 | Buy | 221590 | 2.16 |
| | | - | - | 21.07.2017 | 1230 | Buy | 222820 | 2.17 |
| | | - | - | 04.08.2017 | 30525 | Buy | 253345 | 2.47 |
| | | - | - | 11.08.2017 | 1062 | Buy | 254407 | 2.48 |
| | | - | - | 25.08.2017 | 5000 | Buy | 259407 | 2.53 |
| | | - | - | 01.09.2017 | 2000 | Sale | 257407 | 2.51 |
| | | - | - | 22.09.2017 | 3143 | Buy | 260550 | 2.54 |
| | | - | - | 30.09.2017 | 18451 | Sale | 242099 | 2.36 |
| | | - | - | 06.10.2017 | 3975 | Sale | 238124 | 2.32 |
| | | - | - | 20.10.2017 | 2500 | Buy | 240624 | 2.35 |
| | | - | - | 03.11.2017 | 12134 | Sale | 228490 | 2.23 |
| | | - | - | 10.11.2017 | 75000 | Sale | 153490 | 1.50 |
| | | - | - | 17.11.2017 | 1901 | Sale | 151589 | 1.48 |
| | | - | - | 24.11.2017 | 5000 | Sale | 146589 | 1.43 |
| | | - | - | 08.12.2017 | 43000 | Sale | 103589 | 1.01 |
| | | - | - | 22.12.2017 | 10000 | Sale | 93589 | 0.91 |
| | | - | - | 05.01.2018 | 6143 | Sale | 52446 | 0.51 |
| | | - | - | 26.01.2018 | 40000 | Sale | 12446 | 0.12 |
| | | - | - | 02.02.2018 | 10000 | Sale | 2446 | 0.02 |
| | | - | - | 31.03.2018 | - | - | 2446 | 0.02 |
| 8 | State Bank of India | 120000 | 1.17 | 01.04.2017 | - | - | 120000 | 1.17 |
| | | - | - | 31.03.2018 | - | - | 120000 | 1.17 |
| 9 | Sonal Lohia # | 69357 | 0.68 | 01.04.2017 | - | - | 69357 | 0.68 |
| | | - | - | 16.06.2017 | 5161 | Buy | 74518 | 0.73 |
| | | - | - | 05.01.2018 | 19518 | Sale | 55000 | 0.54 |
| | | - | - | 02.02.2018 | 20000 | Sale | 35000 | 0.34 |
| | | - | - | 09.02.2018 | 30000 | Sale | 5000 | 0.05 |
| | | - | - | 02.03.2018 | 5000 | Sale | 0 | 0.00 |
| | | - | - | 31.03.2018 | - | - | 0 | 0.00 |
| 10 | Arihant Capital Mkt. Ltd # | 63117 | 0.62 | 01.04.2017 | - | - | 63117 | 0.62 |
| | | - | - | 21.04.2017 | 5000 | Sale | 58117 | 0.57 |
| | | - | - | 15.09.2017 | 58000 | Sale | 117 | 0.00 |
| | | - | - | 20.10.2017 | 9366 | Buy | 9483 | 0.09 |
| | | - | - | 03.11.2017 | 9366 | Sale | 117 | 0.00 |
| | | - | - | 10.11.2017 | 2000 | Buy | 2117 | 0.02 |
| | | - | - | 17.11.2017 | 2000 | Sale | 117 | 0.00 |
| | | - | - | 22.12.2017 | 7629 | Buy | 7746 | 0.08 |
| | | - | - | 29.12.2017 | 6500 | Sale | 1246 | 0.01 |
| | | - | - | 05.01.2018 | 1320 | Buy | 2566 | 0.03 |
| | | - | - | 12.01.2018 | 1648 | Sale | 918 | 0.01 |
| | | - | - | 19.01.2018 | 58925 | Buy | 59843 | 0.58 |

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| | | | | | | | | |
|----|--|-------|------|------------|--------|------|--------|------|
| | | - | - | 26.01.2018 | 24054 | Sale | 35789 | 0.35 |
| | | - | - | 02.02.2018 | 2100 | Sale | 33689 | 0.33 |
| | | - | - | 09.02.2018 | 4221 | Sale | 29468 | 0.29 |
| | | - | - | 16.02.2018 | 751 | Sale | 28717 | 0.28 |
| | | - | - | 23.02.2018 | 1000 | Buy | 29717 | 0.29 |
| | | - | - | 02.03.2018 | 2500 | Buy | 32217 | 0.31 |
| | | - | - | 09.03.2018 | 24600 | Sale | 7617 | 0.07 |
| | | - | - | 16.03.2018 | 8000 | Buy | 15617 | 0.15 |
| | | - | - | 23.03.2018 | 3000 | Buy | 12617 | 0.12 |
| | | - | - | 31.03.2018 | - | - | 12617 | 0.12 |
| 11 | Raj Kumar Lohia # | 62811 | 0.61 | 01.04.2017 | - | - | 62811 | 0.61 |
| | | - | - | 05.01.2018 | 5000 | Sale | 57811 | 0.56 |
| | | - | - | 19.01.2018 | 15000 | Sale | 42811 | 0.42 |
| | | - | - | 26.01.2018 | 10000 | Sale | 32811 | 0.32 |
| | | - | - | 02.03.2018 | 5000 | Sale | 27811 | 0.27 |
| | | - | - | 23.03.2018 | 27512 | Sale | 299 | 0.00 |
| | | - | - | 31.03.2018 | - | - | 299 | 0.00 |
| 12 | Indo Thai Securities Limited- Investment Account* | - | - | 01.04.2017 | - | - | - | - |
| | | - | - | 17.11.2017 | 38702 | Buy | 113179 | 1.48 |
| | | - | - | 24.11.2017 | 15640 | Buy | 167521 | 1.63 |
| | | - | - | 15.12.2017 | 2703 | Sale | 231964 | 2.26 |
| | | - | - | 29.12.2017 | 123432 | Sale | 145476 | 1.42 |
| | | - | - | 01.12.2017 | 15783 | Buy | 183304 | 1.79 |
| | | - | - | 05.01.2018 | 44071 | Buy | 198547 | 1.85 |
| | | - | - | 12.01.2018 | 148600 | Buy | 338147 | 3.30 |
| | | - | - | 02.02.2018 | 66902 | Buy | 203507 | 1.98 |
| | | - | - | 09.02.2018 | 2457 | Buy | 205964 | 2.01 |
| | | - | - | 16.02.2018 | 8266 | Sale | 197698 | 1.93 |
| | | - | - | 23.02.2018 | 36158 | Sale | 161540 | 1.57 |
| | | - | - | 02.03.2018 | 36756 | Buy | 198296 | 1.93 |
| | | - | - | 09.03.2018 | 1460 | Buy | 199756 | 1.95 |
| | | - | - | 16.03.2018 | 1611 | Buy | 201367 | 1.96 |
| | | - | - | 23.03.2018 | 23863 | Sale | 177504 | 1.73 |
| | | - | - | 30.03.2018 | 9219 | Buy | 186723 | 1.82 |
| | | - | - | 31.03.2018 | - | - | 186723 | 1.82 |
| 13 | Shri Parasram Holdings Pvt.Ltd.* | 300 | 0.00 | 01.04.2017 | - | - | 300 | 0.00 |
| | | - | - | 07.04.2017 | 100 | Sale | 200 | 0.00 |
| | | - | - | 21.04.2017 | 100 | Sale | 100 | 0.00 |
| | | - | - | 10.11.2017 | 159900 | Buy | 160000 | 1.56 |
| | | - | - | 29.12.2017 | 146000 | Buy | 306000 | 2.98 |
| | | - | - | 12.01.2018 | 144000 | Sale | 162000 | 1.58 |
| | | - | - | 16.02.2018 | 1500 | Buy | 163500 | 1.59 |
| | | - | - | 23.02.2018 | 50 | Buy | 163550 | 1.59 |
| | | - | - | 02.03.2018 | 50 | Sale | 163500 | 1.59 |
| | | - | - | 31.03.2018 | - | - | 163500 | 1.59 |
| 14 | Rajendra Kumar Gupta * | - | - | 01.04.2017 | - | - | - | - |
| | | - | - | 02.06.2017 | 167293 | Buy | 167293 | 1.63 |
| | | - | - | 02.03.2018 | 33500 | Sale | 133793 | 1.30 |
| | | - | - | 31.03.2018 | - | - | 133793 | 1.30 |
| 15 | Mukesh Goyal * | - | - | 01.04.2017 | - | - | - | - |
| | | - | - | 13.10.2017 | 11 | Buy | 11 | 0.00 |
| | | - | - | 20.10.2017 | 1000 | Buy | 1011 | 0.01 |
| | | - | - | 09.02.2018 | 74000 | Buy | 75011 | 0.73 |
| | | - | - | 23.02.2018 | 25000 | Buy | 100011 | 0.97 |
| | | - | - | 31.03.2018 | - | - | 100011 | 0.97 |
| 16 | Arvind Goyal * | - | - | 01.04.2017 | - | - | - | - |
| | | - | - | 31.10.2017 | 11038 | Buy | 11038 | 0.11 |
| | | - | - | 10.11.2017 | 3135 | Sale | 7903 | 0.08 |
| | | - | - | 30.12.2017 | 129 | Buy | 8032 | 0.08 |
| | | - | - | 25.01.2018 | 81968 | Buy | 90000 | 0.88 |
| | | - | - | 26.01.2018 | 81968 | Sale | 8032 | 0.08 |
| | | - | - | 02.02.2018 | 88020 | Buy | 96052 | 0.94 |
| | | - | - | 09.02.2018 | 4 | Sale | 96048 | 0.94 |
| | | - | - | 23.02.2018 | 3207 | Buy | 99255 | 0.97 |
| | | - | - | 16.03.2018 | 8000 | Sale | 91255 | 0.89 |
| | | - | - | 31.03.2018 | - | - | 91255 | 0.89 |

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| | | | | | | | | |
|----|----------------------------|------------|------|------------|-------|------|-------|------|
| 17 | Pankaj Jain * | - | - | 01.04.2017 | - | - | - | - |
| | | - | - | 03.11.2017 | 69785 | Buy | 69785 | 0.68 |
| | | - | - | 10.11.2017 | 14215 | Buy | 84000 | 0.82 |
| | | - | - | 17.11.2017 | 350 | Buy | 84350 | 0.82 |
| 18 | Ramesh Chand Goyal (HUF) * | - | - | 31.03.2018 | - | - | 84350 | 0.82 |
| | | - | - | 01.04.2017 | - | - | - | - |
| | | - | - | 03.11.2017 | 3000 | Buy | 3000 | 0.03 |
| | | - | - | 10.11.2017 | 467 | Sale | 2533 | 0.02 |
| | | - | - | 15.12.2017 | 2533 | Sale | 0 | 0.00 |
| | | - | - | 19.01.2018 | 16500 | Buy | 16500 | 0.16 |
| | | - | - | 26.01.2018 | 35501 | Buy | 50001 | 0.49 |
| | | - | - | 16.02.2018 | 18000 | Buy | 68001 | 0.66 |
| - | - | 23.02.2018 | 2000 | Buy | 70001 | 0.68 | | |
| - | - | 31.03.2018 | - | - | 70001 | 0.68 | - | |

Note:

The above information is based on the weekly beneficiary position received from depositories.

* Not in the list of Top 10 shareholders as on 01/04/2017. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/03/2018.

Ceased to be in the list of Top 10 shareholders as on 31/03/2018. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 01/04/2017.

v) Shareholding of Directors and Key Managerial Personnel:

| SN | Shareholding of each Directors and each Key Managerial Personnel | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|----|--|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | Vijay Kumar Gupta | | | | |
| | At the beginning of the year | 453709 | 4.42 | 453709 | 4.42 |
| | Purchase/Sale during the year | - | - | 453709 | 4.42 |
| | At the end of the year | 453709 | 4.42 | 453709 | 4.42 |
| 2 | Jai Kishan Gupta | | | | |
| | At the beginning of the year | 417960 | 4.07 | 417960 | 4.07 |
| | Purchase/Sale during the year | - | - | 417960 | 4.07 |
| | At the end of the year | 417960 | 4.07 | 417960 | 4.07 |
| 3 | Ved Prakash Gupta | | | | |
| | At the beginning of the year | 176393 | 1.72 | 176393 | 1.72 |
| | Purchase/Sale during the year | - | - | 176393 | 1.72 |
| | At the end of the year | 176393 | 1.72 | 176393 | 1.72 |
| 4 | Daya Kishan Gupta | | | | |
| | At the beginning of the year | 170910 | 1.67 | 170910 | 1.67 |
| | Purchase/Sale during the year | - | - | 170910 | 1.67 |
| | At the end of the year | 170910 | 1.67 | 170910 | 1.67 |
| 5 | Sushma Pandey | | | | |
| | At the beginning of the year | 2300 | 0.02 | 2300 | 0.02 |
| | Purchase/Sale during the year | - | - | 2300 | 0.02 |
| | At the end of the year | 2300 | 0.02 | 2300 | 0.02 |
| 6 | Satish Kumar Raj | | | | |
| | At the beginning of the year | 900 | 0.01 | 900 | 0.01 |
| | Purchase/Sale during the year | - | - | 900 | 0.01 |
| | At the end of the year | 900 | 0.01 | 900 | 0.01 |
| 7 | Pramod Kumar Agarwal | | | | |
| | At the beginning of the year | 200 | 0 | 200 | 0 |
| | Purchase/Sale during the year | - | - | 200 | 0 |
| | At the end of the year | 200 | 0 | 200 | 0 |

Note:

1. The following directors/ Key Managerial Personnel (KMP) did not hold any shares during the year:

- Mr. Vijay Anand Rastogi- Independent Director
- Mr. Mahendra Kumar Agarwal- Independent Director
- Ms. Shivangi Agarwal-Company Secretary

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v. INDEBTEDNESS

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

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|-------------------------------------|-----------------|----------|-----------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 2586.88 | 300.00 | - | 2886.88 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | 9.81 | - | - | 9.81 |
| Total (i+ii+iii) | 2596.69 | 300.00 | - | 2896.69 |
| Change in Indebtedness during the financial year | | | | |
| * Addition | 1266.15 | 300.00 | - | 1566.15 |
| * Reduction | (335.41) | (300.00) | - | (635.41) |
| Net Change | 930.74 | - | - | 930.74 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 3517.62 | 300.00 | - | 3817.62 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | 13.68 | 6.85 | - | 20.53 |
| Total (i+ii+iii) | 3531.30 | 306.85 | - | 3838.15 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

| SN. | Particulars of Remuneration | Name of MD/WTD/ Manager | | | Total Amount (in lacs) |
|-----|---|-------------------------|-------------------|-------------------|------------------------|
| | | Jai Kishan Gupta | Daya Kishan Gupta | Vijay Kumar Gupta | |
| 1 | Gross salary | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 45.00 | 45.00 | 45.00 | 135.00 |
| | (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... | - | - | - | - |
| 5 | Others, please specify | - | - | - | - |
| | Total (A) | 45.00 | 45.00 | 45.00 | 135.00 |
| | Ceiling as per the Act: The remuneration paid to Directors and Key Management Personnel are within the limit as prescribed under Schedule V of the Companies Act, 2013. | 84.00 | 84.00 | 84.00 | 252.00 |

B. Remuneration to other directors

| SN. | Particulars of Remuneration | Name of Directors | | | | | Total Amount |
|-----|--|---------------------|----------------------|---------------|------------------------|----------------------|-----------------|
| | | Vijay Anand Rastogi | Dr. Satish Kumar Raj | Sushma Pandey | Mahendra Kumar Agarwal | Pramod Kumar Agarwal | |
| 1 | Independent Directors | | | | | | |
| | Fee for attending board committee meetings | 35000 | 27500 | 17500 | 37500 | 32500 | 150000 |
| | Commission | - | - | - | - | - | - |
| | Others, please specify | - | - | - | - | - | - |
| | Total (1) | 35000 | 27500 | 17500 | 37500 | 32500 | 150000 |
| 2 | Other Non-Executive Directors | | | | | | |
| | Fee for attending board committee meetings | 5000 | - | - | - | - | 5000 |
| | Commission | - | - | - | - | - | - |
| | Others, please specify | - | - | - | - | - | - |
| | Total (2) | - | - | - | - | - | - |
| | Total (B)=(1+2) | 40000 | 27500 | 17500 | 37500 | 32500 | 155000 |
| | Total Managerial Remuneration (A+B) | | | | | | 13655000 |

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C. Remuneration to Key Managerial Personnel other Than MD/Manager/WTD

| SN | Particulars of Remuneration | Key Managerial Personnel | | | |
|----|---|--------------------------|---|-----|-------|
| | | GEO | CS | CFO | Total |
| | | | Shivangi Agarwal 1.04.17 to 31.03.18 | | |
| 1 | Gross salary | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | - | 4.08 | - | 4.08 |
| | (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... | - | - | - | - |
| 5 | Others, please specify | - | - | - | - |
| | Total | - | 4.08 | - | 4.08 |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

For and on behalf of the Board of Directors

Sd/-

Jai Kishan Gupta

Chairman and Managing Director

DIN: 00337659

Place : Vill Amhera (J.P. Nagar)

Date : 11th August 2018

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1) OVERVIEW OF THE ECONOMY

Global Economy

Global economic growth momentum strengthened further in 2017 with many economies concurrently sharing in the upswing, and the Eurozone, Japan and emerging markets significantly outperforming expectations in particular. The global economy is set to grow at a faster clip than anticipated in 2018, due mostly to lower tax rates in the United States.

Global growth is projected to stabilize at 3.1 percent in 2018—the same pace as last year—supported by firming investment in advanced economies, a continued recovery in commodity-exporting emerging market and developing economies, and still robust growth in commodity-importing ones. However, only in a minority of countries will activity accelerate further this year, and global growth is projected to ease gradually over the next two years, to 2.9 percent in 2020.

Indian economy

As Financial Year 2017-18 (FY18) draws to a close, it is worth taking a look at India's economic performance over what has been quite an interesting period. While the first quarter of the year saw the impact of demonetization settling down, in the next quarter, introduction of the landmark Goods and Services Tax (GST) brought in some uncertainties as businesses adjusted to the new regime. This did not take long, and from the third quarter onwards, signs of growth returning were evident.

In the coming financial year, what can we expect? As global economic activity continues to strengthen, global growth is forecast to grow by 3.9% during 2018 as per the International Monetary Fund's (IMF) January 2018 World Economic Outlook. The IMF expects India to grow at 7.4% during 2018 which could increase further to 7.8% during 2019 in contrast to 6.7% during 2017.

The Economic Survey for 2017-18 pegs the figure at 7-7.5% for the financial year ahead.

(Source: Central Statistics Office)

2) ANALYSIS AND REVIEW

Business Outlook

The current global apparel market is worth US\$ 1.7 trillion and it constitutes around 2% of the world's GDP. EU, USA & China are the world's largest apparel markets with a combined share of approximately 54%. The top 8 apparel consuming nations form a dominating share of 70% of the global apparel market size.

