



**ONLY GROWTH
IS CONSTANT !**

**ANNUAL REPORT
2013-2014**

PRAKASH WOOLLEN MILLS LIMITED

PRAKASH WOOLLEN MILLS LIMITED

BOARD OF DIRECTORS

Mr. Jai Kishan Gupta
Managing Director

Mr. Vijay Kumar Gupta
Whole Time Director & CFO

Mr. Daya Kishan Gupta
Whole Time Director

Mr. Ved Prakash Gupta
Whole Time 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

COMPANY SECRETARY

Ms. Mansee Agarwal

BANKERS

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

STATUTORY AUDITORS

Messrs A. Anand & Co.
Chartered Accountants
Moradabad, U. P.

COST AUDITORS

Messrs KAG & Associates
Cost Accountants
Ghaziabad, U. P.

COMPANY SECRETARY IN PRACTICE

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 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
Delhi Stock Exchange

CORPORATE IDENTIFICATION NUMBER

CIN:L17113UP1979PLC004804

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Thirty Fifth Annual General Meeting of the Members of **Prakash Woollen Mills Limited** will be held on Thursday, the 25th day of September, 2014 at 11.00 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 business:

Ordinary Business

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2014, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Vijay Kumar Gupta (DIN: 00335325), who retires by rotation and is eligible for re-appointment.
3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
Appointment of Auditors and to fix their remuneration

"RESOLVED THAT pursuant to the provisions of section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 Messrs A. Anand & Co., Chartered Accountants, be and are hereby appointed as Statutory Auditors of the Company, in place of Messrs. Agarwal Pawan Kumar & Co., Chartered Accountants, to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company on a remuneration to be fixed by the Board of Directors of the Company."

Special Business:

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

APPROVAL OF REMUNERATION OF THE COST AUDITORS FOR THE FINANCIAL YEAR ENDING 31ST MARCH 2015

"RESOLVED THAT, pursuant to the provisions of Section 141, 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the appointment of M/s KAG & Associates, Cost Accountants, Ghaziabad, Uttar Pradesh as Cost Auditor to audit the cost records maintained by the Company for product(s)/Services for the Financial Year 2014-2015 at a remuneration of Rs. 30000/- plus service tax and out-of pocket expenses, as made by the Board be and is hereby ratified."

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

"RESOLVED THAT pursuant to Section 180 (1)(c) and any other applicable provisions of the Companies Act and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) the Company hereby accords its consent to the Board Of Directors for borrowing any sums of money from time to time from any one or more persons, firms, bodies corporate, or financial institutions whether by way of cash credit, advance or deposits, loans or bill discounting or otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company's assets and properties whether movable or stock-in-trade (including raw materials, stores, spare parts and components in stock or in transit) and work-in-progress or all or any of the undertakings of the Company notwithstanding that the monies to be borrowed together with monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will or may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, but, so, however, that the total amount up to which the monies may be borrowed by the Board of Directors and outstanding at any time shall not exceed the sum of Rs. 50 Crore (Rupees Fifty Crore only) "

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

RESOLVED THAT in supersession of the Ordinary Resolution passed earlier and pursuant to Section 180(1)(a) and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the members of the Company be and is hereby accorded to the Board of Directors (hereinafter may be referred to as "the Board" which term shall be deemed to include any Committee of Directors duly constituted by the Board to exercise its powers conferred by this resolution) to create such Charges, Mortgages and Hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties of the Company, both present and future, and in such form and manner and with such rankings as to priority and for such time and on such terms as the Board of Directors may determine in favour of banks, financial Institutions, investing agencies, firm, bodies corporate, multilateral agencies, foreign institutional investors, foreign financial institutions, mutual funds and/or from any other persons or combination thereof (hereafter known as lenders) to secure the borrowings of the Company availed/ to be availed by way of cash credit, advance, deposits, loan, term loan, overdraft, packing-credit, letter of credit, release / issuance of delivery order, pre-shipment credit, post-shipment credit, payment undertaking, guarantee facility, bills purchase, bills discount, buyer's credit facility, debentures, external commercial borrowing, issuing foreign currency convertible bonds, and/or any other credit facilities by whatever name called, subject to the limits approved under Section 180(1)(c) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premia on prepayment, all other cost, charges and expenses and all other moneys payable in terms of loan agreements or any other document entered into to be entered into between the Company and the lenders in respect of such loans/ borrowings.

