

Date: 06.09.2021

To,  
Department of Corporate Services,  
Bombay Stock Exchange Limited,  
P.J. Towers, Dalal Street,  
Mumbai 400 001.

Dear Sirs,

**Ref.: Scrip Code: 500192: PRAGBOS**

**Sub: Submission of Annual Report pursuant to Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Respected Sir or Madam,

With reference to the above captioned matter and pursuant to clause 34(1) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 we are enclosing along with this letter, soft copy of Annual Report 2020 containing Notice and Annual Accounts for the financial year ended 31st March 2021

The said Annual Report is also available under Investor Relations>Annual Report sections of Company's website viz.pragbosimi.com Kindly take the same on your records and oblige.

Please take the same on your records

This is for the information of members.

Thanking You

Yours faithfully,  
For PRAG BOSIMI SYNTHETICS LIMITED


Madhu P. Dharewa  
Company Secretary  
A31733



**PRAG BOSIMI SYNTHETICS LIMITED**

**CIN NO.: L17124AS1987PLC002758**

**29th Annual Report  
2020 - 2021**

# Prag Bosimi Synthetics Limited

## BOARD OF DIRECTORS

**Shri. Adil Khan, IAS**  
Chairman & Nominee, AIDC

**Shri. Raktim Kumar Das**  
Whole Time Director

**Shri. Devang H. Vyas**  
(Non – Executive Director)

**Shri. Prasanta Bora**  
(Nominee, AIDC)

## INDEPENDENT DIRECTORS

**Shri. Girindra Mohan Das**

**Shri. Rohit P. Doshi**

**Shri. Mukund Trivedi**

**Ms. Bina Advani**

## CHIEF EXECUTIVE OFFICER

**Shri Ramesh Pokhriyal**

## COMPANY SECRETARY

**Ms. Madhu P. Dharewa**

## STATUTORY AUDITORS

M/s M. H. Dalal & Associates.  
Chartered Accountants  
Mumbai

M/s AMD & Associates  
Chartered Accountants  
Guwahati

## SECRETARIAL AUDITOR

**Mr. Amit Mundra,**  
Practicing Company Secretary

## BANKERS

Dena Bank (Now Bank of Baroda)  
IndusInd Bank Ltd  
IDBI Bank HDFC Bank Ltd  
The Vysya Bank Ltd

## REGISTERED OFFICE

House No. 19, Ambikagiri Nagar,  
Milan Path, R.G. Barua Road,  
Guwahati - 781024, Assam.

## PLANT

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

## CORPORATE OFFICE

R-79/83, Laxmi Insurance Building, 5th Floor,  
Sir P. M. Road, Mumbai- 400001  
Webiste: [www.pragbosimi.com](http://www.pragbosimi.com)  
Email: [secretarial@bosimi.com](mailto:secretarial@bosimi.com)

## REGISTRAR & SHARE TRANSFER AGENT

M/s. Linkintime India Pvt. Ltd.  
C-101, 247 Park, LBS Marg, Vikhroli (West),  
Mumbai – 400 083.  
Phone: 022 - 4918 6270 / 1800 1020 878  
Website: <https://linkintime.co.in/>  
Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

## 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

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## NOTICE

**Notice is hereby given that the 29th Annual General Meeting of Prag Bosimi Synthetics Limited will be held on Wednesday, the 29<sup>th</sup> day of September, 2021 at 3.00 P.M. through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) to transact the following businesses as:**

1. To receive, consider and adopt the audited financial statements including the consolidated financial statements of the Company for the financial year ended 31st March, 2021 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.

**Explanation:** Based on the terms of appointment as per companies Act 2013, office of executive, non-executive director's & non independent chairman are subject to retirement by rotation. Mr. Devang Vyas, who was appointed on May 15, 2015, whose office is liable to retire at the ensuing AGM, being eligible, seeks re-appointment. Based on performance evaluation and the recommendation of the Nomination and Remuneration Committee, the Board recommends his re-appointment as non-executive Director as was the case already.