The global apparel market size is expected to reach US\$ 2.6 trillion in 2025 growing by a projected rate of 4%. The major growth drivers of the global apparel market will be the developing economies, mainly China & India, both growing in double digits. China will become the biggest apparel market adding more than US\$ 378 billion. in market size by 2025 while India will be the second most attractive apparel market adding around US\$ 121 billion. by 2025. A large & growing domestic demand coupled with increasing spending power of people in these two countries will result in the combined addition of around US\$ 500 billion. in the global apparel market size by 2025. The combined apparel market size of China and India i.e. US\$ 795 billion. is expected to exceed combined market size of EU and USA i.e. US\$ 775 billion, by 2025.

(Source: Wazir Research and Analysis)

3) Indian Textile Industry

The Woollen Textile sector is one of the promising sector of Indian Textile Industry. It is an Organized and Decentralized Sector. Textiles sector is one of the largest contributors to India's exports with approximately 11 per cent of total exports. The textiles industry is also labour intensive and is one of the largest employers. The textile industry has two broad segments. First, the unorganized sector consists of handloom, handicrafts and sericulture, which are operated on a small scale and through traditional tools and methods. The second is the organized sector consisting of spinning, apparel and garments segment which apply modern machinery and techniques such as economies of scale.

Textile industry contributes about 4 per cent to the country's GDP, 14 per cent of the industrial production, and 17 per cent to export earnings. India's textile industry has transformed in recent years from a declining sector to a rapidly developing one. After freeing the industry in 2004–2005 from a number of limitations, primarily financial, the government permitted massive investment inflows, both domestic and foreign. From 2004 to 2008, total investment into the textile sector increased by billion dollars. Ludhiana produces 90% of woollens in India and is known as the Manchester of India. Tirupur has gained universal recognition as the leading source of hosiery, knitted garments, casual wear and sportswear. Expanding textile centres such as Ichalkaranji enjoy one of the highest per-capita incomes in the country. India's cotton farms, fibre and textile industry provides employment to 45 million people in India, including some child labour (1%). The sector is estimated to employ around 400,000 children under the age of 18.

4) Opportunities and Threats

The Indian textile industry has various opportunities like technical textiles, product development and diversification, FDI and brand recognition. Technical textiles offer the opportunity to the Indian textile industry to maintain the present current growth and flourish in near future. It will also help in advancement of the industry. The Indian companies need to focus on product development and

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diversification in order to capture new markets globally. They need to invest in design centres and investment labs. Specialized and smart fabrics should be introduced. Another opportunity for the Indian textile industry is elimination of quotas.

China is the biggest threat to the Indian textile industry in the global market. Many big players are entering the textile sector. The Indian textile industry is not able to maintain balance between price and quality. Therefore most of the big companies in the United States and the European Union are shifting their manufacturing orders to China. Hence Indian textile industry is losing its share in global textile market

Rising government focus and favourable policies is leading to growth in the textiles and clothing industry. The Ministry of Textiles is encouraging investments through increasing focus on schemes such as Technology Up-gradation Fund Scheme (TUFS). Under the Union Budget 2018-19, Rs 2,300 (US\$ 355.27 million) crore have been allocated for TUFS and Rs 30 crore (US\$ 4.63 million) for the Scheme for Integrated Textile Parks, under which there are 47 ongoing projects. In May 2018, textiles sector recorded investments worth Rs 27,000 crore (US\$ 4.19 billion) since June 2017. The Cabinet Committee on Economic Affairs (CCEA), Government of India has approved a new skill development scheme named 'Scheme for Capacity Building in Textile Sector (SCBTS)'. Cumulative FDI in the Indian textiles reached US\$ 2.8 billion between April 2000 to December 2017

5) Risk and Concerns

The key Risk management concern include those relating to identifying key risks to our business objectives, impact assessment, risk analysis , risk evaluation, risk reporting and disclosures, risk mitigation and monitoring and integration with strategy and business planning. The market is clearly drawing distinction between the value led and the fashion conscious consumers both in terms of product as well as the channel preferences. Innovations in products and designs are gaining significance to attract emerging young consumers across the value chain. GST implementation has helped the organized retailers by reducing influx of cheap alternatives from abroad and domestic unorganized industry.

The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

6) Internal Control Systems and their Adequacy

Company has an effective internal control and risk mitigation system, which is constantly assessed and strengthened with new/ revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The internal audit is entrusted to a reputed firm of Chartered Accountants. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry. The internal control is designed to ensure that the financial and other records are reliable for preparing financial statements and other data, and for maintaining accountability of persons. Apart from the above the company has engaged M/s Agarwal Pawan Kumar & Co., Chartered Accountant, to conduct Internal Audit during the year 2017-18.

7) Financial and operational performance

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013 and Generally Accepted Accounting Principles in India. Please refer Directors' Report in this respect.

The Company is engaged in the blankets business only. Therefore there is only one reportable segment in accordance with the Accounting Standard on Segment Reporting (AS-17).

There are no material changes or commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this Report.

8) Human Resources and Industrial Relations

Human Resource Management (HRM) is the business function that focuses on the people management of the enterprise. HRM comprises a set of policies designed to maximize organizational integration, employee commitment, flexibility and quality of work. The Company takes pride in the commitment, competence and dedication of its employees in all areas of the business. The Company has a structured induction process and management development programs to upgrade skills of managers. Objective appraisal systems based on key result areas (KRAs) are in place for senior management staff. The Company is committed to nurturing, enhancing and retaining its top talent through superior learning and organizational development. This is a part of our Corporate HR function and is a critical pillar to support the organization's growth and its sustainability in the long run.

REPORT ON CORPORATE GOVERNANCE

This report states compliance against the provisions of Regulation 34(3) read with Schedule V of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015. (hereinafter collectively referred to as 'Listing Regulations').

Corporate Governance is all about maintaining a valuable relationship and trust with all stakeholders. We consider stakeholders as partners in our success, and we remain committed to maximizing stakeholders' value, be it shareholders, employees, suppliers, customers, investors, communities or policy makers. This approach to value creation emanates from our belief that sound governance system, based on relationship and trust, is integral to create during value for all.

STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's Governance policy is based on trusteeship, transparency and accountability. As a corporate citizen our business fosters a culture of ethical behavior and disclosures aimed at building trust of our stakeholders.

We adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders.

Governance Structure

The Corporate Governance structure at Prakash Woollen & Synthetic Mills Limited is as follows:

1. Board of Directors:

The Board is entrusted with the ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's Management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosure.

2. Committees of the Board:

The Board has constituted the following Committees viz, Audit Committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee and Finance Committee. Each of the said Committee has been mandated to operate within a given framework.

BOARD OF DIRECTORS

Size and Composition of the Board and Attendance Status

The composition of the board is in line with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board of Directors of the Company consists of 9 Directors; out of which five are Non-Executive-Independent Directors, and three are Executive Directors and one is Non- Executive and Non- Independent Director of the Company. The Chairman of the Board is a Promoter Executive Director.

The composition of the Board, category of Directors and Attendance Status at the Board meetings and AGM are as under:

| Name of the Director | Category | Relationship with other Directors | No. of membership in Boards of other companies | No. of Meeting Attended | Attendance of each director at last AGM |
|----------------------------|---|--|--|-------------------------|---|
| Mr. Jai Kishan Gupta | Promoter & Executive Director Managing Director & Chairman | Brother of Vijay Kumar Gupta, Daya Kishan Gupta, Ved Prakash Gupta | NIL | Five | Yes |
| Mr. Daya Kishan Gupta | Promoter & Executive Director Whole-Time Director | Brother of Vijay Kumar Gupta, Jai Kishan Gupta, Ved Prakash Gupta | NIL | Five | Yes |
| Mr. Vijay Kumar Gupta | Promoter & Executive Director CFO & Whole Time Director | Brother of Daya Kishan Gupta, Jai Kishan Gupta, Ved Prakash Gupta | NIL | Five | Yes |
| Mr. Ved Prakash Gupta | Promoter & Non Executive Director | Brother of Vijay Kumar Gupta, Daya Kishan Gupta, Jai Kishan Gupta, | One | Two | No |
| Mr. Pramod Kumar Agarwal | Non-Promoter & Independent Director | NIL | NIL | Four | No |
| Mr. Mahendra Kumar Agarwal | Non-Promoter & Independent Director | NIL | NIL | Four | No |
| Dr. Satish Kumar Raj | Non-Promoter & Independent Director | NIL | One | Three | No |
| Mr. Vijay Anand Rastogi | Non-Promoter & Independent Director | NIL | One | Three | Yes |
| Mrs. Sushma Pandey | Non-Promoter & Independent Director | NIL | NIL | Two | No |

None of the Directors on the Board is a member of more than ten committees and Chairman of more than five Committees across all companies in which they are Directors.

*Mr. Ved Prakash Gupta was designated as Promoter Non-Executive Director w.e.f 1st June 2017.

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INDEPENDENT DIRECTORS

The Non – Executive Independent Directors fulfill the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Rules made there under and meet with requirement of Regulation 25 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 entered into with the Stock Exchanges.

None of the Independent Director on the Board of the Company serve as an Independent Director in more than seven (7) Listed Companies nor holds the position of Whole time Director in any Listed Company. Independent Directors of the Company have been appointed in accordance with the applicable provisions of the Companies Act, 2013 (“Act”) read with relevant rules.

Formal letters of appointment as per Schedule IV of the Act have been issued to the Independent Directors and the terms and conditions of their appointment have been disclosed on the website of the Company. The weblink of same is given below:- <http://www.prakashwoollen.com>.

BOARD'S PROCEDURES

It has always been the Company's policy and practice that apart from matters requiring Board's approval by statute, all major decisions including quarterly results of the Company, financial restructuring, capital expenditure proposals, collaborations, material investment proposals in joint venture/ promoted companies, sale and acquisition of material nature of assets, mortgages, guarantees, donations, etc. are regularly placed before the board. This is an addition to information with regard to actual operations; major litigation feedback reports, information on senior level appointments just below the Board level and minutes of all Committee meetings. In addition to the information required under Part A of Schedule II of Sub-Regulation 7 of Regulation 17 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Board is also kept informed of major events/items and approvals taken wherever necessary.

Board Meetings

During the financial year 2017-18 five (5) board meetings were held on 26.05.2017, 18.08.2017, 12.09.2017, 14.12.2017 and 12.02.2018. The interval between two meetings was well within the maximum period mentioned under Section 173 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The details of Board meetings are given below:

| Date | Board Strength | No. of Directors Present |
|--------------------|----------------|--------------------------|
| May 26, 2017 | 9 | 7 |
| August 18, 2017 | 9 | 5 |
| September 12, 2017 | 9 | 6 |
| December 14, 2017 | 9 | 8 |
| February 12, 2018 | 9 | 7 |

MEETINGS OF INDEPENDENT DIRECTORS

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors or management personnel. Such meetings are conducted to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views. The Independent Director takes appropriate steps to present their views to the Chairman and Managing Director. One separate meeting of Independent Directors was held during the year on March 20, 2018.

FAMILIARISATION PROGRAMMES FOR INDEPENDENT DIRECTORS

The Board members are provided with a familiarization pack that is handed over to the new induct to enable them to familiarize with the Company's procedures and practices. Updates on relevant statutory changes and on the business and operations of the Company on a continuous basis are regularly circulated to the Directors. Site visits to plant locations are organized for the Directors to enable them to understand the operations of the Company. The details of such familiarization programmes for Independent Directors are posted on the website of the Company and can be accessed at www.prakashwoollen.com (<http://www.prakashwoollen.com/node/278>)

CODE OF CONDUCT

The Company has in place Code of Conduct (the Code) applicable to all the Directors & Senior Management. The Code is applicable to Directors & Senior Management to such extent as may be applicable to them depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The Code reflects the values of the Company viz-Customer Value, Integrity and Excellence.

The Company has also placed a separate code for Independent Directors. It helps in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct.

A copy of these Codes has been put on the Company's website www.prakashwoollen.com at the link:

<http://www.prakashwoollen.com/Code%20of%20Conduct%20For%20Directors%20%26%20Senior%20Management> .

The Codes has been circulated to Directors and Management Personnel, and its compliance is affirmed by them annually.

ANNUAL DECLARATION BY THE MANAGING DIRECTOR (CHIEF EXECUTIVE OFFICER)

A declaration signed by the Company's CFO and Whole Time Director is enclosed with this Report.

PRAKASH WOOLLEN & SYNTHETIC MILLS LIMITED

BOARD COMMITTEES

The Board of directors has constituted required committees to deal with specific areas and activities which concern the company and need a closer review. The Board Committees are formed with approval of the Board and function under their respective Charters. These Board Committees play an important role in overall management of day-to-day affairs and governance of the Company. The Board Committees meet at regular intervals, takes necessary steps to perform its duties entrusted by the Board. To ensure good governance, the Minutes of the Committee Meetings are placed before the Board for their noting.

Details of the Board Committees and other related information are provided hereunder:

A. AUDIT COMMITTEE

Composition

Pursuant to the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 an Audit Committee comprising of three Independent Directors had been constituted to perform all such powers and functions as were required to be performed under the said provisions.

The Company has complied with the requirements of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as regard to the composition of the Audit Committee.

Meetings & Attendance

The Audit Committee met four (4) times during the year ended 31st March, 2018 i.e. on 26th May 2017, 12th September 2017, 14th December, 2017, 12th February 2018. The intervening period between two meetings was well within the maximum time gap 120 days as prescribed under Listing Regulations. The constitution of Audit Committee and attendance of each member is as given below:

| Name of Member | Designation | No. of Meeting attended |
|----------------------------|-------------|-------------------------|
| Mr. Vijay Anand Rastogi | Chairman | Three |
| Dr. Satish Kumar Raj | Member | Two |
| Mr. Mahender Kumar Agarwal | Member | Three |

The Company Secretary acts as Secretary to the Committee.

*Mr. Vijay Anand Rastogi, who acted as Chairman of the Audit Committee Meetings was present at the Last Annual General Meeting of the Company held on 20th September, 2017 to answer the shareholders' queries.

Terms of Reference

Powers of Audit Committee

The Audit Committee shall have powers, which should include the following:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Role of Audit Committee

The role of the Audit Committee shall include the following:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
- Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
- Changes, if any, in accounting policies and practices and reasons for the same
- Major accounting entries involving estimates based on the exercise of judgment by management
- Significant adjustments made in the financial statements arising out of audit findings
- Compliance with listing and other legal requirements relating to financial statements
- Disclosure of any related party transactions
- Qualifications in the draft audit report
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

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- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Reviewing the following information:

The Audit Committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

B. NOMINATION AND REMUNERATION COMMITTEE

The composition of Nomination & Remuneration Committee is as per Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Terms of References:

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

1. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board of Directors their appointment and/or removal;
2. To carry out evaluation of every Director's performance;
3. To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to our Board of Directors a policy, relating to the remuneration for the directors, key managerial personnel and other employees such that its policies ensure that –
 - a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals
4. To formulate the criteria for evaluation of Independent Directors and the Board of Directors;
5. To recommend to the Board of Directors whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

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6. To devise a policy on the diversity of the Board of Directors;
7. To recommend/review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria;
8. To carry out any other function as is mandated by the Board of Directors from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable;
9. To administration and superintendence the employee stock option scheme or employees benefit schemes as approved by Board of Directors of the Company; and
10. To formulate the detailed terms and conditions of such schemes, frame suitable policies and procedures to ensure that there is no violation of applicable laws.

Composition of the Committee, Meetings and Attendance

The Board of Directors constituted a Nomination and Remuneration Committee comprising of three Non-Executive Independent Directors. Mr. Vijay Anand Rastogi is the Chairperson of the Committee.

The Nomination and Remuneration Committee members met three times during the financial year ended 31st March, 2018 i.e. on 26th May 2017 for the resignation of Mr. Ved Prakash Gupta from the office of Whole Time Director and continue as Ordinary Director, on 18th August, 2017 for increasing the remuneration of Mr. Jai Kishan Gupta, Mr. Daya Kishan Gupta & Mr. Vijay Kumar Gupta and on 12th February 2018 for evaluation of Director's Performance pursuant to section 178(2) of the Companies Act, 2013. The Constitution of Committee and attendance of each member is as given below:

| Name of Member | Designation | No. of Meeting attended |
|----------------------------|-------------|-------------------------|
| Mr. Vijay Anand Rastogi | Chairman | 1 |
| Dr. Satish Kumar Raj | Member | 2 |
| Mr. Mahender Kumar Agarwal | Member | 3 |

The function of the Nomination and Remuneration Committee includes recommendation of appointment of Whole-time Director(s)/ Managing Director/Joint Managing Director and recommendation to the Board of their remuneration.

The Company has complied with the requirements of Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as regard to the composition of the Nomination and Remuneration Committee.

Performance Evaluation of the Board, Committees and Directors

Your Company understands the requirements of an effective Board Evaluation process and accordingly conducts a Performance Evaluation every year in respect of the following:

- i. Board of Directors as a whole
- ii. Committees of the Board of Directors
- iii. Individual Directors including the Chairman of the Board of Directors.

In compliance with the requirements of the provisions of Section 178 of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Guidance Note on Board Evaluation issued by SEBI in January 2017, your Company has carried out a Performance Evaluation for the Board / Committees / Directors of your Company for the financial year ended March 31, 2018.

The key objectives of conducting the Board Evaluation were to ensure that the Board and various Committees of the Board have appropriate composition of Directors and they have been functioning collectively to achieve common business goals of your Company. Similarly the key objective of conducting performance evaluation of the Directors through individual assessment and peer assessment was to ascertain if the Directors actively participate in Board Meetings and contribute to achieve the common business goal of the Company.

The Directors carry out the aforesaid Performance Evaluation in a confidential manner and provide their feedback on a rating scale of 1-5. Duly completed formats were sent to the Chairman of the Board and the Chairman / Chairperson of the respective Committees of the Board for their consideration. The Performance Evaluation feedback of the Chairman was sent to the Chairperson of the Nomination and Remuneration Committee.

Outcome of such Performance Evaluation exercise was tabled at the Nomination and Remuneration Committee Meeting held on February 12, 2018 and also discussed at a separate Meeting of the Independent Directors held on March 20, 2018.

The Nomination and Remuneration Committee forwarded their recommendation based on such Performance Evaluation to the Board of Directors and the same was tabled at the Board Meeting held on 12th February, 2018. All the criteria of Evaluation as envisaged in the SEBI Circular of Guidance Note on Board Evaluation had been adhered to by your Company. Based on the aforesaid Performance Evaluation, your Board decided to continue the terms of appointment of the Chairman, the Independent Directors, the Executive Directors and the Non-Executive Directors.

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REMUNERATION TO DIRECTORS

Nomination and Remuneration Policy

In compliance with the requirements of Section 178 of the Companies Act, 2013, Rules framed thereunder and pursuant to the provisions of Regulation 19(4) of the Listing Regulations, the Board of Directors of the Company has a Nomination and Remuneration Policy for the Directors, Key Managerial Personnel, Functional Heads and other employees of the Company. The Policy provides for criteria and qualifications for appointment of Director, Key Managerial Personnel (KMPs) and Senior Management Personnel (SMPs), remuneration to them, Board diversity etc.