PRAKASH WOOLLEN MILLS LIMITED

RESOLVED FURTHER THAT, the Board of Directors be and is hereby authorised to sign and execute such documents/deeds/writings or other papers as may be necessary and to do all such acts, deeds, matters and things as it may, in its sole discretion, deem necessary, proper, desirable, expedient or incidental for the purpose and to settle any question, difficulty or doubt that may arise in giving effect to this resolution"

7. 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 152, 161 and any other applicable provisions of the Companies Act, 2013 and any rules made there under read with Schedule IV of the Act, Mr. Vijay Anand Rastogi, who was appointed as an Additional Director of the Company by the Board of Directors w.e.f. November 11, 2013 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing the candidature of Mr. Vijay Anand Rastogi for the office of the Director of the Company, be and is hereby elected and appointed as a director, whose period of office shall be liable to determination by retirement of directors by rotation."

8. 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 Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Pramod Kumar Agarwal (holding DIN no. 05248122), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company w.e.f. September 25, 2014 to hold office for 5 (five) consecutive years for a term up to the conclusion of the Annual General Meeting of the Company to be held in the calendar year 2019."

9. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION the following:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Mahendra Kumar Agarwal (holding DIN no. 02225421), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company w.e.f. September 25, 2014 to hold office for 5 (five) consecutive years for a term up to the conclusion of the Annual General Meeting of the Company to be held in the calendar year 2019."

10. 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 Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Dr. Satish Kumar Raj (holding DIN no. 00852221), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company w.e.f. September 25, 2014 to hold office for 5 (five) consecutive years for a term up to the conclusion of the Annual General Meeting of the Company to be held in the calendar year 2019."

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

Re-appointment of Mr. Vijay Kumar Gupta (DIN: 00335325) as a Whole-Time Director and CFO

RESOLVED THAT in accordance with the provisions of Section 196, 197 & 203 read with Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and with 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, approval of the shareholders be and is hereby accorded to the re-appointment of Mr. Vijay Kumar Gupta as Whole-Time Director (designated as Director Finance), of the Company for a period of five years with effect from 1st April, 2014 on a remuneration of Rs. 2.50 lac per month (whether by way of salary or perquisites to the extent these are not taxable under the Income Tax Act, 1961).

RESOLVED FURTHER THAT, in the event of loss or inadequacy of profits, he be paid Minimum Remuneration as per provisions of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT, pursuant to Section 203 and as per recommendations of Nomination and Remuneration Committee, approval of the shareholders be and is hereby given for appointment of Mr. Vijay Kumar Gupta as the Chief Financial Officer of the company and that he will have dual charge as Whole-Time Director & Chief Financial Officer."

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

Re-appointment of Mr. Jai Kishan Gupta (DIN: 00337659) as Managing Director.

RESOLVED THAT in accordance with the provisions of Section 196, 197 & 203 read with Rule 8 of Companies (Appointment and 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, approval of the shareholders be and is hereby accorded to re-appoint Mr. Jai Kishan Gupta as Managing Director of the Company for a period of five years with effect from 1st April, 2014 on a remuneration

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of Rs. 2.50 lac per month (whether by way of salary or perquisites to the extent these are not taxable under the Income Tax Act, 1961).

RESOLVED FURTHER THAT, all acts done by Board Management in respect of appointment, payment of remuneration to Mr. Jai Kishan Gupta, Managing Director from 01.04.2014 be and are hereby confirmed, approved, ratified including regularisation of remuneration of the appointment.

RESOLVED FURTHER THAT, in the event of loss or inadequacy of profits, he be paid Minimum Remuneration as per provisions of Schedule V of the Companies Act, 2013.

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

Re-appointment of Mr. Daya Kishan Gupta (DIN: 00337659) as Whole time Director

RESOLVED THAT in accordance with the provisions of Section 196, 197 & 203 read with Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and with 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, approval of the shareholders be and is hereby accorded to re-appoint Mr. Daya Kishan Gupta as Whole Time Director of the company for a period of five years with effect from 1st April, 2014 on a remuneration of Rs. 2.50 lac per month (whether by way of salary or perquisites to the extent these are not taxable under the Income Tax Act, 1961).

RESOLVED FURTHER THAT, in the event of loss or inadequacy of profits, he be paid Minimum Remuneration as per provisions of Schedule V of the Companies Act, 2013.

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

Re-appointment of Mr. Ved Prakash Gupta (DIN: 00337659) as Whole time Director

RESOLVED THAT in accordance with the provisions of Section 196, 197 & 203 read with Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and with 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, approval of the shareholders be and is hereby accorded to re-appoint Mr. Ved Prakash Gupta as Whole Time Director of the company for a period of five years with effect from 1st April, 2014 on a remuneration of Rs. 2.50 lac per month (whether by way of salary or perquisites to the extent these are not taxable under the Income Tax Act, 1961).