Therefore, members are requested to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Devang Vyas (DIN:00076459), who retires by rotation, be and is hereby re-appointed as a director liable to retire by rotation.”

### Special Business

#### 3. Appointment of Mr. Raktim Kumar Das as Whole Time Director of the Company

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

“RESOLVED THAT pursuant to the provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Sections , 196, 197 and 203 read with Schedule V and Article of Association of the Company as amended from time to time and all other applicable provisions of the Companies Act 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (Including any statutory modification or reenactment(s) thereof for the time being in force) and the applicable Regulations under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the approval of the members/shareholders of the Company be and are hereby accorded to approve the terms of appointment and remuneration of Shri Raktim Kumar Das (DIN: 05115126) as a Whole Time Director of the Company, for a period of Five years with effect from June 30th,2021 to 29th June 2026, as recommend / approved by the Nomination & Remuneration Committee and Board of Directors in its meeting held on June 30th 2021, on the terms and conditions including remuneration as set out in explanatory statement annexed to the notice convening this meeting, with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and/or remuneration as it may deem fit and as may be accepted to Shri Raktim Kumar Das, subject to the same not exceeding the limit specified under Schedule V to the Companies Act, 2013 or any statutory modifications or re-enactment thereof and shall not be subject to retirement by rotation, so long as Raktim Kumar Das (DIN: 05115126) functions as the Whole Time Director of the Company..

“RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorized to file necessary forms with Registrar of Companies and to do all such act, deeds and things as may be considered necessary, desirable or expedient to give effect to the above said resolution”

As per the act, the terms and remuneration of Whole time Director recommend by Nomination and Remuneration Committee and approved by the members, Mr. Raktim Kumar Das shall be entitled to receive the same remuneration as was drawn during his tenure as CFO. This is reproduced below for reference:

₹ 40,000/- Basic Salary per month.

In addition to salary, the as CFO he was drawing following perquisites /allowances

- |   |                   |
|---|-------------------|
| a) Provision of Housing Accommodation or House Rent Allowance in lieu thereof | : ₹ 14,000/- P.M. |
| b) Reimbursement of Corporate wear  | : ₹ 5,000/- P.M.  |
| c) Reimbursement of Medical Expenses  | : ₹ 3,000/- p.m.  |
| d) Children Education allowance   | : ₹ 3,000/- P.M.  |
| e) Special Location Allowance   | : ₹ 15,000/- P.M  |

# Prag Bosimi Synthetics Limited

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- |  |                  |
|--|------------------|
| f) Other Perquisites                     | : ₹ 50,000/- P.M |
| g) Provident Fund                        | : ₹ 4,800/- P.M. |
| h) Reimbursement of Conveyance Allowance | : ₹ 15,000/-     |

Gratuity: 15 days salary for every completed year of service after completion of five years' continuous service. Earned Leave: leave to be encashed at the end of the tenure.

## Perquisites

- Vehicle with Driver.
- Health Insurance for you and Family.
- Privileged Leave, Sick leave and Casual Leave as per standard company policy

However from March 20 due to pandemic scenario his remuneration has been restricted to Rs 55000/- P.M. +Special Conveyance + P.F.+ perquisites in line with other top executives of the company. At present Mr Raktim has kindly agreed to continue with the same remuneration as above till the situation continues. Gratuity and Leave will continue.

Where in any financial year, during the currency of the tenure of the Whole Time Director, the Company has no profits or its profits are inadequate, the Company will pay the above remuneration as minimum remuneration. The above remuneration is in accordance with the ceiling provided under Schedule V of the Companies Act, 2013.

The terms & conditions of the said appointment may be altered and varied from time to time by the board as it may, in its discretion, deem fit within the maximum amount payable to Shri. Raktim Kumar Das in accordance with Schedule V of the Act or any amendments made hereafter in this regard.

