



PARAMOUNT

Rising beyond imagination

PARAMOUNT COSMETICS (INDIA) LIMITED

**THIRTY THIRD ANNUAL REPORT
2017-2018**

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Hiitesh Topiwaalla	- Managing Director (DIN – 01603345)
Ms. Aartii Topiwaalla	- Director (DIN – 03487105)
Mr. Shishir B. Desai	- Independent Director (DIN – 01453410)
Mr. V.N. Mehta	- Independent Director (DIN – 02800993)
Mr. Mukesh Kumar Tyagi	- Independent Director (DIN – 01649644)

**CHIEF FINANCIAL OFFICER &
COMPANY SECRETARY**

Mr. Hansraj Rathor

BANKERS

IDBI Bank Limited

STATUTORY AUDITORS

M/s. Dagliya & Co
Chartered Accountants,
Bangalore

REGISTERED OFFICE

2211/A-1, III Phase, G.I.D.C. Vapi - 396 195
Dist. -Valsad, Gujarat
Email: compliance.officer@paramount.com
Website: www.paramount.com
CIN: L24240GJ1985PLC008282

CORPORATE OFFICE

902-904, 9th Floor,
Prestige Meridian-1,
29, M. G. Road,
Bangalore - 560 001
Ph: +91 80 25320870/71
Email: compliance.officer@paramount.com

REGISTRAR & SHARE TRANSFER AGENT
BgSE Financials Limited

Stock Exchange Towers, No. 51,
1st Cross, J.C Road,
Bangalore- 560 027
Ph: 080 4132 9661
Email: rta_admin@bfsi.co.in
manager_rta@bfsi.co.in

<u>CONTENTS</u>	
	Page No.
Corporate Information	3
Notice	4-9
Directors' Report	10-23
Management Discussion and Analysis	23-25
Corporate Governance Report	25-42
Auditors' Report	43-48
Balance Sheet	49
Profit & Loss Account	50
Cash Flow Statement	51
Notes on Accounts	52-80
Attendance Slip	81
Proxy form	82

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 at the Annual General Meeting.

NOTICE

Notice is hereby given that the **Thirty Third Annual General Meeting** of the Members of Paramount Cosmetics (India) Limited will be held on Friday, the 28th day of September, 2018 at 11:00 a.m. at VIA Hall, Vapi Industrial Association, Plot No. 135, VIA House, GIDC, Vapi – 396 195 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2018 and Profit & Loss Account for the year ended on that date together with the report of the Board of Directors and Auditors thereon.
2. To appoint M/s Dagliya & Co., Chartered Accountants as Statutory Auditor and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 141 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force M/s Dagliya & Co., Chartered Accountants (Firm Registration No. 0671S), Bengaluru be and are hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting of the company until the conclusion of the fifth consecutive Annual General Meeting of the Company.

SPECIAL BUSINESS:

3. Appointment of Ms. Aartii Topiwaala (DIN – 03487105) as a Director

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

“RESOLVED THAT Mrs. Aartii Topiwaala (DIN – 03487105) who was appointed as Additional Director of the Company by the Board of Director with effect from February 14, 2018 and who hold office up to the date of this Annual General Meeting (‘AGM’) under Section 161(1) of the Companies Act, 2013, who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a member, proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation”.

Registered Office:
A-1/2211, III Phase, G I D C,
Vapi, Gujarat-396195
CIN: L24240GJ1985PLC008282