RESOLVED FURTHER THAT, in the event of loss or inadequacy of profits, he be paid Minimum Remuneration as per provisions of Schedule V of the Companies Act, 2013.

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

ADOPTION OF NEW ARTICLES OF ASSOCIATION OF THE COMPANY

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

August 12, 2014

By Order of the Board of Directors
For Prakash Woollen Mills Limited

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

Registered Office:
18th Km. Stone, Delhi Moradabad Road
NH-24, Village Amreha, Distt. J.P Nagar,
Uttar Pradesh-244102
CIN: L17113UP1979PLC004804
e-mail: info@prakashwoollen.com

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1. **A member entitled to attend and vote at the Annual General Meeting (“the meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy need not be a member of the Company. The instrument appointing proxy in order to be effective should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than forty-eight hours before commencement of the Meeting.**
2. Corporate Members intending to send their authorized representative to attend the meeting are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. A brief resume of the persons to be appointed and/ reappointed as Directors, pursuant to the requirement of Clause 49 of the Listing Agreement with the Stock Exchanges in India, are provided in the Report on Corporate Governance forming part of the Annual Report.
4. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto.
5. 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.
6. 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.
7. 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.
8. Register of Members and Share Transfer Books of the Company will remain closed from Monday, 22nd September, 2014 to Thursday, 25th September, 2014 (Both days inclusive).
9. Members desirous of having any information regarding accounts are requested to address their queries to the Manager (Finance) 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.
10. 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.
11. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communications including Annual Report, Notices, Circulars etc. from the Company electronically.
12. E-Voting:
 1. In compliance with provisions of Section 108 of the Companies Act 2013 and rule 20 of the Companies (Management and Administration) rules 2014, the Company is pleased to provide members facility to exercise their right to vote at the 35th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by CDSL(Central Depository Services India Limited).

The instructions for shareholders voting electronically are as under:

 - (i) The voting period begins on 15th September 2014 and ends on 17th September 2014. 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 22nd August 2014, 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 during the voting period
 - (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.

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(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)
- 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 folio number/member ID in the PAN field.
 - In case the folio 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 folio 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.
- 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 No. of shares in the Dividend Bank details field.

(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 relevant PRAKASH WOOLLEN 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) Note for Institutional Shareholders

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
- 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 they have to create 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.

(xix) 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.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

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- II. a. Mr. R.S. Bhatia, FCS, Practicing Company Secretary (CP No.2599) has been appointed as Scrutinizer to scrutinize voting process in a fair and transparent manner.
- b. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- c. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be available for inspection and will also be placed on the website of the Company within the prescribed period.

STATEMENT PURSUING TO SECTION 102 (1) OF THE COMPANIES ACT, 2013 ("the Act")

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

ITEM NO. 3

M/s Agarwal Pawan Kumar & Co. Chartered Accountants, who were the statutory auditors of the company have resigned w.e.f. the conclusion of this Annual General Meeting vide their letter dated 08th July 2014 due to their preoccupation. Your Directors have, on the recommendations of the Audit Committee have selected M/s A. Anand & Co. Chartered Accountants for the position of Statutory Auditors. The said firm of auditors have experience of 24 years.

As per Rule 3(4) of Companies (Audit and Auditors) Rules 2014, the appointment and remuneration payable to the Auditors to fill the vacancy caused by the resignation of Auditors is to be made by the Shareholders. Hence this resolution is put for the consideration of the shareholders.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 3.

ITEM NO.4

The appointment of Cost Auditor for 2014-2015 was recommended by the Audit Committee to the Board and to be ratified by the Shareholders. It was proposed to re-appoint M/s KAG & Associates, Cost Accountant Ghaziabad, Uttar Pradesh as Cost Auditors.

As per Rule 14 of Companies (Audit and Auditors) Rules 2014, the appointment and remuneration payable to the Cost Auditors is to be ratified by the Shareholders. Hence this resolution is put for the consideration of the shareholders.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4.

The Directors recommend the Resolution for approval of the shareholders.

ITEM NO. 5 AND 6

Section 180 of the Companies Act 2013 effective from September 12, 2013 requires that consent of the Company accorded by way of a special resolution is required to borrow money in excess of the Company's paid up share capital and free reserves. Further, as per the clarification issued by Ministry of Corporate Affairs approval granted by way of ordinary resolution shall be valid for one year from the date Section 180 became effective. Thus, the approval granted by members is valid upto 11th September 2014.