None of the other directors are interested

## 4. Approval of related party transaction.

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

“RESOLVED THAT authority is hereby delegated to the Board of Directors of the Company to enter into transactions, including those repetitive in nature and in the ordinary course of business at arm's length with related parties following provisions of Section 188 of the Companies Act, 2013 (the Act) read with Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, also those in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “SEBI (LODR) Regulations, 2015”) (including any statutory modification(s) or re-enactment thereof for the time being in force) and in connection therewith, the Board may take such steps as may be necessary for and on behalf of the Company.”

**By order of the Board of Directors  
For Prag Bosimi Synthetics Limited**

Date: 11<sup>th</sup> August, 2021  
Place: MUMBAI

**Madhu P. Dharewa**  
Company Secretary & Compliance Officer

**NOTES:**

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated 5th May, 2020 read with circulars dated 8th April, 2020 and 13th April, 2020 collectively (referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC/ OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ( “Act”) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC/ OAVM.
2. Normally-PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Since this AGM is being held pursuant to MCA Circulars through VC/ OAVM, physical attendance of Members has been dispensed with. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, accordingly, the facility for the appointment of proxies by the Members will not be available for the AGM and hence the proxy Form and attendance Slip are not annexed to the Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. Institutional / Corporate Shareholders (i.e. other than individuals / HUF / NRI etc.) are required to send a scanned copy (PDF / JPG format) of its Board or governing body Resolution/authentication etc. authorising its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution / Authorisation shall be sent to the scrutinizer by email through its registered email address to [secretarial@bosimi.com](mailto:secretarial@bosimi.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
4. The Explanatory Statement pursuant to section 102(1) of the Companies Act, 2013, in respect of item Nos. 3 of the Notice set out above, is hereto annexed.
5. The Registers of Members and Transfer Books of the Company in respect of the Equity Shares of the Company will remain closed from Wednesday, the 22<sup>nd</sup> September, 2021 to Wednesday, the 29th September, 2021, both days inclusive.
6. As per the provisions of the Companies Act, 2013, the facility for making/varying/cancelling nominations is available to individuals holding shares in the Company. Nominations can be made in Form SH-13 and any variation/cancellation thereof can be made by giving notice in Form SH-14, as prescribed under the Companies (Share Capital and Debentures) Rules, 2014. The Forms can be obtained from the Share Department of the Company or Share Transfer Agent or from the Website of the Ministry of Corporate Affairs at [www.mca.gov.in](http://www.mca.gov.in).
7. Members are requested to send all their documents and communications pertaining to shares to Linkintime India Private Limited, Share Transfer Agent of the Company at their address at C 101, 247 Park, L B S Marg, Vikhroli (West), Mumbai – 400 083 (Maharashtra) Telephone No. 022 – 49186000, Fax No.022–49186060 for both physical and Demat segments of Equity Shares. For Shareholders queries – Telephone No. 022 - 4918 6270 Email ID – [support@vsnl.com](mailto:support@vsnl.com).
8. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to Sharex India Private Limited for their doing the needful.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in the electronic form are, therefore, requested to submit their PAN to their Depository Participant(s) with whom they maintain their Demat Accounts. Members holding shares in physical form should submit their PAN details to the Share Department of the Company / Share Transfer Agent
10. Details under Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) and other requisite information as per clause 1.2.5 of Secretarial Standard – 2 on General Meetings in respect of the Directors seeking appointment/ re-appointment at the Annual General Meeting, forms part of the notice. The Directors have furnished the requisite declarations for their appointment / re-appointment.
11. In compliance with the aforesaid MCA circulars and SEBI circular dated 12th May, 2020 notice of the AGM along with Annual Report 2020-21 is being sent only through electronic mode to those members whose email addresses are registered with the Company / Depositories. Members may note that the notice and the annual report 2020-21 will also be available on the Company’s website [www.pragbosimi.com](http://www.pragbosimi.com), websites of the stock exchanges i.e. BSE at [www.bseindia.com](http://www.bseindia.com) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
12. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under section 103 of the Act.