The company's remuneration policy is directed towards rewarding performance based on review of achievements periodically. The remuneration policy is in consonance with the existing industry practice. Nomination and Remuneration policy is available at the Company's Website on the link <http://www.prakashwoollen.com/reports/polices/nomination-remuneration-policy.pdf>

Remuneration paid to the Executive Directors:

The details of Remuneration paid to the Chairman and Managing Director and Whole-Time Directors for the financial year 2017-2018 is given below:

| Name | Salary | Commission on profits | Total |
|-----------------------|-----------|-----------------------|-----------|
| Mr. Vijay Kumar Gupta | 45,00,000 | NIL | 45,00,000 |
| Mr. Daya Kishan Gupta | 45,00,000 | NIL | 45,00,000 |
| Mr. Jai Kishan Gupta | 45,00,000 | NIL | 45,00,000 |

The tenure of office of the Managing Director and Whole-time Directors is for five years from their respective dates of appointments.

Remuneration paid to the Non-Executive Directors:

Sitting fee and commission on net profit paid to Non-Executive Directors during the financial year ended 31st March, 2018 is as under:

| Name of the | Sitting Fee | Commission | Total |
|-------------------------------|-------------|------------|--------|
| Non-Executive Director | | | |
| Mr. P.K. Agarwal | 32,500 | NIL | 32,500 |
| Mr. Ved Prakash Gupta | 5,000 | NIL | 5,000 |
| Mr. M.K. Agarwal | 37,500 | NIL | 37,500 |
| Mr. Vijay Anand Rastogi | 35,000 | NIL | 35,000 |
| Dr. S.K. Raj | 27,500 | NIL | 27,500 |
| Ms. Sushma Pandey | 17,500 | NIL | 17,500 |

Equity Shares held by the Directors

Except as stated hereunder, none of the directors, held any shares in the Company as on March 31, 2018:

| Name of the Director | No. of Shares Held | % of Shareholding |
|--------------------------|--------------------|-------------------|
| Mr. Vijay Kumar Gupta | 453709 | 4.42% |
| Mr. Daya Kishan Gupta | 170910 | 1.67% |
| Mr. Jai Kishan Gupta | 417960 | 4.07% |
| Mr. Ved Prakash Gupta | 176393 | 1.72% |
| Mr. Pramod Kumar Agarwal | 200 | 0.002% |
| Dr. Satish Kumar Raj | 900 | 0.01% |
| Ms. Sushma Pandey | 2300 | 0.02% |

The Company does not have any Stock Option Scheme for its employees.

C. STAKEHOLDERS RELATIONSHIP COMMITTEE.

The Stakeholders Relationship Committee is constituted as per Section 178 and Regulation 20 of the SEBI (LODR), 2015.

Pursuant to the Companies Act, 2013 and the Listing Regulations, the Company has a Stakeholders Relationship Committee. The Committee looks into the grievances of security holders including debenture holders and fixed deposit holders in addition to the equity shareholders of the Company.

The Committee oversees performance of the Registrar and Transfer Agents of the Company and recommends measures for overall improvement in the quality of investor services.

The Stakeholders Relationship Committee was reconstituted on 12th August, 2016 and consists of three non-executive Independent Directors. Mr. Vijay Anand Rastogi, Independent Director is the Chairman of the Committee.

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The Board has delegated the power of approving transfer of securities to the Registrar & Share Transfer of the Company.

The Committee met Four (4) times during the financial year ended 31st March, 2018, i.e. on 26th May 2017, 12th September 2017, 14th December 2017, and 12th February 2018. The Constitution of the Committee and attendance of each member is as given below.

| Name of Member | Designation | No. of Meeting attended |
|--------------------------|-------------|-------------------------|
| Mr. Vijay Anand Rastogi | Chairman | Three |
| Mr. Pramod Kumar Agarwal | Member | Four |
| Ms. Sushma Pandey | Member | Two |

Mr. Vijay Anand Rastogi, Chairman of the Stakeholders Relationship Committee, was present at the annual general meeting of the Company held on 20th September, 2017 to answer members' queries.

Compliance Officer

Ms. Shivangi Agarwal, Company Secretary & Compliance Officer w.e.f. October 1, 2014 and had been complying with the requirements of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and requirements of SEBI (Prohibition of Insider Trading) Regulation, 2015. Ms. Shivangi Agarwal, Company Secretary and Compliance Officer resigned with effect from 12th June 2018 and Ms. Ruchi Gupta was appointed as Company Secretary and Compliance Officer with effect from 12th June 2018.

Complaints from Investors

In compliance with the requirements of the SEBI Circular No. CIR/OIAE/2/2011 dated June 3, 2011, the Company has obtained exclusive User ID and Password for processing the investor complaints in a centralized web based SEBI Complaints Redress System - 'SCORES'. This enables the investors to view online the action taken by the Company on their complaints and current status thereof, by logging on to the SEBI's website www.sebi.gov.in. No shareholder's complaint was lying unresolved as on March 31, 2018 under 'SCORES'.

It is confirmed that there was no request for registration of share transfers / transmissions lying pending as on March 31, 2018 and that all requests for issue of new certificates, sub-division or consolidation of shareholdings, etc., received up to March 31, 2018 have since been processed. The Company has an efficient system in place to record and process all requests for dematerialization and re-materialization of shares in the Company through National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL).

Nature of complaints received and resolved during the financial year ended on March 31, 2018:

| | |
|---|-----|
| No. of complaints pending at the beginning of the year | Nil |
| No. of complaints received by correspondence during the year ended 31.03.2018 | Nil |
| No. of complaints received for Refund / Instrument correction during the year | Nil |
| No. of complaints received from BSE during the year | One |
| No. of complaints received from SEBI during the year | Nil |
| No. of complaints resolved / replied during the year | One |
| No. of Investors complaints pending at the ending of the year 31.03.2018 | Nil |

We confirm that No complaints remained unattended / pending for more than 30 days.

There were no share transfers pending for registration for more than 15 days as on the said date.

General Body Meetings

Annual General Meetings (AGM)

| Year | Date, Time & Venue | Matters for Special Resolution passed |
|---------------------------------|---|--|
| 38 th AGM 2016-17 | 20.09.2017 12.30 P.M. Registered Office | 1. Acceptance of Unsecured Deposits. |
| 37 th AGM 2015-16 | 23.09.2016 11:30 AM Registered Office | 1. Appointment of Mr. Jai Kishan Gupta as Managing Director. |
| 36 th AGM 2014-15 | 25.09.2015 11:00 AM Registered Office | NIL |

No business was transacted through Postal Ballot during the period under review.

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Means of Communication

Financial Results: Prior intimation of Board Meeting where to consider and approve Unaudited/ Audited Financial Results of the Company is given to the Stock Exchanges and also disseminated on the website of the Company at www.prakashwoollen.com. The aforesaid Financial Results are immediately intimated to the Stock Exchanges, after the same are approved at Board Meeting. The Annual Audited Financial Statements are not posted to every Member of the Company. In terms of Regulation 10 of the Listing Regulations, the Company complies with the online filing requirements on electronic platforms of BSE Limited (BSE) viz. BSE Corporate Listing Centre.

Newspapers: The Financial Results of the Company are published in prominent daily Newspapers, viz. "Pioneer", New Delhi (English) and Hindustan, Moradabad (Hindi)

Website: The website of the Company www.prakashwoollen.com contains a dedicated section "Investor Relation" which contains details / information of interest to various stakeholders, including Financial Results, Shareholding Pattern, Press Releases, Company Policies, etc. The shareholders / investors can view the details of electronic filings done by the Company on the respective websites of BSE Limited i.e., www.bseindia.com

Press / News releases: Official press releases including Press Release on Financial Results of the Company are sent to the Stock Exchanges and the same are simultaneously hosted on the website of the Company.

Presentations to institutional investors / analysts: All price sensitive information is promptly intimated to the Stock Exchanges before releasing to the Media, other stakeholders and uploading on Company Website.

RELATED PARTY TRANSACTIONS

There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large.

The Board of Directors of the Company has adopted a Related Party Transaction Policy in place, pursuant to the requirements of Section 188 of the Companies Act, 2013 and Rules framed thereunder and Regulation 23 of the Listing Regulations.

The said Related Party Transaction Policy is available on the website of the Company at the link <http://www.prakashwoollen.com/reports/policies/related-party-policy.pdf>.

The above policy is subject to change from time to time. The policy meets the requirements of the SEBI Listing Regulations, 2015.

Your Company does not have any contracts or arrangements with its related parties under Section 188(1) of the Companies Act, 2013, which are not on arm's length basis or material in nature. Hence, there was nothing to disclose in Form AOC-2 as prescribed under the Companies Act, 2013 and the Rules framed thereunder.

General Shareholders' Information

Scheduled AGM's

Day, Date, Time & Venue

Tentative Financial Year 2018-2019

Dividend

Registered Office

Listing of Equity Shares on Stock Exchanges and Payment of Listing Fee

Registrar & Transfers Agents

Share Transfer System

ISIN for Equity Shares

Scrip Code

39th ANNUAL GENERAL MEETING

22nd September, 2018 Saturday, 10.30 A.M.

18th KM, Stone, Delhi Moradabad Road, NH-24, Village Amhera, Distt. J.P. Nagar-244102

- Financial reporting for the quarter ending 30th June, 2018:
By August 2018
- Financial reporting for the half year ending 30th September 2018:
By November 2018
- Financial reporting for the quarter ending 31st December, 2018:
By February 2019
- Financial reporting for the year ending 31st March, 2019:
By May 2019 for AFR

In order to meet the additional working capital requirement of the Company, No Dividend has been declared.

18th KM, Stone, Delhi Moradabad Road, NH-24, Village Amhera, Distt. J.P. Nagar-244102 Ph. No.: 0591-2223008/18; Fax: 0591-2223009 Email id: info@prakashwoollen.com

BSE Limited, Annual Listing fee for the year 2017-18 has been paid by the Company to the Stock Exchange

Skyline Financial Services (P) Limited, D-153 A, 1st Floor, Okhla, Indl. Area, Phase-I, New Delhi-110024 Ph. No.: 011-26812682/83 Fax: 011-30857562 Email id: admin@skylinerta.com

Mr. Virender Rana, Vice President

Share Transfer in physical form can be lodged with Skyline Financial Services Limited, at abovementioned address or at Registered office of the Company.

INE523I01016

BSE '531437'

PRAKASH WOOLLEN & SYNTHETIC MILLS LIMITED

STOCK MARKET DATA

A) YOUR COMPANY

| MONTHS | HIGH | LOW |
|--------|-------|-------|
| Apr17 | 35.45 | 28.50 |
| May17 | 31.60 | 24.30 |
| Jun17 | 33.50 | 25.50 |
| Jul17 | 31.00 | 25.05 |
| Aug17 | 30.35 | 24.25 |
| Sep17 | 29.10 | 21.00 |
| Oct17 | 36.80 | 21.00 |
| Nov17 | 47.45 | 35.45 |
| Dec17 | 45.45 | 36.50 |
| Jan18 | 52.15 | 39.10 |
| Feb18 | 55.30 | 41.25 |
| Mar18 | 53.15 | 40.25 |

B) Sensex

| Months | High | Low |
|--------|-----------|-----------|
| Apr17 | 30,184.22 | 29,241.48 |
| May17 | 31,255.28 | 29804.12 |
| Jun17 | 31,522.87 | 30,680.66 |
| Jul17 | 32,672.66 | 31,017.11 |
| Aug17 | 32,686.48 | 31,128.02 |
| Sep17 | 32,524.11 | 31,081.83 |
| Oct17 | 33,340.17 | 31,440.48 |
| Nov17 | 33,865.95 | 32,683.59 |
| Dec17 | 34,137.97 | 32,565.16 |
| Jan18 | 36,443.98 | 33,703.37 |
| Feb18 | 36,256.83 | 33,482.81 |
| Mar18 | 34,278.63 | 32,483.84 |

(C) Your Company V/s Sensex



PRAKASH WOOLLEN & SYNTHETIC MILLS LIMITED

Shareholding pattern as on 31st March 2018 :-

| | CATEGORY | NO. OF SHARE HELD | % OF SHAREHOLDING |
|-----|--|-------------------|-------------------|
| (A) | Shareholding of Promoter and Promoter Group | | |
| 1 | Indian | | |
| (a) | Individuals/Hindu Undivided Family | 6441520 | 62.78 |
| (b) | Bodies Corporate | 0 | 0 |
| | Sub Total (A)(1) | 6441520 | 62.78 |
| 2 | Foreign | NIL | NIL |
| | Sub Total (A)(2) | NIL | NIL |
| | Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2) | 6441520 | 62.78 |
| (B) | Public Shareholding | | |
| 1 | Institutions | | |
| (a) | Mutual Funds/ UTI | 13400 | 0.13 |
| (b) | Financial Institutions / Banks | 120000 | 1.17 |
| | Sub Total (A)(1) | 133400 | 1.30 |
| 2 | Non-Institutions | | |
| (a) | Bodies Corporate | 537556 | 5.24 |
| (b) | Individuals | | |
| i. | Individual shareholders holding nominal share capital up to Rs. 2 Lakh | 1153532 | 11.24 |
| | Individual shareholders holding nominal share capital in excess of Rs. 2 Lakh | 1822396 | 17.76 |
| (c) | Other | 110 | 0.00 |
| i. | Non Resident Indians | 11562 | 0.11 |
| ii. | Hindu Undivided Family | 159674 | 1.56 |
| | Sub Total (B)(2) | 3684830 | 35.92 |
| | Total Public Shareholding (B)= (B)(1)+(B)(2) | 3818230 | 37.22 |
| | TOTAL (A)+ (B) | 10259750 | 100.00 |
| (C) | Shares held by Custodians and against which depository Receipts have been issued | 0 | 0 |
| | GRAND TOTAL (A)+(B)+(C) | 10259750 | 100.00 |

Distribution of Shareholding

| Share holding Range | No. of Shareholders | % | Shares | % |
|---------------------|---------------------|---------------|------------------|---------------|
| UP TO 5000 | 640 | 55.96 | 1548740 | 1.51 |
| 5001 - 10000 | 256 | 21.59 | 2298560 | 2.24 |
| 10001 - 20000 | 81 | 6.83 | 1268230 | 1.24 |
| 20001 - 30000 | 55 | 4.64 | 1386610 | 1.35 |
| 30001 - 40000 | 16 | 1.35 | 503720 | 0.55 |
| 40001 - 50000 | 20 | 1.69 | 965620 | 0.94 |
| 50001 - 100000 | 23 | 1.94 | 1927530 | 1.88 |
| 100001 & ABOVE | 95 | 8.01 | 92638490 | 90.29 |
| TOTAL | 1186 | 100.00 | 102597500 | 100.00 |

Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on Equity

The Company does not have any outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments as on March 31, 2018.

Commodity price risk or foreign exchange risk and hedging activities:

The Company does not have any commodity risk. Risk assessment and its minimization procedures have been laid down by the Company and the same have been informed to the Board Members. These procedures are periodically reviewed to ensure that the management controls risk through means of a properly defined framework.

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Dematerialization of shares and liquidity

Pursuant to the SEBI directive, to enable the shareholders to hold their shares in electronic form, the company has enlisted its shares with National Securities Depository Limited (NSDL) & Central Depository Services (India) Ltd. (CDSL).

The status of dematerialization of shares as on 31st March, 2018 is as under:

| Particulars | No. of shares | % of total share capital |
|--------------------------------|---------------|--------------------------|
| Held in dematerialization form | 9150670 | 89.18% |

Reconciliation of Share Capital Audit Report

The Company has appointed M/s R S Bhatia, Practicing Company Secretary, to conduct Reconciliation of Share Capital Audit of the Company for the financial year ended 31st March 2018, who has submitted his quarterly reports confirming that there is no discrepancy.

Compliance Certificate of the Auditors

The Statutory auditors have certified that the Company has complied with the conditions of Corporate Governance as) as referred to in Regulation 15(2) as stipulated in Para E of Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and the same is annexed to the Directors' Report and Management Discussion and Analysis.

The Certificate from the Statutory Auditors is attached with the Annual Report of the Company.

Plants and Units Locations

J. P. Nagar Works: 18th KM Stone,
Delhi-Moradabad Road, NH-24, Village Amhera,
Distt. J. P. Nagar-244102

Moradabad Works: Village-Mangupura,
P.O. Pakwara, Pakawara, Moradabad-244001

Address for Correspondence

(a) **Investor Correspondence:** For any query relation to the shares of the Company.

For Shares held in Physical Form:

Skyline Financial Services Pvt. Ltd.
D-153 A, 1st Floor, Okhla, Area, Phase-I
Industrial Area, New Delhi-110024
Tel.: 011-26812682-83, Fax: 011-30857562
Email: admin@skylinerta.com

For Shares held in Demat Form

To the Investors' Depository participant(s) and / or Skyline Financial Services Pvt. Ltd. at the above address

(b) **For grievance redressal and any query on Annual Report**

Secretarial Department
Prakash Woollen & Synthetic Mills Limited
18th KM Stone, Delhi-Moradabad Road,
NH-24, Village Amhera, Distt. J. P. Nagar-244102
Email: investor@prakashwoollen.com

OTHER DISCLOSURES

a) **Disclosure on materially significant related party transactions:**

There were no materially significant transactions which were in conflict with the interest of the Company. The said policy is put on website of the Company www.prakashwoollen.com.

b) **Disclosure of non-compliance by the Company, penalties, and strictures imposed on the Company by the stock exchanges, SEBI or any other statutory authority on any matter related to capital markets during the last three years:**

During the financial year 2017-18 a penalty of Rs. 1 lakh was imposed on the company under regulation 15A(b) of SEBI Act for the violation of regulation 13(6) of Prohibition of Insider Trading Regulation 2015.

All mandatory requirement as per Listing Regulations have been complied with by the Company. There were no restriction and penalties imposed by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital market during the year under review.

The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India and there is no statutory audit qualification in this regard.

c) **Policy for determining material subsidiary:**

The details of the policy on determining "Material Subsidiaries" is available on <http://www.prakashwoollen.com/sites/default/files/Policy%20for%20Determination%20of%20material%20subsidiary.pdf>

PRAKASH WOOLLEN & SYNTHETIC MILLS LIMITED

d) Disclosures with respect to demat suspense account/unclaimed suspense account:

The Company does not have any shares in the demat suspense/unclaimed suspense account.

e) Vigil Mechanism/ Whistle Blower Policy

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil mechanism and Whistle blower policy as required under the provisions of Section 177(9) of the Companies Act, 2013 and Regulation 4 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed to the Ethics and Compliance Task Force which operates under the supervision of the Audit Committee who avail of the mechanism and provides for direct access to the Audit Committee in exceptional cases.

During the year under review, no employee was denied access to the Audit Committee.

f) Details Of Mandatory And Non-Mandatory Corporate Governance Requirements

The Quarterly / Yearly Reports on compliance of Corporate Governance in the prescribed format have been submitted to the Stock Exchanges where the Shares of the Company are listed within the stipulated time. The Company has complied with all mandatory requirements to the extent applicable to the Company.