Similarly, for securing the above borrowings, the Company may need to create Charge/Mortgage over all or any of the movable and/or immovable properties of the Company, both present and future, wherever situated in favour of lenders/trustee(s)/agent(s) in addition to charge/mortgage already created in favour of lenders.

The mortgage and/or charge by the Company on its movable and/or immovable properties and/or the whole or any part of the undertaking(s) of the Company in favour of the lenders/ agent(s)/trustee(s) may be regarded as disposal of the Company undertaking(s) within the meaning of section 180 (1)(a) of the Companies Act, 2013.

It is therefore, necessary for the members to pass a Special Resolution under Section 180(1) (c) and 180(1)(a) and other applicable provisions of the Companies Act 2013 as set out at Item No. 5 and 6 of the Notice. The Board recommends the resolutions for approval by the members of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item No. 5 and 6.

The Directors recommend the Resolution for approval of the Shareholders.

ITEM NO. 7

The Board of Directors of the Company appointed, pursuant to the provisions of Section 260 of the Companies Act 1956 and the Articles of Association of the Company, Shri Vijay Anand Rastogi as an Additional Director of the Company with effect from November 11, 2013.

In terms of the provisions of said section Shri Vijay Anand Rastogi would hold office up to the date of the ensuing Annual General Meeting.

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The Company has received a notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Shri Vijay Anand Rastogi for the office of Director of the Company. Shri Vijay Anand Rastogi is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

In the opinion of the Board, Shri Vijay Anand Rastogi fulfills the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement. Shri Vijay Anand Rastogi is independent of the management.

Brief resume of Shri Vijay Anand Rastogi, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Shri Vijay Anand Rastogi be appointed as Director of the Company.

Copy of the draft letter for appointment of Shri Vijay Anand Rastogi as Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Save and except Shri Vijay Anand Rastogi and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 7.

The Directors recommend the Resolution for approval of the shareholders.

ITEM NO.8

Mr. Pramod Kumar Agarwal (holding Din No.:05248122), aged 65 years, is Non- Executive and Independent Director of the Company. He is a Post Graduate and is having a degree of L.L.M also . He is retired manager of Life Insurance Corporation. He is having an experience of around 40-45 years.

As per the provisions of Sec 149 of the Act which has come in to force with effect from April 01, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation.

Mr. Pramod Kumar Agarwal has given a declaration to the Board that he meets the criteria of independence as provided under Sec 149(6) of the Act. In the opinion of the Board, Mr. Pramod Kumar Agarwal fulfills the conditions specified in the Act, and the Rules made there under for the appointment of Independent Director and he is Independent of the management.

In compliance with the provisions of Sec 149 read with Schedule IV of the Act, the appointment of Mr. Pramod Kumar Agarwal as Independent Director is now being placed before the members for their approval.

The terms and conditions of the appointment of Mr. Pramod Kumar Agarwal pursuant to the provisions of Schedule IV of the Act, shall be open for inspection at the Registered Office of the Company by any Member during the normal business hours on any working day of the Company.

Mr. Pramod Kumar Agarwal is interested and concerned in the Resolution as mentioned at Item no. 8 of the notice, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 8.

The Directors recommend the Resolution for approval of the shareholders.

ITEM NO.9

Mr. Mahendra Kumar Agarwal (holding Din No.: 02225421), aged 74 years, is Non- Executive and Independent Director of our Company. He is a Post Graduate and is having a degree of LLB also. He is in business and is also having a printing press of himself. He is having an experience of around 45-50 years.

As per the provisions of Sec 149 of the Act which has come in to force with effect from April 01, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation.

Mr. Mahendra Kumar Agarwal has given a declaration to the Board that he meets the criteria of independence as provided under Sec 149(6) of the Act. In the opinion of the Board, Mr. Mahendra Kumar Agarwal fulfills the conditions specified in the Act, and the Rules made thereunder for the appointment of Independent Director and he is Independent of the management.

In compliance with the provisions of Sec 149 read with Schedule IV of the Act, the appointment of Mr. Mahendra Kumar Agarwal as Independent Director is now being placed before the members for their approval.

The terms and conditions of the appointment of Mr. Mahendra Kumar Agarwal pursuant to the provisions of Schedule IV of the Act, shall be open for inspection at the Registered Office of the Company by any Member during the normal business hours on any working day of the Company.

