



PRAG BOSIMI SYNTHETICS LIMITED

25th Annual Report

2016 - 2017

Prag Bosimi Synthetics Limited

BOARD OF DIRECTORS

Shri. H. K. Sharma, IAS
Chairman

Shri. Hemant B. Vyas
Managing Director

Shri. Devang H. Vyas
Non Executive Director

Shri. M. K. Das

Shri. Girindra Mohan Das

Shri. Rohit P. Doshi

Shri. Mukund Trivedi

Smt. Deepali Pathak

Shri Ramesh Pokhriyal CEO

Shri Raktim Das CFO

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

Smt. Shweta Mahajan
Company Secretary
(08.03.2016 to 30.09.2016)

AUDITORS

M/s Bharat Shroff & Co.
Chartered Accountants
Mumbai

M/s AMD & Associates
Chartered Accountants
Guwahati

BANKERS

Dena Bank
IndusInd Bank
IDBI Bank
HDFC Bank
The Vysya Bank Ltd.

REGISTERED OFFICE

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

PLANT

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

CORPORATE OFFICE

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

REGISTRAR & SHARE TRANSFER AGENT

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

SUBSIDIARIES

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

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

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

NOTICE

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

ORDINARY BUSINESS:

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

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

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

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

"RESOLVED FURTHER THAT for the purpose of giving

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

SPECIAL BUSINESS:

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

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

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

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

Prag Bosimi Synthetics Limited

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

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

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

By order of the Board of Directors

Date: 18.08.2017

Place: Guwahati

Hemant B. Vyas

Managing Director

Din No. 00076289

NOTES:

1. The Statement pursuant to Section 102 of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument of Proxy, in order to be effective, must be received at the Company's Registered Office not less than forty-eight hours before the Meeting.
Pursuant to Section 105 of Companies Act, 2013, a person can act as a proxy on behalf of the members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total Share capital of those carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any person or shareholder.
3. The Register of Members and the Share Transfer Books of the Company will be closed from 22nd September, 2017 to 28th September, 2017 (both days inclusive).
4. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting.
5. A detail of Director seeking appointment / re-appointment in this Annual General Meeting is attached separately to the notice.
6. Shareholders/Investors are advised to send their queries/complaints through the dedicated e-mail secretarial@bosimi.com for quick and prompt redressal of their grievances.
7. The Shares of the Company are mandated by the Securities

& Exchange Board of India (SEBI) for trading in dematerialized form by all investors.

8. Members desirous of getting any information about the accounts of the Company, are requested to send their queries so as to reach at-least ten days before the meeting at the Registered Office of the Company, so that the information required can be made readily available at the meeting.
9. Members are requested to intimate change in their address immediately to M/s Sharex Dynamic (India) Pvt. Limited, the Company's Registrar and Share Transfer Agents, at their office at No. Unit – 1 , Luthra Ind. Premises, Safed Pool, Andheri Kurla Road, Andheri (E) Mumbai – 400072.
10. The identity/signature of Members holding shares in electronic/demat form is liable for verification with the specimen signatures furnished by NSDL/CDSL. Such Members are advised to bring the relevant identity card issued by appropriate authorities to the Annual General Meeting.
11. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the meeting.
12. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
13. In any correspondences with the Company, members are requested to quote their account/ folio numbers and in case their shares are held in the dematerialized form, they must quote their Client ID Number and their DP ID Number.
14. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail of the nomination facility by filing

Form 2B. Members holding shares in the dematerialized form may contact their Depository Participant for recording nomination in respect of their shares.

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

The details for voting electronically are as under -

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

kumudiniparanjape@mmjc.in

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

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

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

Prag Bosimi Synthetics Limited

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

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

NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com.

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

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

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

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

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

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

ITEM NO: 3

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

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

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

ITEM NO. 4

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

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

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

ITEM NO. 5 & 6:

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

Part A – Optionally Cumulative Convertible Debentures

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

Part B – Cumulative Preference shares

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

(i) The objects of the issue;

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

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

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

(iii) Dividend;

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

(iv) The nature of such issue;

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

(v) Manner of issue

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

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

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

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

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

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

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

(ix) The manner and modes of redemption;

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

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

Not Applicable

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

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

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

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

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

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

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

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

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

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

By order of the Board of Directors

Date: 18.08.2017

Place: Guwahati

Hemant B. Vyas

Managing Director

Din No. 00076289

DIRECTORS' REPORT

To,

The Members,

Prag Bosimi Synthetics Limited (PBSL).

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

SUMMARISED FINANCIAL RESULTS:

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

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

COMPANY ACTIVITIES

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

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

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

Government started studying the possibility of revival of the unit with total value-added machines to be installed to produce not only POY yarn but final yarn which can be used in handloom and

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

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

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

ONE TIME SETTLEMENT WITH BANKS AND FINANCIAL INSTITUTIONS

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

DIVIDEND:

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

TRANSFER TO RESERVES :

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

SHARE CAPITAL :

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

Prag Bosimi Synthetics Limited

CHANGE IN NATURE OF BUSINESS, IF ANY.

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

FINANCE AND ACCOUNTS

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

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

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

LOANS, GUARANTEES, INVESTMENTS AND SECURITIES:

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

SUBSIDIARIES:

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

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

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

CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES

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

MANAGEMENT DISCUSSION AND ANALYSIS:

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

DIRECTORS AND KEY MANAGERIAL PERSONS:

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

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

BOARD EVALUATION

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

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

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

BOARD MEETINGS:

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

BOARD COMMITTEES

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

DECLARATIONS BY INDEPENDENT DIRECTORS:

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

PUBLIC DEPOSITS:

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

DEPRECIATION ON PLANT & MACHINERY

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

MATERIAL CHANGES AND COMMITMENTS

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