# Prag Bosimi Synthetics Limited

13. To support the Green Initiative, Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone / mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as name of the bank and branch details, bank account number, MICR code, IFSC code etc., to their DPs in case the shares are held by them in electronic form and to Sharex in case the shares are held by them in physical form.
14. In case of joint holders, the Member whose names appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
15. Members seeking any information with regard to the accounts or any matter to be placed at the AGM are requested to write to the Company on or before 22<sup>nd</sup> September 2021 through email on [secretarial@bosimi.com](mailto:secretarial@bosimi.com). The same will be replied by the Company suitably.
16. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
17. The meeting shall be deemed to be held at the Registered Office of the Company at House no. 19, Ambikagiri Nagar, Milan Path, R.G.Barua Road, Guwahati-781024, Assam.
18. Instructions for Attending the AGM and e-voting are as follows:
  - A. Voting through Electronic means-
    - I. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Company is pleased to provide to the members the 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 the venue of the AGM (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).
    - II. The members who have cast their vote by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their vote again.
    - III. The remote e-voting period commences on Sunday, the 26th September, 2021 (9:00 am IST) and ends on Tuesday the 28th September, 2021 (5:00 pm IST). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, the 20th August 2021, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions by remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

#### IV. How do I vote electronically using NSDL e-Voting system?





*The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:*

##### **Step 1: Access to NSDL e-Voting system**

##### **A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing <b>IDEAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “ <b>Beneficial Owner</b> ” icon under “ <b>Login</b> ” which is available under ‘ <b>IDeAS</b> ’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “ <b>Access to e-Voting</b> ” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

	<ol style="list-style-type: none"> <li>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nSDL.com">https://eservices.nSDL.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nSDL.com/">https://www.evoting.nSDL.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>4. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: center; margin-top: 10px;"> <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 10px;">   </div> </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at [abovementioned website](https://www.evoting.nSDL.com/).



## **Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

### **B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

#### **How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically*

4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
  - c) How to retrieve your ‘initial password’?
    - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
  - a) Click on “Forgot User Details/Password?”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

- b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- 7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
  - 8. Now, you will have to click on "Login" button.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

- 1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and who's voting cycle and General Meeting is in active status.
- 2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
- 3. Now you are ready for e-Voting as the Voting page opens.
- 4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- 5. Upon confirmation, the message "Vote cast successfully" will be displayed.
- 6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- 7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

- 1. 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [csamitmundra@gmail.com](mailto:csamitmundra@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- 2. It is strongly recommended not to share your password with any other person and take the utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
- 3. In case of any queries relating to e-voting, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting@nsdl.com](http://www.evoting@nsdl.com) or call on toll-free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) In case of any grievances connected with the facility for e-voting, please contact Ms. Pallavi Mhatre, Manager, NSDL, 4th Floor, "A" Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013 Email: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)/ [pallavid@nsdl.co.in](mailto:pallavid@nsdl.co.in). Tel: 91 22 2499 4545/ 1800- 222-990 V. 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).
- 4. The voting rights of members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date of Tuesday, 22<sup>nd</sup> September, 2021.
- 5. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Friday, 27<sup>th</sup> August, 2021, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [evoting@sharexindia.com](mailto:evoting@sharexindia.com), However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

6. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.
7. 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 VC/ OAVM.
8. Shri Amit Mundra, Practising Company Secretary (Membership No. FCS 7933) Practising Company Secretary has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.

### **B. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Shareholders will be able to attend the AGM through VC / OAVM through web link - <https://purvashare.instavc.com/broadcast/82b1d2a0-00e7-11ec-8119-2390f58431b5> by entering their name and email-id for Company's AGM. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their requesting advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [secretarial@bosimi.com](mailto:secretarial@bosimi.com)
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
7. If you have any queries or issues regarding attending AGM through the link, you may contact Mr. Manish Shah on 9324659811 or write an email to [support@purvashare.com](mailto:support@purvashare.com)
8. When a pre-registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.
9. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.
10. Members who need assistance before or during the AGM, can contact Mr. Amit Vishal, Senior Manager, NSDL and / or Ms. Pallavi Mhatre, Manager, NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or call 1800 1020 990 / 1800 22 44 30