The Company has not adopted any non-mandatory requirements of Listing Regulations.

g) Discretionary Corporate Governance Requirements

In terms of Regulation 27(1) of the Listing Regulations read with Schedule II to the said Regulations, the disclosure on account of the extent to which the discretionary requirements as specified in Part E of Schedule II are given below:

- (i) The Chairman does not maintain any office at the expense of the Company;
- (ii) In view of publication of the Financial Results of the Company in newspapers and disseminating the same on the website of the Company as well as on the website of the Stock Exchanges, the Company does not consider it prudent to circulate the half-yearly Results separately to the Shareholders;
- (iii) The Company's Financial Statements have been accompanied with unmodified audit opinion - both on quarterly and yearly basis and also on standalone basis;
- (iv) The Chairman and the Managing Director of the Company is same;

Sd/-

Place: Village Amhera (J. P. Nagar)

Date: 11th August, 2018

Sd/-

(Jai Kishan Gupta)
Managing Director
DIN: 00337659

(Vijay Kumar Gupta)

CFO & Whole Time Director
DIN: 00335325

CEO and CFO Certification

The Chief Financial Officer of the Company gives annual certification on financial reporting, internal reporting and internal controls to the Board in terms of Regulation 17(8) 26(3) and Para D of Schedule V of SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015. The Chief Financial Officer also gives quarterly certification on financial results before the Board in terms of Regulation 33(2) of the SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015. The annual Certificate given by the Chief Financial Officer is published in this Report.

Certificate on Compliance with Code of Conduct

I hereby confirm that the Company has obtained from all the members of the Board and Management Personnel, affirmation that they have complied with the code of Business Conduct and Ethics for Directors/Management Personnel and there is no noncompliance thereof during the Year ended 31st March, 2018.

Date : 11th August, 2018

Place : Village Amhera (J.P. Nagar)

Sd/-

(Vijay Kumar Gupta)
Whole Time Director & CFO
DIN No. : 00335325

PRAKASH WOOLLEN & SYNTHETIC MILLS LIMITED

CHIEF EXECUTIVE OFFICER (CEO) / CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

To,
The Board of Directors
Prakash Woollen & Synthetic Mills Limited

I, Vijay Kumar Gupta, Whole Time Director & (CFO), to the best my knowledge and belief certify that:

- A. I have reviewed financial statements and the cash flow statement for the year ended March 31, 2018 and that to the best of my knowledge and belief, I state that:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year ended March 31, 2018 which are fraudulent, illegal or violative of the Company's code of conduct.
- C. I accept responsibility for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting . I have not come across any reportable deficiencies in the design or operation of such internal controls.
- D. I have indicated to the Auditors and the Audit Committee that:
- (i) There has not been any significant changes in internal control over financial reporting during the financial year ended March 31, 2018;
 - (ii) There has not been significant changes in accounting policies during the financial year ended March 31, 2018, except to the extent, if any, disclosed in the notes to the financial statements; and
 - (iii) We have not become aware of any significant fraud or involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Date : 11th August, 2018
Place : Village Amhera (J.P.Nagar)

Sd/-
(Vijay Kumar Gupta)
Whole Time Director & CFO
DIN No. :00335325

PRAKASH WOOLLEN & SYNTHETIC MILLS LIMITED

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of Prakash Woollen & Synthetic Mills Limited

1. We have examined the compliance of conditions of corporate governance by Prakash Woollen & Synthetic Mills Limited (the 'Company') for the year ended 31 March 2018, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations').

Management's Responsibility

2. The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

Auditor's Responsibility

3. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the 'ICAI'), and the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
5. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

6. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31 March 2018.

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

Restriction on use

7. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For A. Anand & Co.
Chartered Accountants
Firm's registration number: 005147C

Date : 11th August, 2018
Place : Village Amhera (Amroha)

(AJAYANAND)
(Partner)
Membership No.074016

AUDITORS' REPORT

To the Members of
Prakash Woollen & Synthetic Mills Limited
(formerly known as Prakash Woollen Mills Limited)

Report on the Financial Statements

1. We have audited the accompanying Ind AS financial statements of Prakash Woollen & Synthetic Mills Limited (formerly known as Prakash Woollen Mills Limited), ("the company"), which comprise the Balance Sheet as at March 31, 2018, the statement of Profit and Loss (including other comprehensive income), the Cash Flow statement and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements.

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the State of affairs (financial position), Profit or Loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act. This 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 judgements and estimate 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit of Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditors' judgement including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 (financial position) of the Company as at March 31, 2018, and its profit/loss (financial performance including other comprehensive income), its cash flows and the change in equity for the year ended on that date.

9. Other Matter

The comparative financial information of the company for the year ended March 31, 2017 and the transition date opening balance sheet as at 1st April 2016 included in these Ind AS financial statements, are based on the previously issued statutory financial statements for the year ended March 31, 2017 and March 31, 2016 prepared in accordance with the Companies Accounting Standards) Rules, 2006 which were audited by us, on which we expressed an unmodified opinion dated May 26, 2017 and May 30, 2016 respectively. The adjustments to those financial Statements for the difference in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Reports) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure A, a statement on the matters specified in paragraph 3 and 4 of the Order.

PRAKASH WOOLLEN & SYNTHETIC MILLS LIMITED

11. 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 accounts 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 (including other comprehensive income) and the Cash Flow Statement and the statement of changes in equity dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standard prescribed under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 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.
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at March 31, 2018 on its financial position in its Ind AS financial statements.
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable forces.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8th November 2016 to 30th December 2016 which are not relevant to these financial statements. Hence, reporting under the clause is not applicable.

For A. Anand & Co.
Chartered Accountants
Firm's registration number: 005147C

(AJAY ANAND)
Partner)
Membership No. 074016

Place : Village Amhera (Amroha)
Date : 30.05.2018

PRAKASH WOOLLEN & SYNTHETIC MILLS LIMITED

ANNEXURE A TO THE AUDITORS' REPORT

(Referred to in paragraph 10 under heading of "Report on other legal and regulatory requirements" of our report of even date)

- (i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified once in a year. In accordance with the programme, fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.
- (ii) According to the information and explanations given to us and on the basis of our examination of the records of the company, the physical verification of inventory has been conducted at reasonable intervals by the management during the year and no material discrepancies were noticed on such verification.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not granted any secured or unsecured loans to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us in respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- (v) The company has not accepted deposits from public within the meaning of the Companies Act 2013 and the Rules framed there under to the extent notified.
- (vi) Maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act for the products which company produces.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion the Company is regular in depositing the undisputed statutory dues including provident fund, income tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.
- (b) According to information and explanations given to us and the records of the Company examined by us, there are no dues of service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute except of income tax amounting to Rs 940.33 lakh for the AY 2013-14 and Rs 34.24 for the AY 2014-15, the appeals against which are pending before Commissioner of Income tax (Appeals).
- (viii) According to information and explanations given to us and the records of the company examined by us, the company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- (ix) According to the records of the company examined by us and the information and explanation given to us, in our opinion, the moneys raised by the company by way of term loans were applied for the purposes for which those are raised.
- (x) According to the records of the company examined by us and the information and explanation given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) In our opinion, and according to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- (xii) In our opinion and according to the 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 records of the company examined by us and the information and explanation given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) According to the records of the company examined by us and the information and explanation given to us, 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 records of the company examined by us and the information and explanation given to us, the company has not entered into any non-cash transaction with directors or persons connected with him. Accordingly paragraph 3(xv) of the Order is not applicable.
- (xvi) In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For A. Anand & Co.

Chartered Accountants
Firm's registration number: 005147C

(AJAY ANAND)
(Partner)

Membership No. 074016

Place : Village Amhera (Amroha)
Date : 30.05.2018

ANNEXURE B TO THE AUDITORS' REPORT

Referred to in paragraph 11(f) under heading of "Report on other legal and regulatory requirements" of our report of even date
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Prakash Woollen & Synthetic Mills Limited (formerly known as Prakash Woollen Mills Limited), ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, 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 A. Anand & Co.
Chartered Accountants
Firm's registration number: 005147C

Place : Village Amhera (Amroha)
Date : 30.05.2018

(AJAY ANAND)
(Partner)
Membership No. 074016

PRAKASH WOOLLEN & SYNTHETIC MILLS LIMITED

BALANCE SHEET AS AT 31ST MARCH 2018

₹ in lakhs

| | Notes | As at 31.03.2018 | As at 31.03.2017 | As at 01.04.2016 |
|--|-------|---------------------|---------------------|---------------------|
| Assets | | | | |
| Non-Current Assets | | | | |
| (a) Property, Plant and Equipment | 2A | 4689.30 | 3951.33 | 3829.62 |
| (b) Capital work-in-progress | 2B | 46.60 | 20.36 | 281.64 |
| (c) Financial assets | | | | |
| (i) Other Financial assets | 3 | 19.62 | 19.62 | 19.62 |
| (d) Non Current Tax Assets (Net) | | 278.29 | - | - |
| (e) Other non-current assets | 4 | 21.01 | 64.78 | 6.91 |
| | | 5054.82 | 4056.09 | 4137.79 |
| Current Assets | | | | |
| (a) Inventories | 5 | 1825.12 | 1696.14 | 1652.29 |
| (b) Financial Assets | | | | |
| (i) Investments | 6 | - | 0.47 | 0.44 |
| (ii) Trade receivables | 7 | 1253.11 | 1159.39 | 961.20 |
| (iii) Cash and cash equivalents | 8 | 182.28 | 39.67 | 39.03 |
| (iii) Loans | 9 | 16.55 | 13.52 | 15.56 |
| (c) Current Tax Assets (Net) | | 7.39 | 277.83 | 131.38 |
| (d) Other current assets | 10 | 561.68 | 57.80 | 63.92 |
| | | 3846.13 | 3244.82 | 2863.82 |
| Total | | 8900.95 | 7300.91 | 7001.61 |
| Equity And Liabilities | | | | |
| Equity | | | | |
| (a) Equity Share capital | 11 | 1025.98 | 1025.98 | 1025.98 |
| (b) Other Equity | 12 | 2608.26 | 2357.56 | 2083.52 |
| | | 3634.24 | 3383.54 | 3109.50 |
| Liabilities | | | | |
| Non-Current Liabilities | | | | |
| (a) Financial Liabilities | | | | |
| (i) Borrowings | 13 | 1631.44 | 1236.64 | 1197.77 |
| (b) Deferred tax liabilities (Net) | 27 | 282.58 | 225.43 | 231.00 |
| | | 1914.02 | 1462.07 | 1428.77 |
| Current Liabilities | | | | |
| (a) Financial Liabilities | | | | |
| (i) Borrowings | 14 | 1761.82 | 1347.32 | 1490.55 |
| (ii) Trade payables | 15 | 839.42 | 519.43 | 529.59 |
| (iii) Other financial liabilities | 16 | 614.23 | 434.79 | 403.08 |
| (b) Other current liabilities | 17 | 116.57 | 136.07 | 34.40 |
| (c) Provisions | 18 | 20.65 | 6.25 | 5.72 |
| (d) Current Tax Liabilities (Net) | | - | 11.44 | - |
| | | 3352.69 | 2455.30 | 2463.34 |
| Total | | 8900.95 | 7300.91 | 7001.61 |
| Summary of Significant accounting policies | 1 | | | |

The accompanying notes are integral part of the financial statements

As per our report of even date

For A Anand & Co.
Chartered Accountants

For and on behalf of the board of directors
of Prakash Woollen & Synthetic Mills Limited

CA AJAY ANAND
(Partner)
Membership No. 074016

V. K. GUPTA
CFO & Whole time director
DIN -00335325

J. K. GUPTA
Managing director
DIN-00337659

Place : Village. Amhera (Amroha)
Date : 30 May 2018

SHIVANGI AGARWAL
Company secretary

PRAKASH WOOLLEN & SYNTHETIC MILLS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH 2018

₹ in lakhs

| | Notes | Year Ended 31.03.2018 | Year Ended 31.03.2017 |
|---|-------|--------------------------|--------------------------|
| Continuing Operations | | | |
| Income | | | |
| Revenue from operations | 19 | 9965.60 | 10452.07 |
| Other income | 20 | 7.92 | 13.06 |
| Total Income | | 9973.52 | 10465.13 |
| Expenses | | | |
| Cost of materials consumed | 21 | 6669.44 | 6970.07 |
| Excise duty | | 1.05 | 44.35 |
| Purchases of Stock-in-Trade | | 59.98 | 44.39 |
| Changes in inventories of finished goods, Stock-in -Trade and work in-progress | 22 | (194.70) | (126.96) |
| Employee benefit expense | 23 | 762.94 | 621.96 |
| Finance costs | 24 | 336.52 | 302.61 |
| Depreciation and amortization expense | 25 | 474.27 | 441.05 |
| Other expenses | 26 | 1477.16 | 1749.85 |
| Total expenses | | 9586.66 | 10047.32 |
| Profit Before Exceptional Items & Tax | | 386.86 | 417.81 |
| Exceptional items | | 0.00 | 0.00 |
| Profit before tax | | 386.86 | 417.81 |
| Tax expense | 27 | | |
| Current tax | | (86.37) | (146.44) |
| Deferred tax charge / (credit) | | (54.70) | 4.61 |
| Tax in respect of earlier years | | (0.05) | - |
| Profit (Loss) for the year from continuing operation | | 245.74 | 275.98 |
| Other Comprehensive Income | | | |
| (i) Items that will not be reclassified to profit or loss | | | |
| Remeasurements of net defined benefit plans | | 7.41 | (2.90) |
| Income tax relating to above items | | (2.45) | 0.96 |
| Total Comprehensive Income for the year | | 250.70 | 274.04 |
| Earnings per equity share of face value of ₹ 10 each (for continuing operation): | | | |
| Basic | 36 | ₹ 2.40 | ₹ 2.69 |
| Diluted | | ₹ 2.40 | ₹ 2.69 |
| Summary of Significant accounting policies | 1 | | |

The accompanying notes are integral part of the financial statements

As per our report of even date

For A Anand & Co.
Chartered Accountants

For and on behalf of the board of directors
of Prakash Woollen & Synthetic Mills Limited

CA AJAY ANAND
(Partner)
Membership No. 074016

V. K. GUPTA
CFO & Whole time director
DIN -00335325

J. K. GUPTA
Managing director
DIN-00337659

Place : Village. Amhera (Amroha)
Date : 30 May 2018

SHIVANGI AGARWAL
Company secretary

PRAKASH WOOLLEN & SYNTHETIC MILLS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2018

| | Year Ended 31.03.2018 | Year Ended 31.03.2017 |
|---|--------------------------|--------------------------|
| ₹ in lakhs | | |
| Cash Flow From Operating Activities | | |
| Net profit before tax from Continuing Operations | 386.86 | 417.81 |
| Adjustment for | | |
| Depreciation | 474.27 | 441.05 |
| (Profit)/loss on sale of fixed assets | (0.04) | 1.47 |
| Finance cost | 336.52 | 302.61 |
| Interest/dividend | (0.01) | (0.03) |
| Remeasurement of net defined benefit plans | 7.41 | (2.90) |
| Operating Profit Before Working Capital Changes | 1,205.01 | 1,160.01 |
| Adjustment For Movements In Working Capital | | |
| Increase/(decrease) in trade payables | 319.99 | (10.16) |
| Increase/(decrease) in short term provisions | 14.40 | 0.53 |
| Increase/(decrease) in other current liabilities | 27.78 | 127.99 |
| Increase/(decrease) in trade receivables. | (93.72) | (198.19) |
| Increase/(decrease) in inventory | (128.98) | (43.85) |
| Increase/(decrease) in in short term loans and advances | (506.91) | 9.16 |
| Cash Generated From Operations | 837.57 | 1,045.49 |
| Direct taxes paid | (105.71) | (282.45) |
| Cash flow before extraordinary items | 731.86 | 763.04 |
| Extraordinary Items | - | - |
| Net cash from operation activities | 731.86 | 763.04 |
| Cash Flow From Investing Activities | | |
| Purchase of fixed assets | (1,245.44) | (309.65) |
| Sale of fixed assets | 7.00 | 6.70 |
| Interest received | 0.01 | 0.03 |
| (Purchase)/sale of current investments | 0.47 | (0.03) |
| Capital advances | 43.77 | (57.87) |
| Net Cash used in investing activities | (1,194.19) | (360.82) |
| Cash Flow From Financing Activities | | |
| Proceeds from issue of share capital | - | - |
| Proceeds from long term borrowing | 851.65 | 323.38 |
| Repayment of long term borrowing | (335.41) | (275.39) |
| Proceeds for short term borrowing | 414.50 | (143.23) |
| Interest paid | (325.80) | (306.34) |
| Net Cash used in financial activities | 604.94 | (401.58) |
| Net increase in cash and cash equivalents (A+B+C) | 142.61 | 0.64 |
| Cash and cash equivalent as at the beginning of the year | 39.67 | 39.03 |
| Cash and cash equivalent as at the end of the year | 182.28 | 39.67 |

Summary of significant accounting policies 1

The accompanying notes are integral part of the financial statements

As per our report of even date

For A Anand & Co.
Chartered Accountants

For and on behalf of the board of directors
of Prakash Woollen & Synthetic Mills Limited

CA AJAY ANAND
(Partner)
Membership No. 074016

V. K. GUPTA
CFO & Whole time director
DIN -00335325

J. K. GUPTA
Managing director
DIN-00337659

Place : Village. Amhera (Amroha)
Date : 30 May 2018

SHIVANGI AGARWAL
Company secretary

PRAKASH WOOLLEN & SYNTHETIC MILLS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST MARCH 2018

A. Equity Share Capital

₹ in lakhs

| Particulars | Notes | Amount |
|---------------------------------|-------|-----------------|
| As at 1st April 2016 | 11 | 1,025.98 |
| Changes in equity share capital | | - |
| As at 31st March 2017 | 11 | 1,025.98 |
| Changes in equity share capital | | - |
| As at 31st March 2018 | | 1,025.98 |

B. Other Equity

₹ in lakhs

| Particulars | Revaluation reserve | Reserve and surplus | | | | Total |
|---|---------------------|--------------------------|-----------------|------------------|-------------------|-----------------|
| | | Security premium reserve | Capital reserve | General Reserves | Retained Earnings | |
| Balance as at 1st April, 2016 | 132.69 | 488.19 | 10.00 | 4.17 | 1,448.47 | 2,083.52 |
| Profit for the year | | | | | 275.98 | 275.98 |
| Other Comprehensive Income for the year | | | | | (1.94) | (1.94) |
| Total Comprehensive Income for the year | | | | | 274.04 | 274.04 |
| Balance as at 31st March, 2017 | 132.69 | 488.19 | 10.00 | 4.17 | 1,722.51 | 2,357.56 |
| Balance as at 1st April, 2017 | 132.69 | 488.19 | 10.00 | 4.17 | 1,722.51 | 2,357.56 |
| Profit for the year | | | | | 245.74 | 245.74 |
| Other Comprehensive Income for the year | | | | | 4.96 | 4.96 |
| Total Comprehensive Income for the year | | | | | 250.70 | 250.70 |
| Balance as at 31st March, 2018 | 132.69 | 488.19 | 10.00 | 4.17 | 1,973.21 | 2,608.26 |

The accompanying notes are integral part of the financial statements

As per our report of even date

For A Anand & Co.
Chartered Accountants

For and on behalf of the board of directors
of Prakash Woollen & Synthetic Mills Limited

CA AJAY ANAND
(Partner)
Membership No. 074016

V. K. GUPTA
CFO & Whole time director
DIN -00335325

J. K. GUPTA
Managing director
DIN-00337659

Place : Village. Amhera (Amroha)
Date : 30 May 2018

SHIVANGI AGARWAL
Company secretary

PRAKASH WOOLLEN & SYNTHETIC MILLS LIMITED

Note :- 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

I. Background

Prakash Woollen & Synthetic Mill Limited ('the Company') incorporated in India is a leading Indian Textile Company. The Company has its wide network of operations in domestic market. The Company sells its product through multiple channels including wholesale, retail and through agents etc.