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Mr. Mahendra Kumar Agarwal is interested and concerned in the Resolution as mentioned at Item no.9 of the Notice, none of the Directors and Key Managerial Personnel of the Company and their relative is concerned or interested, financially or otherwise, in the resolution set out at Item No. 9.

The Directors recommend the Resolution for approval of the shareholders.

ITEM NO.10

Dr. Satish Kumar Raj (holding Din No.: 00852221), aged 69 years, is Non- Executive and Independent Director of our Company. He is M.B.B.S and is having an experience of more than 40 years in this profession.

As per the provisions of Sec 149 of the Act which has come in to force with effect from April 01, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a accompany and is not liable to retire by rotation.

Dr. Satish Kumar Raj has given a declaration to the Board that he meets the criteria of independence as provided under Sec 149(6) of the Act. In the opinion of the Board, Dr. Satish Kumar Raj fulfills the conditions specified in the Act, and the Rules made thereunder for the appointment of Independent Director and he is Independent of the management.

In compliance with the provisions of Sec 149 read with Schedule IV of the Act, the appointment of Dr. Satish Kumar Raj as Independent Director is now being placed before the members for their approval.

The terms and conditions of the appointment of Dr. Satish Kumar Raj pursuant to the provisions of Schedule IV of the Act, shall be open for inspection at the Registered Office of the Company by any Member during the normal business hours on any working day of the Company.

Dr. Satish Kumar Raj is interested and concerned in the Resolution as mentioned at Item no. 10 of the Notice, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No.10.

The Directors recommend the Resolution for approval of the shareholders.

ITEM NO.11:

The Board of Directors of the Company (the 'Board'), at its meeting held on 31st March, 2014 has, subject to the approval of members, re-appointed Mr. Vijay Kumar Gupta (DIN: 00335325) as Whole Time Director & CFO, for a **period of 5 (five) years** with effect from 1st April 2014, on a remuneration of Rs. 2.5 Lac per month (Whether by way of salary or perquisites to the extent these are not taxable under the Income Tax Act 1961), subject to the approval of shareholders.

It is proposed to seek the members' approval for the re-appointment of and remuneration payable to Mr. Vijay Kumar Gupta as Whole Time Director and CFO, in terms of the applicable provisions of the Act.

None of the Directors and Key Managerial personnel of the Company and their relatives except Mr. Vijay Kumar Gupta, Mr. Jai Kishan Gupta, Mr. Daya Kishan Gupta and Mr. Ved Prakash Gupta is concerned or interested financially or otherwise in the resolution set out at Item No.11. Mr. Vijay Kumar Gupta, Mr. Jai Kishan Gupta, Mr. Daya Kishan Gupta and Mr. Ved Prakash Gupta are relatives of each other and may be deemed to be concerned or interested in the resolution to the extent of payment of remuneration to each of the Whole Time Director and Managing Director of the Company. His appointment shall be subject to retirement by rotation as provided in the Act but he shall be eligible for re-appointment.

The above may be treated as a written memorandum setting out the terms of re-appointment of Sh. Vijay Kumar Gupta under section 190 of the Companies Act, 2013.

The Directors recommend the Resolution for approval of the shareholders.

ITEM NO.12:

The Board of Directors of the Company (the 'Board'), at its meeting held on 31st March, 2014 has, subject to the approval of members, re-appointed Mr. Jai Kishan Gupta (DIN: 00337659) as Managing Director for a period of **5 (five) years** with effect from 1st April 2014, on a remuneration of Rs. 2.50 Lac per month (Whether by way of salary or perquisites to the extent these are not taxable under the Income Tax Act 1961).

It is proposed to seek the members' approval for the re-appointment of and remuneration payable to Mr. Jai Kishan Gupta (DIN: 00337659) as Managing Director, in terms of the applicable provisions of the Act.

None of the Directors and Key Managerial personnel of the Company and their relatives except Mr. Vijay Kumar Gupta, Mr. Jai Kishan Gupta, Mr. Daya Kishan Gupta and Mr. Ved Prakash Gupta is concerned or interested financially or otherwise in the resolution set out at Item No.12. Mr. Vijay Kumar Gupta, Mr. Jai Kishan Gupta, Mr. Daya Kishan Gupta and Mr. Ved Prakash Gupta are relatives of each other and may be deemed to be concerned or interested in the resolution to the extent of payment of remuneration to each of the Whole Time Director and Managing Director of the Company. His appointment shall be subject to retirement by rotation as provided in the Act but he shall be eligible for re-appointment.