By Order of the Board
Paramount Cosmetics (India) Limited

Place: Bangalore
Date: 14.08.2018

Hiitesh Topiwaalla
Managing Director

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.
2. Corporate members intending to send their authorised representative to attend the Annual General Meeting (AGM) are requested to send Certified Copy of Resolution authorising their representative to attend and vote on their behalf at the AGM.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 21st September, 2018 to Friday, 28th September, 2018(both days inclusive), in terms of Section 91 of Companies Act, 2013 and Regulation 42 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015.
4. In accordance with the Companies Act, 2013, one-third of the directors who are liable to retire by rotation (except Mr. Hiitesh Topiiwaalla, who has been re-appointed as the Managing Director for a term of three years effective from 1st April, 2017) retire every year and, if eligible, offer themselves for re-appointment at the AGM. As per the provisions of the Companies Act, 2013, Independent Directors are required to be appointed for a term of upto five consecutive years and are not liable to retire by rotation. The relevant detail of Directors seeking appointment / re-appointment under item no. 3 is elaborated in the Statement annexed to the notice.
5. Members are requested to notify immediately of any change in their address to the Company's Registrar and Share Transfer Agent. Members holding shares in electronic form are advised to notify any change in their address to the concerned depository participant.
6. Members are requested to send all correspondence concerning registration of transfers, transmissions, subdivision, consolidation of Shares or any other Share related matters and/or change in address, furnishing of details of their bank accounts or updation thereof, to Company's Registrar - **BgSE Financials Limited**, Stock Exchange Towers, No. 51, 1st Cross, J. C. Road, Bangalore – 560027. Ph. No. 080 41329661. E-mail: rta_admin@bfsi.co.in or manager_rta@bfsi.co.in
7. Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means.
8. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Thursday, 20th September, 2018 i.e. the date prior to the commencement of book closure, are entitled to vote on the Resolutions set forth in this Notice.
9. Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on Thursday, 20th September, 2018 may obtain the User ID and password by sending a request at helpdesk.evoting@cdslindia.com or compliance.officer@parammount.com.
10. The members may cast their votes on electronic voting system from place other than the venue of the meeting (remote e-voting). The remote e-voting period will commence at 9.00 a.m. on Friday, 21st September, 2018 and will end at 5.00 p.m. on Tuesday, 25th September, 2018. The e-voting module shall be disabled by CDSL for voting thereafter.
11. The facility for voting, through ballot paper, will also be made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again.

12. The Company has appointed M/s Umesh Kumar & Associates, Practicing Company Secretary, Delhi to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given hereinafter. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

PROCEDURE FOR E-VOTING:

- I.** The Company has entered into an agreement with Central Depository Services Ltd (CDSL) for facilitating e-voting for AGM.

(A) In case a member receiving e-mail

- (i) The voting period begins on 21st September, 2018 at 9.00 a.m. and ends on 25th September, 2018 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 20th September, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (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, Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - c.
- (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) <input type="checkbox"/> 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 in the PAN Field. <input type="checkbox"/> In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <input type="checkbox"/> 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.
- (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 Paramount Cosmetics (India) 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) 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.

(A) In case a member receives physical copy of the Notice by Post

For members whose e-mail addresses are not registered with the Company / Depository Participant(s):

- a) User ID and initial password - These will be sent separately.
- b) Please follow all steps from Sr. No. (i) to (xvi) as aforementioned, to cast your vote.

- II. 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.
- III. Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participant(s), with whom they maintain their demat accounts, will be used by the Company for payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change in bank particulars. Members holding shares in demat form are requested to intimate any change in their address and / or bank mandate to their Depository Participants immediately.
- IV. Members are requested to contact M/s. BgSE Financials Limited / Corporate Department of the Company for encashing the unclaimed dividends standing to the credit of their account.
- V. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Company/RTA.
- VI. For convenience of the Members and proper conduct of the meeting, entry to the meeting venue will be regulated by Attendance Slip. Members are requested to sign at the place provided on the Attendance Slip and hand it over at the registration counter.
- VII. Members desiring any information relating to the accounts are requested to write to the Company well in advance so as to enable the management to keep the information ready.

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CIN: L24240GJ1985PLC008282

By Order of the Board
Paramount Cosmetics (India) Limited

Place: Bangalore
Date: 14.08.2018

Hitesh Topiwaala
Managing Director

PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013
Item No. 3

Mrs. Aartii Topiwaala (DIN – 03487105) was appointed as an Additional Director of the Company, liable to retire by rotation, with effect from February 14, 2018 by the Board of Directors. Pursuant to Section 161 of the Companies Act, 2013, Ms. Aartii Topiwaala (DIN – 03487105) holds office as Director up to the date of this Annual General Meeting of the Company, and is eligible for the appointment as a Director. Notice under Section 160 of the Act has been received from a member indicating her intension to propose Mrs. Aartii Topiwaala for the office of Director at the forthcoming AGM.