II. Significant Accounting Policies Followed By The Company

(a) Basis of Preparation

(i) Compliance With Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

These financial statements for the year ended 31st March, 2018 are the first financials with comparatives, prepared under Ind AS. For all previous periods including the year ended 31st March, 2017, the Company had prepared its financial statements in accordance with the accounting standards notified under companies (Accounting Standard) Rule, 2006 (as amended) and other relevant provisions of the Act (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2016 being the date of transition to Ind AS.

(ii) Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for the following:

- 1) certain financial assets and liabilities that are measured at fair value;
- 2) assets held for sale - measured at lower of carrying amount or fair value less cost to sell;
- 3) defined benefit plans - plan assets measured at fair value;

(iii) Current / non-current classification

The company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- ◆ Expected to be realised or intended to be sold or consumed in normal operating cycle
- ◆ Held primarily for the purpose of trading
- ◆ Expected to be realised within twelve months after the reporting period, or
- ◆ Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- ◆ All other assets are classified as non-current.

A liability is current when:

- ◆ It is expected to be settled in normal operating cycle
- ◆ It is held primarily for the purpose of trading
- ◆ It is due to be settled within twelve months after the reporting period, or
- ◆ There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle.

(iv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

(b) Use Of Estimates And Judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

PRAKASH WOOLLEN & SYNTHETIC MILLS LIMITED

(c) Property, Plant And Equipment

The Company has applied for the one time transition exemption of considering the carrying cost on the transition date i.e. April 1, 2016 as the deemed cost under IND AS. Hence regarded thereafter as historical cost.

Land is carried at cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Depreciation Methods, Estimated Useful Lives And Residual Value

Depreciation on Buildings, Plant and Equipment, Furniture & fixtures, Vehicles and office equipments, is provided on a Straight Line Method over the estimated useful lives of assets.

The Company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II to the Act, and management believe that useful life of assets are same as those prescribed in Schedule II to the Act, except for (i) Solar power plant which based on an independent technical evaluation, life has been estimated as 25 years (on a single shift basis), (ii) parts of some items of property, plant and equipment that require replcement at regular intervals , which are different from that prescribed in Schedule II to the Act.

Useful life considered for calculation of depreciation for various assets class are as follows-

| <u>Asset Class</u> | <u>Useful Life</u> |
|---|--------------------|
| Building | 30 years |
| Plant and Machinery (on single shift basis) | 15 years |
| Furniture and Fixtures | 10 years |
| Office Equipment | 5 years |
| Vehicles | 8 years |
| Solar Power Plant | 25 years |

The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. In case of pre-owned assets, the useful life is estimated on a case to case basis. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

(d) Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(e) Inventories

Inventories of Raw Materials, Work-in-Progress, Stores and spares, Finished Goods and Stock-in-trade are stated 'at cost or net realisable value, whichever is lower'. Goods-in-Transit are stated 'at cost'. Cost comprise all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. The excise duty in respect of closing inventory of finished goods is included as part of finished goods, wherever applicable. Cost formulae used are 'First-in-First-out', 'Weighted Average cost' or 'Specific identification', as applicable. Due allowance is estimated and made for defective and obsolete items, wherever necessary.

(f) Investments And Other Financial Assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- (1) those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
- (2) those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Profit and Loss are expensed in the Statement of Profit and Loss.

Debt Instruments : Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments into following categories:

(1) **Amortised Cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.

(2) **Fair Value Through Profit And Loss:** Assets that do not meet the criteria for amortised cost are measured at fair value through Profit and Loss. Interest income from these financial assets is included in other income.

Equity Instruments : The Company measures its equity investment other than in subsidiaries, joint ventures and associates at fair value through profit and loss. However where the Company's management makes an irrevocable choice on initial recognition to present fair value gains and losses on specific equity investments in other comprehensive income (Currently no such choice made), there is no subsequent reclassification, on sale or otherwise, of fair value gains and losses to the Statement of Profit and Loss.

(iii) Impairment Of Financial Assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(g) Impairment Of Non-Financial Assets

The other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(h) Non-Current Assets Held For Sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal Company classified as held for sale continue to be recognised.

(i) Borrowings

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

(j) Borrowing Costs

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to Statement of Profit and Loss.

(k) Provisions And Contingent Liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

(l) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Based on the Educational Material on Ind AS 18 issued by the ICAI, the company has assumed that recovery of excised duty flows to the company on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective

PRAKASH WOOLLEN & SYNTHETIC MILLS LIMITED

of whether the goods are sold or not. Since the recovery of excise duty flows to the company on its own account, revenue includes excise duty. However, Value added tax/ Goods and Service tax (GST) is not received by the company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of Goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Rendering of Services

Revenue from services is recognised in the accounting period in which the services are rendered.

Interest Income

Interest income from debt instruments is recognised using the effective interest rate method.

Dividends

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established.

(m) Employee Benefits

(i) Short-Term Obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Other Long-Term Employee Benefit Obligations

The liabilities for earned leave that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the Government Securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

(iii) Post-Employment Obligations

Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

The company operates defined benefits plan for gratuity for its employees. Under the plan, every employee who has completed at least five years of service gets a gratuity on departure @ 15 days last drawn salary for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- ◆ The date of the plan amendment or curtailment, and
- ◆ The date that the company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- ◆ Service costs comprising current service costs, past-service costs, gains and losses on curtailments and nonroutine settlements; and
- ◆ Net interest expense or income

(n) Foreign currency translation

(i) Functional and presentation currency

The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

(ii) Transactions and balances

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses

PRAKASH WOOLLEN & SYNTHETIC MILLS LIMITED

on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss. Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

(o) Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively. Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

(p) Earnings Per Share

Basic Earnings Per Share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted Earnings Per Share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(q) Government Grants

Grants from the government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to Profit and Loss on a straight

- line basis over the expected lives of related assets and presented within other income.

(r) Critical Estimates And Judgements

The preparation of financial statements requires the use of accounting estimates which by definition will seldom equal the actual results. Management also need to exercise judgement in applying the company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgement are:

Estimation of Defined benefit obligation - refer note 30

Estimation of current tax expenses and Payable - refer note 27

PRAKASH WOOLLEN & SYNTHETIC MILLS LIMITED

Notes to the Financial Statements for the year ended 31st March, 2018

2A Property, Plant and Equipment

₹ in lakhs

| Particulars | Land | Building | Plant and Machinery | Furniture & fixture | Vehicle | Office equipment | Total |
|---------------------------------------|---------------|----------------|---------------------|---------------------|---------------|------------------|----------------|
| Gross Carrying Amount | | | | | | | |
| Deemed cost as at 1st April, 2016 | 566.45 | 999.18 | 2052.58 | 14.13 | 191.14 | 6.14 | 3829.62 |
| Additions | 0.00 | 292.50 | 247.27 | 0.30 | 30.86 | 0.00 | 570.93 |
| Disposals | 0.00 | 0.00 | 0.00 | 0.00 | 28.19 | 0.00 | 28.19 |
| Reclassification as held for sale | | | | | | | |
| Balance as at 31st March, 2017 | 566.45 | 1291.68 | 2299.85 | 14.43 | 193.81 | 6.14 | 4372.36 |
| Additions | 0.00 | 37.28 | 1129.27 | 0.86 | 50.12 | 1.66 | 1219.19 |
| Disposals | | | 2.00 | | 14.10 | | 16.10 |
| Reclassification as held for sale | | | | | | | |
| At 31 March 2018 | 566.45 | 1328.96 | 3427.12 | 15.29 | 229.83 | 7.80 | 5575.45 |
| Accumulated Depreciation | | | | | | | |
| At 1 April 2016 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Charges for the year | 0.00 | 44.67 | 354.74 | 2.30 | 35.37 | 3.97 | 441.05 |
| Disposals | 0.00 | 0.00 | 0.00 | 0.00 | 20.02 | 0.00 | 20.02 |
| Reclassification as held for sale | | | | | | | |
| At 31 March 2017 | 0.00 | 44.67 | 354.74 | 2.30 | 15.35 | 3.97 | 421.03 |
| Charges for the year | 0.00 | 54.68 | 377.16 | 2.40 | 38.65 | 1.37 | 474.26 |
| Disposals | 0.00 | 0.00 | 0.00 | 0.00 | 9.14 | 0.00 | 9.14 |
| Reclassification as held for sale | | | | | | | |
| At 31 March 2018 | 0.00 | 99.35 | 731.90 | 4.70 | 44.86 | 5.34 | 886.15 |
| Net carrying amount | | | | | | | |
| Balance as at 1st April, 2016 | 566.45 | 999.18 | 2052.58 | 14.13 | 191.14 | 6.14 | 3829.62 |
| Balance as at 31st March, 2017 | 566.45 | 1247.01 | 1945.11 | 12.13 | 178.46 | 2.17 | 3951.33 |
| Balance as at 31st March, 2018 | 566.45 | 1229.61 | 2695.22 | 10.59 | 184.97 | 2.46 | 4689.30 |

2B Capital Work in Progress

₹ in lakhs

| | |
|------------------|--------|
| 1st April, 2016 | 281.64 |
| 31st March, 2017 | 20.36 |
| 31st March, 2018 | 46.60 |

Capitalised Borrowing Costs:

The Company took capacity expansion project and installation of Solar Power Plant during the year.

The amount of borrowing costs capitalised during the year ended 31.03.2018 was Rs. 12.45 lakh (31.03.2017: NIL, 1.04.2016: NIL). The rate used to determine the amount of borrowing costs eligible for capitalisation was 9.60 %, which is the effective interest rate of the specific borrowing.

Capital Work in progress:

Capital work in progress comprises expenditure for civil work and machinery under installation.

Total Amount of Capital Work In Progress is Rs. 46.60 lakh (31.03.2017: Rs. 20.36, 1.04.2016 : Rs. 281.64)

Refer Note 28 for information on Property, plant and equipment pledged as security by the Company.

3 Other Financial Assets

₹ in lakhs

| Particulars | As at 31.03.2018 | As at 31.03.2017 | As at 1.04.2016 |
|-------------------|---------------------|---------------------|--------------------|
| Security Deposits | 19.62 | 19.62 | 19.62 |
| Total | 19.62 | 19.62 | 19.62 |

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| | | | ₹ in lakhs |
|--|---------------------|---------------------|--------------------|
| Particulars | As at 31.03.2018 | As at 31.03.2017 | As at 1.04.2016 |
| 4 Other Non-Current Assets | | | |
| Capital advances | 13.00 | 58.27 | 0.00 |
| Defined benefit plan (Gratuity) | - | 6.51 | 6.91 |
| Other advances | 8.01 | - | - |
| Total | 21.01 | 64.78 | 6.91 |
| 5 Inventories | | | |
| Raw Material and components (at Cost) | 298.62 | 359.49 | 450.89 |
| Work-in-progress | 1,019.90 | 636.79 | 513.54 |
| Finished goods | 481.58 | 671.79 | 668.43 |
| Traded goods | 6.82 | 5.02 | 4.67 |
| Stores and Spares | 18.20 | 23.05 | 14.76 |
| Total | 1,825.12 | 1,696.14 | 1,652.29 |
| 6 Current Investments | | | |
| Investment in Mutual Funds | | | |
| Unquoted | | | |
| At Fair Value through Profit and Loss | | | |
| zero (31st March, 2017: 4626.829, 1st April, 2016 : 4381.508) | | | |
| units of Rs 10.0622 each fully paid-up of SBI Mutual Fund | - | 0.47 | 0.44 |
| Total | - | 0.47 | 0.44 |
| 7 Trade Receivables And Other Assets | | | |
| Trade receivables | 1,253.11 | 1,159.39 | 961.20 |
| Receivables from related parties | - | - | - |
| Less: Allowance for doubtful trade receivables | - | - | - |
| Total receivables | 1,253.11 | 1,159.39 | 961.20 |
| Current portion | 1,253.11 | 1,159.39 | 961.20 |
| Non-current portion | - | - | - |
| Break-up of security details | | | |
| Secured, considered good | - | - | - |
| Unsecured, considered good | 1,253.11 | 1,159.39 | 961.20 |
| Doubtful | - | - | - |
| Total | 1,253.11 | 1,159.39 | 961.20 |
| Allowance for doubtful trade receivables | - | - | - |
| Total trade receivables | 1,253.11 | 1,159.39 | 961.20 |
| No trade or other receivable are due from the directors or other officers of the company either severally or jointly with any other person, nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member. | | | |
| For terms and conditions relating to related party receivable, refer note 32 (Related Party Transactions) Trade receivables are non interest bearing and are generally on terms of 45-160 days. Refer note 34 for information about credit risk and market risk of trade receivables. | | | |
| 8 Cash And Cash Equivalents | | | |
| Cash in hand | 19.38 | 19.85 | 22.72 |
| Balances with Banks - In current accounts | 162.90 | 19.82 | 16.31 |
| Total | 182.28 | 39.67 | 39.03 |
| 9 Loans (Unsecured, Considered Good) | | | |
| Loans to employees | 16.55 | 13.52 | 15.56 |
| Total | 16.55 | 13.52 | 15.56 |

Refer Note 34 for information about credit risk and market risk for Loans.

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| Particulars | ₹ in lakhs | | |
|------------------------------------|---------------------|---------------------|--------------------|
| | As at 31.03.2018 | As at 31.03.2017 | As at 1.04.2016 |
| 10 Other Current Assets | | | |
| Interest Subsidy receivable (TUFS) | 0.48 | 0.48 | 0.48 |
| VAT advances | 21.52 | 21.52 | 12.39 |
| Advances to Suppliers | 17.20 | 25.13 | 38.50 |
| Prepaid expenses | 3.26 | 1.09 | 2.80 |
| Other advances | 0.20 | 9.58 | 9.75 |
| GST Input credit receivable | 519.02 | - | - |
| Total | 561.68 | 57.80 | 63.92 |

| | | | |
|---|-----------------|-----------------|-----------------|
| 11 Equity Share Capital | | | |
| Authorised | | | |
| 1,20,00,000 equity shares of Rs. 10/- each | 1,200.00 | 1,200.00 | 1,200.00 |
| Issued, subscribed and fully paid up | | | |
| 1,02,59,750 equity shares of Rs. 10/- each | 1,025.98 | 1,025.98 | 1,025.98 |
| Total issued, subscribed and fully paid up share capital | 1,025.98 | 1,025.98 | 1,025.98 |

a. Reconciliation Of The Shares Outstanding At The Beginning And End Of The Reporting Period

| Equity shares | 31.03.2018 | | 31.03.2017 | | 1.04.2016 | |
|---|----------------|-----------------|----------------|-----------------|----------------|-----------------|
| | No. in lakhs | ₹ in lakhs | No. in lakhs | ₹ in lakhs | No. in lakhs | ₹ in lakhs |
| At the beginning of the period | 102.598 | 1,025.98 | 102.598 | 1,025.98 | 102.598 | 1,025.98 |
| Issued during the period | - | - | - | - | - | - |
| Outstanding at the end of the period | 102.598 | 1,025.98 | 102.598 | 1,025.98 | 102.598 | 1,025.98 |

b. Terms/Rights Attached To Equity Shares

The company has only one class of equity shares having a par value of '10 per share. Each holder of equity shares is entitled to one vote per share. The dividend declared, if any is payable in Indian rupees. The dividend, if any proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Aggregate Number Of Bonus Shares Issued For Consideration Other Than Cash And Shares Bought Back During The Period Of Five Years Immediately Preceding The Reporting Date

| Particulars | No. in lakhs | | |
|---|---------------------|---------------------|--------------------|
| | As at 31.03.2018 | As at 31.03.2017 | As at 1.04.2016 |
| Bonus shares | Nil | Nil | Nil |
| Shares issued for consideration other than cash | Nil | Nil | Nil |
| Shares bought back | Nil | Nil | Nil |

d. Details Of Shareholders Holding More Than 5% Shares In The Company

| | 31.03.2018 | | 31.03.2017 | | 1.04.2016 | |
|--|------------|------------------------|------------|------------------------|-----------|------------------------|
| | Nos. | % holding in the class | Nos. | % holding in the class | Nos. | % holding in the class |
| | Nil | Nil | Nil | Nil | Nil | Nil |

As per records of the company, including its register of shareholders/members and other declarations, received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

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12 Other Equity

₹ in lakhs

| Particulars | Revaluation reserve | Reserve and surplus | | | | Total |
|--|---------------------|--------------------------|-----------------|------------------|-------------------|-----------------|
| | | Security premium reserve | Capital reserve | General Reserves | Retained Earnings | |
| Balance as at 1st April, 2016 | 132.69 | 488.19 | 10.00 | 4.17 | 1,448.47 | 2,083.52 |
| Profit for the year | | | | | 275.98 | 275.98 |
| Other Comprehensive Income for the year | | | | | (1.94) | (1.94) |
| Total Comprehensive Income for the year | | | | | 274.04 | 274.04 |
| Balance as at 31st March, 2017 | 132.69 | 488.19 | 10.00 | 4.17 | 1,722.51 | 2,357.56 |
| Balance as at 1st April, 2017 | 132.69 | 488.19 | 10.00 | 4.17 | 1,722.51 | 2,357.56 |
| Profit for the year | | | | | 245.74 | 245.74 |
| Other Comprehensive Income for the year | | | | | 4.96 | 4.96 |
| Total Comprehensive Income for the year | | | | | 250.70 | 250.70 |
| Balance as at 31st March, 2018 | 132.69 | 488.19 | 10.00 | 4.17 | 1,973.21 | 2,608.26 |

Securities Premium Reserve

Securities premium reserve is used to record the premium on issue of shares. This reserve is utilised in accordance with the provisions of the Act.