### **C. INSTRUCTIONS FOR SHAREHOLDERS FORE-VOTING DURING THE AGM ARE AS UNDER:**

1. Chairman shall explain the procedure of voting at the AGM.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through Remote E-Voting and are otherwise not barred from doing so, shall be eligible to vote during the AGM.
3. Shareholders who have voted through Remote E-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

**D. PROCEDURE TO RAISE QUESTIONS / SEEK CLARIFICATIONS WITH RESPECT TO ANNUAL REPORT**

Members who would like to express their views/ ask questions as a speaker at the meeting may preregister themselves by sending a request from their registered email address mentioning their names, DP ID and Client ID/folio number, PAN and mobile number at [secretarial@bosimi.com](mailto:secretarial@bosimi.com) from Monday September 20, 2021 to Thursday, 23rd September 2021. Only those members who have pre-registered themselves as a speaker will be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers and their time depending on the availability of time for the AGM.

Members are encouraged to submit their questions in advance with regard to the financial statements or any other matter to be placed at the AGM, from their registered email address, mentioning their name, DP ID and Client ID number/folio number and mobile number, to reach the Company's email address [secretarial@bosimi.com](mailto:secretarial@bosimi.com) before 3.00 p.m. (IST) on or before Wednesday, September 22, 2021. Queries that remain unanswered at the AGM will be appropriately responded by the Company at the earliest post the conclusion of the AGM.

19. The Scrutinizer shall after the conclusion of the voting at the general meeting, 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 48 hours 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 of the meeting or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
20. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.pragbosimi.com](http://www.pragbosimi.com) and on the website of NSDL immediately after the declaration of the result, by the Chairman of the meeting or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges viz. BSE Limited.

Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 issued by ICSI, information about the Directors proposed to be appointed /re-appointed is furnished below:

<b>Name of the Director</b>	<b>Raktim Kumar Das</b>	<b>Shri Devang H. Vyas</b>
Din No.	05115126	00076459
Date of Birth	30 <sup>th</sup> March 1975	12th May, 1969
Date of appointment	30th June 2021	15th May, 2014
Qualification	Graduation	B. Chem Engineer, MIE, M.B.A.
Expertise in specific functional area	Mr. Das is having experience of more than 20 years in textile/polyester industry. Also worked as Asst Director in DOEACC Society, an autonomous body of MCIT (Govt of India)	Management, Administration and Finance in Yarn industry, financial industry, management consultancy, project management and sourcing.
List of Outside Directorships held	Nil	1
Chairman or members of the Committee of the Board of Directors of other Companies*	Nil	Nil
Number of shares in the Company	28,224	1,13,860
Details of Remuneration	As mentioned in the resolution	Nil (Only sitting fees for attending Board/ Committee meetings)
Inter se Relationship with other Directors & KMP	No personal relationship with any Director	No personal relationship with any Director
Number of Meetings of the Board attended during the year	Not Applicable	5

\***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.

# Prag Bosimi Synthetics Limited

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

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

### **Item 3:**

#### **APPOINTMENT OF Mr. RAKTIM KUMAR DAS AS WHOLE TIME DIRECTOR**

Shri Raktim Kumar Das was appointed as a Whole Time Director w. e. f 30<sup>th</sup> June 2021 for a period of 5 years. The Board constituted a committee to recommend remuneration for Shri Raktim Kumar Das. The Remuneration Committee comprised of the following directors. Shri G. M. Das, Shri Mukund Trivedi, and Shri Rohit Doshi. The Committee recommended that Shri Raktim Kumar Das, Whole time Director be paid as per the present terms for the time being as set out in the body of the resolution, which the Board has agreed to offer, vide Board Resolution Dated 30<sup>th</sup> June 2021. Keeping the present situation in view, Shri Raktim Kumar Das, Whole Time Director of the Company, has kindly agreed to continue as whole Time Director of the Company with the present salary for the time-being without any increase. The proposed remuneration is very much lower than the maximum permissible to a managerial person under Schedule V for a Company with effective capital of upto ₹ 100 crores. The said remuneration is also much less than what is paid in the industry to the persons shouldering similar responsibilities. Shri Raktim Kumar Das is a B.Com of Guwahati University. He possesses over 20 years of experience in textile industry. Shri Raktim Kumar Das has rendered invaluable services as CFO of the company. In view of above, your Directors recommend the Resolution for your approval.