The Board recommends the passing of the Ordinary Resolution as set out in the Item no. 3 of the Notice for the appointment of Ms. Aartii Topiwaala (DIN – 03487105) as a Director, liable to retire by rotation.

Except Mr. Hiitesh Topiwaalla and Mrs. Aartii Topiwaala being related to each other, none of the Directors and Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financial or otherwise, in the resolution set out at Item No.3.

A statement containing her profile is given below:

DETAILS OF DIRECTORS SEEKING APPOINTMENT AT THE ANNUAL GENERAL MEETING

Particulars	Details
Name of Director	Ms. Aartii Topiwaala
Date of Birth	18.07.1972
Date of Appointment	14.02.2018(Additional Director)
Qualification	Bachelor of Commerce
Expertise in specific functional area	Rich experience of more than 21 years in the fashion industry
Shareholding in the Company	2600 Equity shares of Rs.10/- each
Relationship with Other Directors	Wife of Mr. Hiitesh Topiwaalla
List of Public Limited Companies in which Directorship held	NIL
List of Chairmanship/ Membership of the Committees of Board of Public Companies as on March 31, 2018	Paramount Cosmetics (India) Limited: <ul style="list-style-type: none"> • Audit Committee – Member • Nomination & Remuneration Committee – Member • Shareholder’s Relationship Committee – Member • Share Transfer Committee - Member

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By Order of the Board
For Paramount Cosmetics (India) Limited

Place: Bangalore
Date: 14.08.2018

Hiitesh Topiwaalla
Managing Director

DIRECTORS' REPORT

Your Directors have pleasure in presenting the 33rd Annual Report of your Company, together with the business operations

For the year ended 31st March, 2018.

FINANCIAL RESULTS

Your Company's performance during the year as compared with that during the previous year is summarized below:

(Figures in Rs. lakhs)

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Sales and other Income	2,133.56	3,491.98
Profit before Depreciation, Interest, Exceptional Items, Extraordinary Items and Tax	484.71	539.58
Depreciation	171.54	214.30
Interest and Finance Charges	282.40	323.41
Profit before Tax	30.77	1.87
Net Profit/Loss	3.67	(9.36)
Re Measurement of net defined benefit plan(Net of tax)	2.55	7.39
Balance carried forward to the Balance Sheet	6.22	(1.97)

* Previous year's figures have been regrouped / reclassified, wherever necessary to confirm to the current year presentation.

INDIAN ACCOUNTING STANDARDS

The financial statements for the financial year 2017-18 have been prepared in accordance with the applicable Indian Accounting Standards (INDAS) and the corresponding figures for the previous year have been restated as per INDAS for the purpose of comparison.

PERFORMANCE DURING THE YEAR

Sales and other Income of the Company for the year is Rs. 2,133.56 lakhs as compared to Rs. 3,491.98 lakhs in the previous year, showing a decrease of 38.90%. PBDIT has shown a decrease of 10.13%. Profit after tax is Rs. 3.67 lakhs which is 139.21% higher than the preceding year which stood at Rs. (9.36) lakhs. Sale is impacted by sluggishness in the market after implementation of The Goods and Service Tax Act.

CHANGE IN THE NATURE OF BUSINESS

There has been no change in the nature of business of the Company during the financial year 2017-18.

DIVIDEND

The Board of Directors has decided to conserve the profit and not to propose any dividend on Equity shares.

SHARE CAPITAL

The paid up Equity Share Capital as at March 31, 2018 stood at Rs.485.50 Lakhs. During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock option or sweat equity. As on March 31, 2018, none of the Directors of the Company hold instruments convertible into equity shares of the Company.