13 Non-Current Borrowings

₹ in lakhs

| Particulars | Non Current Portion | | | Current Maturities | | |
|---|---------------------|------------------|-----------------|--------------------|------------------|-----------------|
| | As at 31.03.2018 | As at 31.03.2017 | As at 1.04.2016 | As at 31.03.2018 | As at 31.03.2017 | As at 1.04.2016 |
| Term Loans | | | | | | |
| State Bank of India TL (Secured) | 692.75 | - | - | 120.00 | - | - |
| State Bank of India TL (Secured) | 350.00 | 544.99 | 710.01 | 180.00 | 180.00 | 180.00 |
| State Bank of India Car Loan (Secured) | 77.44 | 81.40 | 86.76 | 33.61 | 23.92 | 14.80 |
| State Bank of India Corporate Loan(Secured) | 211.25 | 310.25 | 401.00 | 90.75 | 99.00 | 99.00 |
| Unsecured Loan (Deposits) | 300.00 | #300 | - | - | - | - |
| | 1631.44 | 1236.64 | 1197.77 | 424.36 | 302.92 | 293.80 |
| The above amount includes | | | | | | |
| Secured borrowings | 1331.44 | 936.64 | 1197.77 | 424.36 | 302.92 | 293.80 |
| Unsecured borrowings | 300.00 | #300 | - | - | - | - |
| Amount disclosed under the head other current liabilities | - | - | - | (424.36) | (302.92) | (293.80) |
| Net amount | 1631.44 | 936.64 | 1197.77 | - | - | - |

(a) TL

The term loan from State Bank of India has been sanctioned for Rs. 12 crore during the year carrying interest @ 9.25% p.a. as on balance sheet date. The loan is repayable in 36 instalments of Rs. 10 lac each, 48 instalments of Rs. 17.50 lac each starting from 30.04.2018. The loan is secured primarily by first charge on assets created under the term loan and equitable mortgage of factory land and building at village Mangupura, Moradabad and village Amhera, Delhi Road, Amroha.

(b) TL

The term loan from State Bank of India has been sanctioned for Rs. 11 crore carrying interest @ 9.25% p.a. as on balance sheet date(March 31, 2017: 9.10%, April 1, 2016: 10.80%). The loan is repayable in 15 instalments of Rs. 14 lac each, 49 instalments of Rs. 15 lac each and last instalment of Rs. 5 lac starting from January 2015. The loan is secured primarily by first charge on assets created under the term loan and equitable mortgage of factory land and building at village Mangupura, Moradabad and village Amhera, Delhi Road, Amroha.

(c) Car Loans

The car loans from State Bank of India carry interest @ 8.75% to 9.45% p.a. as on balance sheet date(March 31, 2017 :8.60% to 9.85%, April 1, 2016 : 10.60%) and are secured by hypothecation of cars. The loans are repayable in 36 to 84 monthly instalments.

(d) Corporate Loan

The corporate term loan from State Bank of India has been sanctioned for Rs 5 crore carrying interest @ 9.25% p.a. as on balance sheet date(March 31, 2017: 9.10%, April 1, 2016 : 10.80%). The loan is repayable in 59 instalments of Rs. 8.25 lac each and last instalment of Rs. 13.25 lac starting from April 2016. The loan is secured primarily by way of hypothecation of entire current assets/ documents evidencing title of goods (including all inventory and receivables) both present and future of the company.

All the loans from State Bank of India are further secured by exclusive charge by way of EM of the properties of the company and first charge on entire fixed assets (present and future) of the company, as collateral security. Further all the loans from State Bank Of India have been secured by the personal guarantees of whole time directors of the company namely Mr. J.K. Gupta, Mr. D.K. Gupta and Mr. V.K. Gupta.

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- (e) The carrying amounts of financial and non financial assets as security for secured borrowings are disclosed in note 28.
 (f) Deposits of Rs. 3 crores as unsecured loans from promoters under Bank's stipulation carrying interest @ 12% p.a.
 # Intercorporate Deposits carried interest @ 12% p.a.

₹ in lakhs

| Particulars | As at 31.03.2018 | As at 31.03.2017 | As at 1.04.2016 |
|--|---------------------|---------------------|--------------------|
| 14 Current Borrowings | | | |
| (a) Loans repayable on demand from banks (Cash Credit from SBI) | 1,761.82 | 1,347.32 | 1,490.55 |
| Total | 1,761.82 | 1,347.32 | 1,490.55 |

Cash credit from State Bank of India is primarily secured against inventories and trade receivables and further secured by exclusive charge by way of equitable mortgage of land and building of the company. Further, guarantees by whole time directors Mr. J.K. Gupta, Mr. D.K. Gupta and Mr. V.K. Gupta have been given. The loan carries interest @ 9.25% p.a. as on balance sheet date (March 31, 2017 : 9.25%, April 1, 2016 : 10.80%).

The carrying amounts of financial and non financial assets as security for secured borrowings are disclosed in Note 28.

15 Trade Payables

| | | | |
|-----------------------------------|---------------|---------------|---------------|
| Trade payables [Refer Note below] | | | |
| Amounts due to related parties | 5.20 | 0.15 | - |
| Others | 834.22 | 519.28 | 529.59 |
| Total | 839.42 | 519.43 | 529.59 |

The company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act 2006 and hence disclosure relating to amounts unpaid as at the year end together with interest paid/ payable under this Act has not been given.

16 Other Current Financial Liabilities

| | | | |
|--|---------------|---------------|---------------|
| Current maturities of long term borrowings | 424.36 | 302.92 | 293.80 |
| Interest accrued | 20.53 | 9.81 | 13.54 |
| Other Payables | 169.34 | 122.06 | 95.74 |
| Total | 614.23 | 434.79 | 403.08 |

17 Other Current Liabilities

| | | | |
|-----------------------------|---------------|---------------|--------------|
| Revenue received in advance | 68.78 | 117.30 | 16.87 |
| Statutory dues | 47.79 | 18.77 | 17.53 |
| Total | 116.57 | 136.07 | 34.40 |

18 Provisions

| | | | |
|---|--------------|-------------|-------------|
| Provision for employee benefits [Refer Note 30] | | | |
| Gratuity | 4.85 | - | - |
| Leave Entitlement | 15.80 | - | - |
| Provision for litigation/dispute [Refer Note (a) below] | - | - | - |
| Total | 20.65 | - | - |
| Other | | | |
| Provision for excise duty | - | 6.25 | 5.72 |
| Total | - | 6.25 | 5.72 |
| Current total | 20.65 | 6.25 | 5.72 |

19 Revenue From Operations

| | Year Ended 31.03.2018 | Year Ended 31.03.2017 |
|--|--------------------------|--------------------------|
| Manufactured goods | 9838.21 | 10322.35 |
| Traded goods | 66.28 | 51.63 |
| Waste | 61.11 | 78.09 |
| Revenue from operations (Gross) | 9965.60 | 10452.07 |

20 Other Income

| | | |
|---------------------|-------------|--------------|
| Dividend received | 0.01 | 0.03 |
| Rent received | - | 3.00 |
| Commission received | 7.91 | 10.03 |
| Total | 7.92 | 13.06 |

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| Particulars | ₹ in lakhs | |
|---|--------------------------|--------------------------|
| | Year Ended 31.03.2018 | Year Ended 31.03.2017 |
| 21 Cost Of Raw Material And Component Consumed | | |
| Inventory at the beginning of the year | 359.49 | 450.89 |
| Add.: Purchases | 6608.57 | 6878.67 |
| | 6968.06 | 7329.56 |
| Less : Inventory at the end of the year | 298.62 | 359.49 |
| Cost of raw material and components consumed | 6669.44 | 6970.07 |
| Details of raw material and components consumed | | |
| Yarn | 4876.54 | 5129.95 |
| Dyes and chemicals | 432.84 | 543.83 |
| Packing materials | 1125.33 | 1296.29 |
| Blankets | 234.73 | - |
| | 6669.44 | 6970.07 |
| Details Of Inventory / Raw Material And Components | | |
| Yarn | 200.74 | 187.19 |
| Dyes and chemicals | 13.26 | 27.88 |
| Packing materials | 84.62 | 144.42 |
| | 298.62 | 359.49 |
| 22 Changes In Inventories Of Finished Goods, Stock-In-Trade And Work-In-Progress | | |
| A Inventories At The End Of The Year | | |
| Traded goods | 6.82 | 5.02 |
| Work in progress | 1019.90 | 636.79 |
| Finished goods | 481.58 | 671.79 |
| | 1508.30 | 1313.60 |
| Inventories At The Beginning | | |
| Traded goods | 5.02 | 4.67 |
| Work in progress | 636.79 | 513.54 |
| Finished goods | 671.79 | 668.43 |
| | 1313.60 | 1186.64 |
| Increase / Decrease of Inventory | 194.70 | 126.96 |
| B Details Of Purchase Of Traded Goods | | |
| Blankets | 57.98 | 44.39 |
| Macinery scrap | 2.00 | - |
| | 59.98 | 44.39 |
| 23 Employee Benefits Expense | | |
| Salary & wages | 672.21 | 571.52 |
| Contribution to provident fund and other funds | 40.67 | 33.41 |
| Gratuity expenses | 42.78 | 15.35 |
| Staff welfare expenses | 7.28 | 1.67 |
| | 762.94 | 621.95 |
| 24 Finance Costs | | |
| Bank interest | 290.18 | 288.74 |
| Interest others | 40.07 | 3.68 |
| Other Borrowing Cost | 6.27 | 10.19 |
| | 336.52 | 302.61 |
| 25 Depreciation And Amortization Expense | | |
| Depreciation on property, plant and equipment | 474.27 | 441.05 |
| | 474.27 | 441.05 |

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| Particulars | ₹ in lakhs | |
|--|--------------------------|--------------------------|
| | Year Ended 31.03.2018 | Year Ended 31.03.2017 |
| 26 Other Expenses | | |
| Power and fuel | 794.24 | 845.31 |
| Rates and taxes | 17.77 | 30.98 |
| Freight and forwarding charges | 88.27 | 135.44 |
| Rent | 21.07 | 40.87 |
| Insurance | 20.11 | 21.40 |
| Repair and Maintenance | | |
| Plant and Machinery | 174.76 | 217.00 |
| Buildings | - | - |
| Others (General) | 17.81 | 15.65 |
| Advertising and sales promotion | 8.37 | 7.33 |
| Commission to selling agents and discount to traders | 140.63 | 213.86 |
| Travelling and conveyance | 20.27 | 27.18 |
| Communication cost | 7.37 | 8.99 |
| Printing and stationery | 4.96 | 4.77 |
| Legal and professional fees | 11.22 | 16.71 |
| Directors sitting fees | 1.55 | 1.55 |
| Payment to auditors | 1.25 | 1.25 |
| Directors remuneration | 135.00 | 150.00 |
| Miscellaneous expenses | 14.03 | 9.71 |
| Loss on sale of fixed assets (net) | (0.04) | 1.47 |
| Exchange differences (net) | (1.48) | 0.38 |
| | 1477.16 | 1749.85 |
| Payment To Auditors | | |
| As Auditors | | |
| Audit fee | 0.80 | 0.80 |
| In others capacity | 0.45 | 0.45 |
| | 1.25 | 1.25 |
| 27 Income Taxes Expense | | |
| Current Tax | | |
| Current Tax on taxable income for the year | 86.37 | 146.44 |
| Total Current Tax Expense | 86.37 | 146.44 |
| Deferred tax | | |
| Deferred tax charge/(credit) | 54.70 | (4.61) |
| MAT Credit (taken)/utilised | - | - |
| Total Deferred Income Tax Expense/(Benefit) | 141.07 | 141.83 |
| Tax in respect of earlier years | 0.05 | - |
| Total Income Tax Expense | 141.12 | 141.83 |
| A Reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarized below: | | |
| Enacted income tax rate in India applicable to the Company | 33.063% | 33.063% |
| Profit before tax | 386.86 | 417.81 |
| Current tax expenses on Profit before tax expenses at the enacted income tax rate in India | 127.90 | 138.14 |
| Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income | | |
| Permanent Disallowances | 13.60 | 0.75 |
| Tax in respect of earlier years | 0.05 | - |
| Income exempted from income taxes | | |
| Other items | (0.43) | 2.94 |
| Total income tax expense/(credit) | 141.12 | 141.83 |

Consequent to reconciliation items shown above, the effective tax rate is 36.452% (2016-17: 33.946%).

Significant Estimates : In calculation of tax expense for the current year and earlier years, the company has disallowed certain expenditure based on previous tax assessments.

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B The movement in deferred tax assets and liabilities during the year ended March 31, 2017 and March 31, 2018:

| ₹ in lakhs | | | | | | | |
|---|--|--|---|---|--|---|---|
| | As at 1st April, 2016- Deferred Tax Asset/ (Liabilities) | Credit/ (charge) in statement of Profit and Loss | Credit/ (charge) in other compre- hensive Income | As at 31st March, 2017- Deferred Tax Asset/ (Liabilities) | Credit/ (charge) in statement of Profit and Loss | Credit/ (charge) in other compre- hensive Income | As at 31st March, 2018- Deferred Tax Asset/ (Liabilities) |
| Depreciation | (231.00) | 4.61 | 0 | (226.39) | (54.70) | 0.00 | (281.09) |
| Net loss/(gain) on remeasurement of defined benefit plan | 0.00 | 0.00 | 0.96 | 0.96 | 0.00 | (2.45) | (1.49) |
| Total | (231.00) | 4.61 | 0.96 | (225.43) | (54.70) | (2.45) | (282.58) |
| MAT Credit Entitlements | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Dividend distribution tax on dividend from Subsidiary | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | (231.00) | 4.61 | 0.96 | (225.43) | (54.70) | (2.45) | (282.58) |

28 Assets Pledged As Security

The carrying amounts of assets Pledged as security for current and non-current borrowings are:

| ₹ in lakhs | | | |
|---|---------------------|---------------------|--------------------|
| Particulars | As at 31.03.2018 | As at 31.03.2017 | As at 1.04.2016 |
| Current Assets | | | |
| Financial Assets | | | |
| Floating Charge | | | |
| Receivables | 1253.11 | 1159.39 | 961.20 |
| Non Financial Assets | | | |
| Floating Charge | | | |
| Inventories | 1825.12 | 1696.14 | 1652.29 |
| Total Current assets Pledged as security | 3078.23 | 2855.53 | 2613.49 |
| Non Current Assets | | | |
| First Charge | | | |
| Land | 191.49 | 191.49 | 191.49 |
| Building | 1229.61 | 1247.01 | 999.18 |
| Furniture, fittings and equipment | 13.05 | 14.30 | 20.27 |
| Plant and Machinery | 2695.22 | 1945.11 | 1052.58 |
| Others | 184.97 | 178.46 | 191.14 |
| Total non-current assets Pledged as security | 4314.34 | 3576.37 | 2454.66 |
| Total assets Pledged as security | 7392.57 | 6431.90 | 5068.15 |

29 Contingent Liabilities

| | | | |
|---|--------|--------|--------|
| Demand by EPFO against the company not acknowledged as debt | 26.69 | 26.69 | 26.69 |
| Demand by Income tax department against the company not acknowledged as debt | 974.57 | 974.57 | 940.33 |
| Lc opened with bank | - | 185.82 | - |

EPFO Bareilly has demanded Rs 26.69 lakh as PF dues. The management of the company has contested the demand of EPFO. An appeal with Hon'ble EPFAT New Delhi is pending. The company has not recognized provision for liabilities in the financial statement. Income tax department in regular assessment for AY 2013-14 and AY 2014-15 has raised a demand of Rs 940.33 lakh and Rs 34.24 respectively. The management of the company has contested the demand of Income tax department. The appeals with Commissioner of Income Tax (Appeals) are pending. The company has been advised that the demands are likely to be either deleted or substantially reduced and accordingly no provision is considered necessary.

30 Post Retirement Benefit Plans

Defined Benefits Plan

(i) Gratuity

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India.

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As per Actuarial Valuation as on 31st March, 2018, 31st March, 2017 and 1st April, 2016 and recognised in the financial statements in respect of Employee Benefit Schemes:

| Particulars | ₹ in lakhs | | |
|--|---------------------|---------------------|--------------------|
| | As at 31.03.2018 | As at 31.03.2017 | As at 1.04.2016 |
| A. Amount Recognised In The Balance Sheet | | | |
| Gratuity: | | | |
| Present value of plan liabilities | 132.95 | 102.67 | 84.93 |
| Fair value of plan assets | 128.10 | 109.19 | 91.84 |
| Deficit/(Surplus) of funded plans | 4.85 | (6.52) | (6.91) |
| Unfunded plans | - | - | - |
| Net plan liability/ (Asset)* | 4.85 | (6.52) | (6.91) |

| Gratuity: | Year ended 31st March, 2018 | | | Year ended 31st March, 2017 | | |
|---|--------------------------------|---------------------|-------------|--------------------------------|---------------------|---------------|
| | Plan Assets | Plan liabilities | Net | Plan Assets | Plan liabilities | Net |
| | As at 1st April | 109.19 | 102.67 | (6.52) | 91.84 | 84.93 |
| Current service cost | - | 43.20 | 43.20 | - | 15.07 | 15.07 |
| Employee contributions | | | | | | |
| Return on plan assets excluding actual return on plan assets | - | - | - | - | - | - |
| Actual return on plan asset | 8.84 | - | (8.84) | 7.76 | - | (7.76) |
| Interest cost | 0.00 | 7.82 | 7.82 | - | 6.37 | 6.37 |
| Actuarial (gain)/loss arising from changes in demographic assumptions | 0 | 0 | 0 | 0 | 0 | 0 |
| Actuarial (gain)/loss arising from changes in financial assumptions | 0.00 | (2.35) | (2.35) | 0.00 | 0.00 | 0.00 |
| Actuarial (gain)/loss arising from experience adjustments | 0.00 | (6.34) | (6.34) | 0.00 | 3.03 | 3.03 |
| Employer contributions | 22.11 | - | (22.11) | 16.32 | - | (16.32) |
| Benefit payments | (12.04) | (12.04) | - | (6.73) | (6.73) | - |
| As at 31st March, | 128.10 | 132.96 | 4.85 | 109.19 | 102.67 | (6.52) |

| Particulars | ₹ in lakhs | | |
|-----------------------|---------------------|---------------------|--------------------|
| | As at 31.03.2018 | As at 31.03.2017 | As at 1.04.2016 |
| C. Assets | | | |
| Gratuity: | | | |
| Unquoted | | | |
| Insurer managed funds | 128.10 | 109.19 | 91.84 |
| Total | 128.10 | 109.19 | 91.84 |

| Particulars | ₹ in lakhs | |
|--|---------------------|---------------------|
| | As at 31.03.2018 | As at 31.03.2017 |
| D. Defined Benefit Obligation And Employer Contribution | | |
| Gratuity | | |
| Active Members | 465 | 337 |
| The weighted average duration of the defined benefit plans is 18.41 years (2016-17 : 18.00 Years) | | |
| The Company expects to contribute around ₹ 28.42 lakhs to the funded plans in financial year 2018-19 for gratuity. | | |

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E. Amount Recognised In The Statement of Profit And Loss As Employee Benefit Expenses

| Particulars | ₹ in lakhs | |
|---|---------------------|---------------------|
| | As at 31.03.2018 | As at 31.03.2017 |
| Gratuity: | | |
| Current service cost | 43.20 | 15.07 |
| Finance cost/(income) | (0.41) | (0.52) |
| Mortality premium | | 0.80 |
| Asset/(Liabilities) recognised in Balance Sheet* | | |
| Net impact on the Profit / (Loss) before tax | | |
| Remeasurement of the net defined benefit liability: | | |
| Return on plan assets excluding actuarial return on plan assets | 0.00 | 0.13 |
| Actuarial gains/(losses) arising from changes in demographic | 0.00 | 0.00 |
| Actuarial gains/(losses) arising from changes in financial assumption | | |
| Experience gains/(losses) arising on experience adjustments | 7.41 | (3.03) |
| benefit plan liabilities | | |
| Net Gain recognised in the Other Comprehensive Income before tax | 7.41 | (2.90) |

*Surplus of assets over liabilities has not been recognised on the basis that future economic benefits are not available to the Company in the form of a reduction in future contributions or cash refunds.

F Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

Gratuity:

| Particulars | ₹ in lakhs | | |
|---|---------------------|---------------------|---------------------|
| | As at 31.03.2018 | As at 31.03.2017 | As at 01.04.2016 |
| Financial Assumptions | | | |
| Discount rate | 7.71% | 7.54% | 7.54% |
| Salary Escalation Rate # | 7.00% | 7.00% | 7.00% |
| Demographic Assumptions | | | |
| Published rates under the Indian Assured Lives Mortality (2006-08) Ult table. | | | |

G. Sensitivity

The sensitivity of the defined benefit obligation to changes in the weighted key assumptions are:

| Gratuity: | Year ended 31st March, 2018 | | | Year ended 31st March, 2017 | | |
|------------------------|--------------------------------|--|--|--------------------------------|--|--|
| | Change in assumption | Increase in present value of plan | Decrease in present value of plan | Change in assumption | Increase in present value of plan | Decrease in present value of plan |
| Discount rate | 50 bps | (6.63) | 7.28 | 50 bps | (5.18) | 5.68 |
| Salary Escalation Rate | 100 bps | 12.78 | (10.80) | 100 bps | 10.02 | (8.35) |
| Attrition Rate | 100 bps | (0.58) | 0.65 | 100 bps | (0.55) | 0.61 |

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the method (Projected Unit Credit Method) used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

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H. The Defined Benefit Obligations Shall Mature After Year End 31st March, 2018 As Follows:

| Particulars | ₹ in lakhs | |
|------------------|--------------------------|--------------------------|
| | Year Ended 31.03.2018 | Year Ended 31.03.2017 |
| Gratuity: | | |
| 2017 | - | 11.56 |
| 2018 | 2.25 | 3.14 |
| 2019 | 3.87 | 13.40 |
| 2020 | 34.13 | 9.11 |
| 2021 | 14.99 | 7.62 |
| 2022 | 8.56 | 2.15 |
| 2023 | 2.82 | - |
| Thereafter | 76.32 | 56.73 |

Risk Exposure - Asset Volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. The scheme is funded with an insurance company in the form of qualifying insurance policy.

(ii) Leave Obligations

The leave obligations cover the Company's liability for sick and earned leave.

The amount of the provision of ₹15.80 lakhs is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations.

(iii) Defined Contribution Plans

The Company also has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to EPFO. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹ 40.67 lakhs (31st March, 2017 - ₹ 33.41 lakhs).

31 The company carries on the business of textiles under which blankets of different qualities and size are produced. Further the sale is made in domestic markets at the same terms and conditions. Therefore, no different business or geographical segments are recognizable and reportable.

32 Related Party Disclosures

Related parties where control exists

Prahlad Industries, Designs Unlimited, Shree Bankey Bihari Enterprises, Himani Gupta, with whom transactions took place.

Directors and key management personal and their relatives with whom transactions took place

Mr. J.K. Gupta, Mr. D.K. Gupta and Mr. V.K. Gupta, all whole time directors. Mr. V.P. Gupta, non executive director, Mr. S.K. Agarwal, Mr. Adeep Gupta, Mr. Kapil Gupta and Mr. Ashish Gupta, Anita Gupta, Rajni Gupta, Adeep Gupta HUF, Ashish Gupta HUF, D K Gupta HUF, Jai Kishan Gupta HUF and Kapil Gupta HUF are related parties.

Related Party Transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

(a) Sale/ Purchase Of Goods And Services

| Particulars | Year ended | ₹ in lakhs | | | | | |
|---------------------------------|------------|---------------|---------------------|-----------------------------|--------------------------|--------------------------------|--------------------------------|
| | | Sale of Goods | Sale Service (Rent) | Purchase of Services (Rent) | Purchase of traded Goods | Amount owed by related parties | Amount owed by related parties |
| Designs Unlimited | 31.3.2018 | 0.16 | - | - | - | - | - |
| | 31.3.2017 | 30.58 | 3.00 | - | - | - | - |
| Shree Bankey Bihari Enterprises | 31.3.2018 | 10.65 | - | - | 31.58 | - | - |
| | 31.3.2017 | 7.45 | - | - | 26.22 | - | - |
| Prahlad Industries | 31.3.2018 | - | - | 18.00 | - | - | 5.20 |
| | 31.3.2017 | - | - | 33.00 | - | - | - |
| Himani Gupta | 31.3.2018 | - | - | 1.80 | - | - | 0.08 |
| | 31.3.2017 | - | - | 1.80 | - | - | 0.15 |

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(b) Remuneration To Directors, Key Managerial Personnel And Related Parties

| Particulars | ₹ in lakhs | |
|------------------|--------------------------|--------------------------|
| | Year Ended 31.03.2018 | Year Ended 31.03.2017 |
| Mr. V.P. Gupta | - | 24.00 |
| Mr. J.K. Gupta | 45.00 | 42.00 |
| Mr. D.K. Gupta | 45.00 | 42.00 |
| Mr. V.K. Gupta | 45.00 | 42.00 |
| Mr. S.K. Agarwal | 17.64 | 15.60 |
| Mr. Adeep Gupta | 17.64 | 15.60 |
| Mr. Kapil Gupta | 17.64 | 15.60 |
| Mr. Ashish Gupta | 17.64 | 15.60 |
| | 205.56 | 212.40 |

In addition, Mr. S.K. Agarwal, Adeep Gupta, Kapil Gupta and Ashish Gupta are covered by group gratuity scheme and remuneration to managerial personnel does not include the provisions/contribution made for gratuity as they are determined on an actuarial basis for the company as a whole.

(C) Interest Paid To Related Parties

| Particulars | ₹ in lakhs | |
|-----------------------|--------------------------|-------------|
| | Year Ended 31.03.2018 | |
| Adeep Gupta HUF | | 0.60 |
| Anita Gupta | | 1.07 |
| Ashish Gupta HUF | | 0.54 |
| Daya Kishan Gupta HUF | | 0.85 |
| Jai Kishan Gupta HUF | | 1.20 |
| Kapil Gupta HUF | | 0.80 |
| Kapil Gupta | | 0.26 |
| Rajni Gupta | | 1.20 |
| Vijay Kumar Gupta | | 1.08 |
| | | 7.60 |

(d) Sitting Fee Paid To Related Non Executive Directors

| | |
|--------------|-------------|
| Mr V P Gupta | 0.05 |
| | 0.05 |

33 Fair Value Measurement

Financial Instrument by category and hierarchy

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts. The fair values for loans and security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

| Financial Assets and Liabilities as at 31st March, 2018 | | | | Routed through Profit and Loss | | | | Routed through OCI | | | | Carried at amortised cost | | | | Total Amount |
|--|-----------------|-----------------|-----------------|--------------------------------|---------|---------|-------------|--------------------|---------|---------|-------|---------------------------|---------|-----------------|-----------------|--------------|
| | Non | Current | Total | Level 1 | Level 2 | Level 3 | Total | Level 1 | Level 2 | Level 3 | Total | Level 1 | Level 2 | Level 3 | Total | |
| Financial Assets | | | | | | | | | | | | | | | | |
| Investments - Mutual funds | - | - | - | | | | | | | | | | | | - | |
| Other Assets | | | | | | | | | | | | | | | | |
| Loans to Employees | | 16.55 | 16.55 | | | | | | | | | | | 16.55 | 16.55 | |
| Other Financial Assets | 19.62 | - | 19.62 | | | | | | | | | | | 19.62 | 19.62 | |
| Trade receivable | - | 1,253.11 | 1,253.11 | | | | | | | | | | | 1,253.11 | 1,253.11 | |
| Cash and Cash equivalents | - | 182.28 | 182.28 | | | | | | | | | | | 182.28 | 182.28 | |
| | 19.62 | 1451.94 | 1471.56 | | | | | | | | | | | 1471.56 | 1471.56 | |
| Financial Liabilities | | | | | | | | | | | | | | | | |
| Borrowings | 1,631.44 | 2,186.18 | 3,817.62 | | | | | | | | | | | 3,817.62 | 3,817.62 | |
| Other Financial Liabilities | - | 189.87 | 189.87 | | | | | | | | | | | 189.87 | 189.87 | |
| Trade Payables | - | 839.42 | 839.42 | | | | | | | | | | | 839.42 | 839.42 | |
| | 1,631.44 | 3,215.47 | 4,846.91 | | | | | | | | | | | 4,846.91 | 4,846.91 | |
| Financial Assets and Liabilities as at 31st March, 2017 | | | | Routed through Profit and Loss | | | | Routed through OCI | | | | Carried at amortised cost | | | | Total Amount |
| | Non | Current | Total | Level 1 | Level 2 | Level 3 | Total | Level 1 | Level 2 | Level 3 | Total | Level 1 | Level 2 | Level 3 | Total | |
| Financial Assets | | | | | | | | | | | | | | | | |
| Investments - Mutual funds | - | 0.47 | 0.47 | 0.47 | - | - | 0.47 | | | | | | | | 0.47 | |
| | - | 0.47 | 0.47 | 0.47 | - | - | 0.47 | | | | | | | | 0.47 | |
| Other Assets | | | | | | | | | | | | | | | | |
| Loans to Employees | - | 13.52 | 13.52 | | | | | | | | | | | 13.52 | 13.52 | |
| Other Financial Assets | 19.62 | - | 19.62 | | | | | | | | | | | 19.62 | 19.62 | |
| Trade receivable | - | 1,159.39 | 1,159.39 | | | | | | | | | | | 1,159.39 | 1,159.39 | |
| Cash and Cash equivalents | - | 39.67 | 39.67 | | | | | | | | | | | 39.67 | 39.67 | |
| | 19.62 | 1,199.06 | 1,218.68 | | | | | | | | | | | 1,218.68 | 1,218.68 | |
| Financial Liabilities | | | | | | | | | | | | | | | | |
| Borrowings | 1,236.64 | 1,650.24 | 2,886.88 | | | | | | | | | | | 2,886.88 | 2,886.88 | |
| Other Financial Liabilities | - | 131.87 | 131.87 | | | | | | | | | | | 131.87 | 131.87 | |
| Trade Payables | - | 519.43 | 519.43 | | | | | | | | | | | 519.43 | 519.43 | |
| | 1,236.64 | 2,301.54 | 3,538.18 | | | | | | | | | | | 3,538.18 | 3,538.18 | |
| Financial Assets and Liabilities as at 31st March, 2016 | | | | Routed through Profit and Loss | | | | Routed through OCI | | | | Carried at amortised cost | | | | Total Amount |
| | Non | Current | Total | Level 1 | Level 2 | Level 3 | Total | Level 1 | Level 2 | Level 3 | Total | Level 1 | Level 2 | Level 3 | Total | |
| Financial Assets | | | | | | | | | | | | | | | | |
| Investments - Mutual funds | - | 0.44 | 0.44 | 0.44 | | | 0.44 | | | | | | | | 0.44 | |
| | - | 0.44 | 0.44 | 0.44 | | | 0.44 | | | | | | | | 0.44 | |
| Other Assets | | | | | | | | | | | | | | | | |
| Loans to Employees | - | 15.56 | 15.56 | | | | | | | | | | | 15.56 | 15.56 | |
| Other Financial Assets | 19.62 | - | 19.62 | | | | | | | | | | | 19.62 | 19.62 | |
| Trade receivable | - | 961.20 | 961.20 | | | | | | | | | | | 961.20 | 961.20 | |
| Cash and Cash equivalents | - | 39.03 | 39.03 | | | | | | | | | | | 39.03 | 39.03 | |
| | 19.62 | 1,015.79 | 1,035.41 | | | | | | | | | | | 1,035.41 | 1,035.41 | |
| Financial Liabilities | | | | | | | | | | | | | | | | |
| Borrowings | 1,197.77 | 1,784.35 | 2,982.12 | | | | | | | | | | | 2,982.12 | 2,982.12 | |
| Other Financial Liabilities | - | 109.28 | 109.28 | | | | | | | | | | | 109.28 | 109.28 | |
| Trade Payables | - | 529.59 | 529.59 | | | | | | | | | | | 529.59 | 529.59 | |
| | 1,197.77 | 2,423.22 | 3,620.99 | | | | | | | | | | | 3,620.99 | 3,620.99 | |

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Fair value of financial assets and liabilities measured at amortised cost-

₹ in lakhs

| Particulars | As at 31st March, 2018 | | As at 31st March, 2017 | | As at 1st April, 2016 | |
|------------------------------|------------------------|----------------|------------------------|----------------|-----------------------|----------------|
| | Carrying Amount | Fair Value | Carrying Amount | Fair Value | Carrying Amount | Fair Value |
| Financial Assets | - | - | - | - | - | - |
| Financial Liabilities | | | | | | |
| Borrowings | 3817.62 | 3817.62 | 2886.88 | 2886.88 | 2982.12 | 2982.12 |
| | 3817.62 | 3817.62 | 2886.88 | 2886.88 | 2982.12 | 2982.12 |

34 Financial Risk Management

Financial risk management objectives and policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument.

The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommend risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures like foreign exchange forward contracts, borrowing strategies and ensuring compliance with market risk limits and policies.

Market Risk- Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

According to the Company interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

Exposure To Interest Rate Risk

₹ in lakhs

| Particulars | As at 31.03.2018 | As at 31.03.2017 | As at 01.04.2016 |
|--|---------------------|---------------------|---------------------|
| Total Borrowings | 3817.62 | 2886.88 | 2982.12 |
| % of Borrowings out of above bearing variable rate of interest | 100 | 100 | 100 |

Interest Rate Sensitivity

A change of 50 bps in interest rates would have following Impact on profit before tax

₹ in lakhs

| Particulars | Year Ended 31.03.2018 | Year Ended 31.03.2017 |
|--|--------------------------|--------------------------|
| 50 bp increase would decrease the profit before tax by | 19.09 | 14.43 |
| 50 bp decrease would Increase the profit before tax by | (19.09) | (14.43) |

Market Risk- Foreign Currency Risk

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodities and services in the respective currencies.

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(B) Particulars Of Unhedged Foreign Currency Exposures As At The Reporting Date

| Particulars | As at 31st March, 2018 USD |
|----------------------|-------------------------------|
| Trade Receivable | - |
| Trade payables | 3,500.00 |
| Advance for purchase | - |
| Particulars | As at 31st March, 2017 USD |
| Trade Receivable | - |
| Trade payables | 13762.00 |
| Advance for purchase | 34900.00 |
| Particulars | As at 31st March, 2016 USD |
| Trade Receivable | - |
| Trade payables | 17710.00 |
| Advance for purchase | 23960.00 |

(a) (iii) Market Risk- Price risk

(a) Exposure

The exposure to equity securities price risk arises from investments held and classified in the balance sheet either at fair value through OCI or at fair value through profit and loss. The Company does not have any exposure to equity/securities.

(b) Sensitivity

The Company does not have any exposure to equity/securities. So no sensitivity analysis is done.

(c) Foreign Currency Risk Sensitivity

A change of 5% in Foreign currency would have following Impact on profit before tax

| Particulars | 2017-18 | | 2016-17 | |
|--|-------------|---------------|-------------|---------------|
| | 5% Increase | 5% decrease | 5% Increase | 5% decrease |
| USD | 4.21 | (4.21) | 5.83 | (5.83) |
| Increase / (decrease) in profit or loss | 4.21 | (4.21) | 5.83 | (5.83) |

₹ in lakhs

Credit Risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- Actual or expected significant adverse changes in business,
- Actual or expected significant changes in the operating results of the counterparty,
- Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- Significant increase in credit risk on other financial instruments of the same counterparty,
- Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.

The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and

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past trends. Based on the historical data, loss on collection of receivable is not material hence no provision considered.

Ageing of Account Receivables

₹ in lakhs

| Particulars | As at 31.03.2018 | As at 31.03.2017 | As at 01.04.2016 |
|--|---------------------|---------------------|---------------------|
| Not due | 648.49 | 707.07 | 684.39 |
| 0-3 months | 481.28 | 388.36 | 192.13 |
| 3-6 months | 76.14 | 25.56 | 4.05 |
| 6 months to 12 months | 46.46 | 19.84 | 12.62 |
| beyond 12 months and less than 2 years | 0.74 | 18.56 | 68.01 |
| Total | 1253.11 | 1159.39 | 961.2 |

Financial Assets are considered to be of good quality and there is no significant increase in credit risk.

Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows.

(i) Financing Arrangements

The Company closely monitors liquidity position and arranges for the funds in anticipation in case of need.

(ii) Maturity Patterns Of Borrowings

₹ in lakhs

| | As at 31st March, 2018 | | | | As at 31st March, 2017 | | | |
|---|------------------------|-----------------|-------------------|-----------------|------------------------|-----------------|-------------------|-----------------|
| | 0-1 years | 1-5 years | beyond 5 years | Total | 0-1 years | 1-5 years | beyond 5 years | Total |
| Long term borrowings (Including current maturity of long term debt) | 424.36 | 1631.44 | - | 2055.80 | 302.92 | 1236.64 | - | 1539.56 |
| Short term borrowings | 1761.82 | - | - | 1761.82 | 1347.32 | - | - | 1347.32 |
| Total | 2,186.18 | 1,631.44 | - | 3,817.62 | 1,650.24 | 1,236.64 | - | 2,886.88 |

Maturity Patterns Of Other Financial Liabilities

₹ in lakhs

| As at 31st March, 2018 | 0-3 months | 3-6 months | 6 months to 12 months | beyond 12 months | Total |
|--|----------------|------------|--------------------------|---------------------|----------------|
| Trade payables | 839.42 | - | - | - | 839.42 |
| Other Financial liability (Current and Non Current) | 189.87 | - | - | - | 189.87 |
| Total | 1029.29 | - | - | - | 1029.29 |
| As at 31st March, 2017 | 0-3 months | 3-6 months | 6 months to 12 months | beyond | Total |
| Trade payables | 519.43 | - | - | - | 519.43 |
| Other Financial liability (Current and Non Current) | 131.87 | - | - | - | 131.87 |
| Total | 651.30 | - | - | - | 651.30 |
| As at 31st March, 2016 | 0-3 months | 3-6 months | 6 months to 12 months | beyond | Total |
| Trade payables | 529.59 | - | - | - | 529.59 |
| Other Financial liability (Current and Non Current) | 109.28 | - | - | - | 109.28 |
| Total | 638.87 | - | - | - | 638.87 |

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35 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio between 20% and 40%. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

| Particulars | As at 31.03.2018 | As at 31.03.2017 | As at 1.04.2016 |
|---|---------------------|---------------------|--------------------|
| Borrowings other than convertible preference shares (Note 13) | 1631.44 | 1236.64 | 1197.77 |
| Trade payables (Note 15) | 839.42 | 519.43 | 529.59 |
| Other payables (Note 16) | 189.87 | 131.87 | 109.28 |
| Less: cash and cash equivalents (Note 10) | (182.28) | (39.67) | (39.03) |
| Net debt | 2478.45 | 1848.27 | 1797.61 |
| Total capital | 3634.34 | 3383.54 | 3109.50 |
| Capital and net debt | 6112.79 | 5231.81 | 4907.11 |
| Gearing ratio | 40.55% | 35.33% | 36.63% |

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2017 and 31 March 2016.

36 Earnings Per Share (Eps)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) if any, by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

| Particulars | ₹ in lakhs | |
|--|--------------------------|--------------------------|
| | Year Ended 31.03.2018 | Year Ended 31.03.2017 |
| Earnings Per Share has been computed as under: | | |
| Profit/(Loss) for the year | 245.74 | 275.98 |
| Weighted average number of equity shares outstanding | 10259750 | 10259750 |
| Earnings Per Share (₹) - Basic (Face value of Re. 10 per share) | 2.40 | 2.69 |
| Diluted earning per share is same as basic earning per share. | 2.40 | 2.69 |

37 First-Time Adoption Of Ind As

These are the Company's first financial statements prepared in accordance with Ind AS.

The Company has adopted Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs with effect from 1st April, 2017, with a transition date of 1st April, 2016. Ind AS 101-First-time Adoption of Indian Accounting Standards requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements which is for the year ended 31st March, 2018 for the company, be applied retrospectively and consistently for all financial years presented. Consequently, in preparing these Ind AS financial statements, the Company has availed certain exemptions and complied with the mandatory exceptions provided in Ind AS 101, as explained below. The resulting difference in the carrying values of the assets and liabilities as at the transition date between the Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity).

Set out below are the Ind AS 101 optional exemptions availed as applicable and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A. Optional Exemptions availed

Deemed Cost

The Company has opted paragraph D7 AA and accordingly considered the carrying value of property, plant and equipments and Intangible assets as deemed cost as at the transition date.

B. Applicable Mandatory Exceptions

(a) Estimates

The Company's estimates in accordance with Ind AS at the date of transition to Ind AS consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies).

(b) Classification and measurement of financial assets

As required under Ind AS 101 the company has assessed the classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

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C. Transition to Ind AS - Reconciliations

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS as required under Ind AS 101:

- I. Reconciliation of Balance sheet as at April 1, 2016 (Transition Date)
- II. A. Reconciliation of Balance sheet as at March 31, 2017
B. Reconciliation of Total Comprehensive Income for the year ended March 31, 2017
- III. Reconciliation of Equity as at April 1, 2016 and as at March 31, 2017
- IV. Adjustments to Statement of Cash Flows

The presentation requirements under Previous GAAP differs from Ind AS, and hence, Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.

Reconciliation of Balance Sheet as at April 1st, 2016

₹ in lakhs

| Particulars | Notes to first time adoption | Regrouped Previous GAAP | Ind AS adjustments | Ind AS |
|------------------------------------|------------------------------|-------------------------|--------------------|----------------|
| Assets | | | | |
| Non-Current Assets | | | | |
| (a) Property, Plant and Equipment | | 3829.62 | | 3829.62 |
| (b) Capital work-in-progress | | 281.64 | | 281.64 |
| (c) Financial assets | | | | |
| Other Financial assets | | 19.62 | | 19.62 |
| (d) Other non-current assets | | 6.91 | | 6.91 |
| | | 4137.79 | - | 4137.79 |
| Current Assets | | | | |
| (a) Inventories | | 1652.29 | | 1652.29 |
| (b) Financial Assets | | | | |
| (i) Investments | | 0.44 | | 0.44 |
| (ii) Trade receivables | | 961.20 | | 961.20 |
| (iii) Cash and cash equivalents | | 39.03 | | 39.03 |
| (iv) Loans | | 15.56 | | 15.56 |
| (c) Current Tax Assets (Net) | | 131.38 | | 131.38 |
| (d) Other current assets | | 63.92 | | 63.92 |
| | | 2863.82 | - | 2863.82 |
| Total | | 7001.61 | - | 7001.61 |
| Equity And Liabilities | | | | |
| Equity | | | | |
| (a) Equity Share capital | | 1025.98 | | 1025.98 |
| (b) Other Equity | | 2083.52 | | 2083.52 |
| | | 3109.50 | - | 3109.50 |
| Liabilities | | | | |
| Non-Current Liabilities | | | | |
| (a) Financial Liabilities | | | | |
| (i) Borrowings | | 1197.77 | | 1197.77 |
| (b) Deferred tax liabilities (Net) | | 231.00 | | 231.00 |
| | | 1428.77 | - | 1428.77 |
| Current Liabilities | | | | |
| (a) Financial Liabilities | | | | |
| (i) Borrowings | | 1490.55 | | 1490.55 |
| (ii) Trade payables | | 529.59 | | 529.59 |
| (iii) Other financial liabilities | | 403.08 | | 403.08 |
| (b) Other current liabilities | | 34.40 | | 34.40 |
| (c) Provisions | | 5.72 | | 5.72 |
| (d) Current Tax Liabilities (Net) | | - | | - |
| | | 2463.34 | - | 2463.34 |
| Total | | 7001.61 | - | 7001.61 |

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The presentation requirements under Previous GAAP differs from Ind AS, and hence, Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.

Reconciliation of Balance Sheet as at March 31st, 2017

| Particulars | Notes to first time adoption | Regrouped Previous GAAP | Ind AS adjustments | Ind AS |
|------------------------------------|------------------------------|-------------------------|--------------------|----------------|
| Assets | | | | |
| Non-current assets | | | | |
| (a) Property, Plant and Equipment | | 3951.33 | | 3951.33 |
| (b) Capital work-in-progress | | 20.36 | | 20.36 |
| (c) Financial assets | | | | |
| Other Financial assets | | 19.62 | | 19.62 |
| (d) Other non-current assets | | 64.78 | | 64.78 |
| | | 4056.09 | - | 4056.09 |
| Current Assets | | | | |
| (a) Inventories | | 1696.14 | | 1696.14 |
| (b) Financial Assets | | | | |
| (i) Investments | | 0.47 | | 0.47 |
| (ii) Trade receivables | | 1159.39 | | 1159.39 |
| (iii) Cash and cash equivalents | | 39.67 | | 39.67 |
| (iv) Loans | | 13.52 | | 13.52 |
| (c) Current Tax Assets (Net) | | 277.83 | | 277.83 |
| (d) Other current assets | | 57.80 | | 57.80 |
| | | 3244.82 | - | 3244.82 |
| Total | | 7300.91 | - | 7300.91 |
| Equity And Liabilities | | | | |
| Equity | | | | |
| (a) Equity Share capital | | 1025.98 | | 1025.98 |
| (b) Other Equity | | 2356.60 | 0.96 | 2357.56 |
| | | 3382.58 | 0.96 | 3383.54 |
| Liabilities | | | | |
| Non-Current Liabilities | | | | |
| (a) Financial Liabilities | | | | |
| (i) Borrowings | | 1236.64 | | 1236.64 |
| (b) Deferred tax liabilities (Net) | | 226.39 | (0.96) | 225.43 |
| | | 1463.03 | (0.96) | 1462.07 |
| Current Liabilities | | | | |
| (a) Financial Liabilities | | | | |
| (i) Borrowings | | 1347.32 | | 1347.32 |
| (ii) Trade payables | | 519.43 | | 519.43 |
| (iii) Other financial liabilities | | 434.79 | | 434.79 |
| (b) Other current liabilities | | 136.07 | | 136.07 |
| (c) Provisions | | 6.25 | | 6.25 |
| (d) Current Tax Liabilities (Net) | | 11.44 | | 11.44 |
| | | 2455.30 | 0.00 | 2455.30 |
| Total | | 7300.91 | 0.00 | 7300.91 |

PRAKASH WOOLLEN & SYNTHETIC MILLS LIMITED

Reconciliation of Statement of profit and loss for the period ended March 31st, 2017

₹ in lakhs

| Particulars | Notes to first time adoption | Regrouped Previous GAAP | Ind AS adjustments | Ind AS |
|--|------------------------------|-------------------------|--------------------|-----------------|
| Continuing Operations | | | | |
| Income | | | | |
| Revenue from operations | | 10408.25 | 43.82 | 10452.07 |
| Other income | | 13.06 | 0 | 13.06 |
| Total Income | | 10421.31 | 43.82 | 10465.13 |
| Expenses | | | | |
| Cost of materials consumed | | 6970.07 | | 6970.07 |
| Excise duty | | | 44.35 | 44.35 |
| Purchases of Stock-in-Trade | | 44.39 | | 44.39 |
| Changes in inventories of finished goods, Stock-in -Trade and work-in-progress | | (126.96) | | (126.96) |
| Employee benefit expense | A | 624.86 | (2.90) | 621.96 |
| Finance costs | | 302.61 | | 302.61 |
| Depreciation and amortization expense | | 441.05 | | 441.05 |
| Other expenses | | 1750.38 | (0.53) | 1749.85 |
| Total expenses | | 10006.40 | 40.92 | 10047.32 |
| Profit Before Exceptional Items & Tax | | 414.91 | 2.90 | 417.81 |
| Exceptional items | | 0.00 | | 0.00 |
| Profit Before Tax | | 414.91 | 2.90 | 417.81 |
| Tax Expense | | | | |
| Current tax | E | (146.44) | - | (146.44) |
| Deferred tax charge / (credit) | | 4.61 | | 4.61 |
| Profit (Loss) For The Year From Continuing Operation | | 273.08 | 2.90 | 275.98 |
| Other Comprehensive Income | | | | |
| (i) Items that will not be reclassified to profit or loss | | | | |
| Remeasurements Of Net Defined Benefit Plans | A | - | (2.90) | (2.90) |
| Income tax relating to above items | D | - | 0.96 | 0.96 |
| Other Comprehensive Income For The Year | C | - | (1.94) | (1.94) |
| Total Comprehensive Income For The Year | | 273.08 | 0.96 | 274.04 |

III A Reconciliation Of Equity

₹ in lakhs

| Particulars | Notes | As at 31.03.2017 | As at 01.04.2016 |
|---|-------|------------------|------------------|
| Total Equity Under Previous GAAP | | 3,382.58 | 3,109.50 |
| Adjustments impact: Gain/ (Loss) | | | |
| Deferred Tax on Ind as adjustment | D | 0.96 | - |
| Total IND AS adjustment | | - | - |
| Total equity under Ind AS | | 3,383.54 | 3,109.50 |

III B Reconciliation Of Income Statement

₹ in lakhs

| Particulars | Notes | Year Ended 31.03.2017 |
|---|-------|-----------------------|
| Profit After Tax Under Previous GAAP | | 273.08 |
| Adjustments Gain/ (Loss) | | |
| Others (net) Employee Benefit Expenses | A | 2.90 |
| Deferred tax assets on IND AS adjustment | | |
| Total adjustment | | 2.90 |
| Profit After Tax As Per Ind AS | | 275.02 |
| Other comprehensive income (Net of Tax) | C | (1.94) |
| Total Comprehensive Income As Per Ind AS | | 274.04 |

PRAKASH WOOLLEN & SYNTHETIC MILLS LIMITED

The following explains the material adjustments made while transition from previous accounting standards to IND AS

A Remeasurements Of Post-Employment Benefit Obligation

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit and loss. Under the previous GAAP, these remeasurements were forming part of the profit and loss for the year. As a result of this change, the profit for the year ended March 31, 2017 increase by ₹ 2.90 lakhs There is no impact on the total equity as at 31st March, 2017.

B Retained Earnings

Retained earnings as at April 1, 2016 has been adjusted consequent to the above Ind AS transition adjustments.

C Other Comprehensive Income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.

D Deferred Tax

Deferred Tax on aforesaid IND AS adjustments

E Current Tax

Tax component on Actuarial Gains and losses which is transferred to Other Comprehensive Income under IND AS has been debited to Profit and Loss.

The Ind AS adjustments are either non cash adjustments or are regrouping among the cash flows from operating, investing and financing activities. Consequently, Ind AS adoption has no impact on the net cash flow for the year ended 31st March, 2017 as compared with the previous GAAP.

PROXY FORM

PRAKASH WOOLLEN & SYNTHETIC MILLS LIMITED

Regd. Office: 18th Km Stone Delhi Moradabad Road,
 NH-24, Village Amhera , Distt. J.P Nagar-244102
 Tel: 0591-2223008/18 Fax:0591-2223009
 Website: www.prakashwoollen.com ; Email : info@prakashwoollen.com
 CIN: L17291UP1979PLC004804

FORM NO. MGT 11

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

39th Annual General Meeting – September 22nd, 2018

Name of member(s) :
 Registered address :
 E Mail Id :
 Folio No. / DP ID - Client ID :

I / We, being the member(s) of shares of the above named Company, hereby appoint:

- 1) Name: E-Mail
 Address:
 Signature Or failing him / her
- 2) Name: E-Mail
 Address:
 Signature

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 39th Annual General Meeting of the Company to be held at 18th Km Stone Delhi Moradabad Road, NH-24, Village Amhera, Distt. J.P Nagar-244102 on Saturday, the 22nd day of September 2018 at 10.30 A.M. or at any adjournment thereof in respect of such resolutions as are indicated below:

| Item No. | Resolutions Ordinary Business | For | Against |
|----------|--|-----|---------|
| 1. | Adoption of Fiancial statements of the company alongwith the Reports of the Board of Directors and Auditors thereon for the financial period ended on March 31, 2018 | | |
| 2. | Appoint a director in place of Mr.Vijay Anand Rastogi (DIN: 00368488), who retires by rotation and being eligible offers himself for re-appointment | | |
| | Special Business | | |
| 3. | To consider and approve the appointment of Dr. Sushma Pandey as a Non-Executive Independent Director of the Company. | | |

Signed this day of 2018.

Signature of the member

NOTE:

- This form of proxy 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.
- For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 39th Annual General Meeting.
- It is optional to put a 'X' in the appropriate column against the Resolution indicated in the Box. If you leave the 'For' and 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he / she think appropriate.
- Please complete all details including detail of member(s) in above box before submission.

Affix
 Re. 1/-
 Revenue
 Stamp

Signature of the Proxy Holder(s)

ATTENDANCE SLIP

PRAKASH WOOLLEN & SYNTHETIC MILLS LIMITED

Regd. Office: 18th Km Stone Delhi Moradabad Road,
NH-24, Village Amhera, Distt. J.P Nagar-244102
Tel: 0591-2223008/18 Fax:0591-2223009
Website: www.prakashwoollen.com ; Email : info@prakashwoollen.com
CIN: L17291UP1979PLC004804

Folio No./ DP ID / Client ID

Number of shares held

I/we certify that I/we am/are member(s)/proxy for the member(s) of the Company.

I/We hereby record my/our presence at the thirty ninth Annual General Meeting of the Company on Saturday, the 22nd day of September, 2018, at 18th Km Stone, Delhi Moradabad Road, NH-24, Village Amhera, Distt. J. P. Nagar- 244102.

Full name of proxy (in case of proxy)

Signature of first holder/proxy

Signature of joint holder(s)

Note:

1. Please fill and sign this attendance slip and hand it over at the venue of the meeting.
2. Only members of the Company and/or their proxy will be allowed to attend the meeting.

POLLING PAPER

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

FORM MGT-12

PRAKASH WOOLLEN & SYNTHETIC MILLS LIMITED

Regd. Office: 18th Km Stone Delhi Moradabad Road,
NH-24, Village Amhera, Distt. J.P Nagar-244102
Tel: 0591-2223008/18 Fax:0591-2223009

Website: www.prakashwoollen.com ; Email : info@prakashwoollen.com
CIN: L17291UP1979PLC004804

- Name(s) & Registered Address of the Sole/First Named Member :
- Name(s) of the Joint Holders(s),
If Any
- Registered Folio Number/ DP ID No./Client ID No*
(* Applicable To investors holding shares in demat form) :
- Number of Equity Share(s) held :
- I/We hereby exercise my/our vote(s) in respect of the Resolutions set out in the Notice of the 39th Annual General Meeting (AGM) of the Company to be held on Saturday, 22nd September, 2018 by recording my/our assent or dissent to the said Resolutions by placing the tick () Mark at the appropriate box below:

| Item No. | Description of Resolutions | Type of resolution (Ordinary/Special) | No. of Equity shares for which votescast | (FOR)/I/We assent to the Resolution | (AGAINST)/I/We dissent to the Resolution |
|----------|--|---------------------------------------|--|-------------------------------------|--|
| 1 | Adoption of Audited Financial Statements of the company along with the Reports of the Board of Directors and Auditors thereon for the financial period ended on March 31, 2018 | Ordinary | | | |
| 2 | Appoint a director in place of Mr. Vijay Anand Rastogi (DIN: 00368488) who retires by rotation and being eligible offers himself for re-appointment | Ordinary | | | |
| 3 | Appointment of Dr. Sushma Pandey as a Non-Executive Independent Director of the Company. | Special | | | |

Date:
Place :

Signature of the Member

Notes: Please read the instructions printed overleaf carefully before exercising your vote.

INSTRUCTIONS

- 1) A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member cast votes by both modes, then voting done through e-voting shall prevail and ballot shall be treated as invalid.
- 2) For detailed instructions on e-voting, please refer to the notes appended to the Notice of the AGM.
- 3) The scrutinizer will collate the votes downloaded from the e-voting system and votes received through post to declare the final result for each of the Resolutions forming part of the Notice of the AGM.

Process and manner for Members opting to vote by using the Ballot Form:

- 1) The Form should be complete and signed by the Member as per the specimen signature registered with the Company/Depositories. In case of joint holding, the Form should be completed and signed by the first named Member and in his/her absence, by the next named joint holder.
- 2) In case the shares are held by companies, trusts, societies, etc. the duly completed Ballot Form should be accompanied by a certified true copy of the relevant Board Resolution /Authorization.
- 3) Votes should be cast in case of each resolution, either in favour or against by putting the tick (✓) mark the column provided in the Ballot.
- 4) The voting rights of shareholders shall be in proportion of the shares held by them in the paid up equity share capital of the Company as on 14th day of September, 2018 as per the Register of Members of the Company.
- 5) A Member may request for a duplicate Ballot Form, if so required.
- 6) Unsigned, incomplete, improperly or incorrectly tick marked Ballot Forms will be rejected. A Form will also be rejected if it is received torn, defaced or mutilated to an extent which makes it difficult for the Scrutinizer to identify either the Member or as to whether the votes are in favour or against or if the signature cannot be verified.
- 7) The decision of the Scrutinizer on the validity of the Ballot Form and any other related matter shall be final.
- 8) The results declared along with Scrutinizer's Report, shall be communicated to the BSE Limited where the shares of the Company are listed.

Route Map for the venue of AGM of Prakash Woollen & Synthetic Mills Limited to be held on Saturday, 22nd September 2018 at 10.30 am at the Registered office of the Company.



If Undelivered please return to :

PRAKASH WOOLLEN & SYNTHETIC MILLS LIMITED

Regd. Office: 18th Km Stone Delhi Moradabad Road,
NH-24, Village Amhera, Distt. J.P Nagar-244102