In view of above, the Board of Directors recommends the passing of these Resolutions by special resolutions. None of the Directors / key managerial persons of the Company or their relatives is interested, financially or otherwise, in the aforesaid resolution.

**By order of the Board of Directors  
For Prag Bosimi Synthetics Limited**

Date: 11<sup>th</sup> August, 2021  
Place: MUMBAI

**Madhu P. Dharewa**  
Company Secretary & Compliance Officer

**PRAG BOSIMI SYNTHETICS LIMITED**

CIN: L17124AS1987PLC002758

Corp. Office: R-79/83, Laxmi Insurance Building, Sir P.M. Road Fort, Mumbai - 400001,

Tel: +022 22660301 • Email: [secretarial@bosimi.com](mailto:secretarial@bosimi.com) • website: [www.pragbosimi.com](http://www.pragbosimi.com)

Dear Member,

**Sub: Updation of KYC Details in the Master Data**

In order to ensure that all communications and monetary benefits are received promptly by all Shareholders holding shares in physical form, the Company, through periodic communiques, advises such shareholders to notify to the Company, any change in their address/ bank details/ email Id etc. under the signatures of sole/ first named joint holder along with relevant supporting documents.

SEBI vide its Circular dated 20th April, 2018 had also greatly emphasized on collection of the Bank Account details and the PAN details of the shareholders in order to enable Companies/RTA to raise standards and provide improved services to the Shareholders.

In this background, we are attaching herewith a KYC Form for all the shareholders holding shares in physical form to get all their details updated in the Master Data.

Kindly note that this Form is only for the purpose of master data Updation of Shareholders holding Shares in Physical form.

In case of Dematerialised Shareholding, the Company takes note of the details furnished only by the Depositories, whenever such information is available. You are therefore requested to provide such information only to your Depository Participant (DP), in case the shares are held in demat form.

We recommend and request you to your details updated in the master data and submit the attached KYC Form to the Company at its Corporate Office at R-79/83, Laxmi Insurance Building, Sir P.M. Road, Fort, Mumbai – 400 001.

Assuring you of our best services;

Thanking you.

Yours Faithfully,

For **Prag Bosimi Synthetics Limited**

**Madhu Dharewa**

Company Secretary & Compliance Officer

Encl.: KYC Form

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**FOR INFORMATION OF THE SHAREHOLDERS**

**Process for registration of emailed for obtaining Annual Report and user ID/password for e-voting and updation of account mandate for receipt of dividend:**

Physical Holding	Send a request to the Registrar and Transfer Agents of the Company, Link Intime India Private Limited at <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a> providing Folio No., Name of a shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card )for registering email address.
	• Following additional details need to be provided in case of updating Bank Account Details:
	• Name and Branch Address of the Bank
	• Bank Account Number and Type
	• 9 digit MICR Code Number; and
	• 11 digit IFSC Code
	• A scanned copy of the cancelled cheque bearing the name of the first shareholder
Demat Holding	Please contact your Depository Participant (DP) and register your email address and bank account details in your Demat account, as per the process advised by your DP.

## TRIBUTE TO MANAGING DIRECTOR LATE SHRI HEMANT B. VYAS (1987-2021)

Our late Founder promoter Mr. Hemant Bhanushankar Vyas has been the backbone of Prag Bosimi Synthetics Limited since its inception. Truth, honesty, fairness, dedication, perseverance, - those are just a few ways to describe him. As the founder, Late Mr. Vyas led us in such a way that he exemplified leadership. He gave energy, commitment and inspiration to the staff and to others with whom he worked. Many of us found him to be a splendid person of great intellect, wisdom and a big heart.

Shri Hemant B Vyas was the first entrepreneur who dared to venture in Assam which was then one of the underdeveloped state of North-East India, despite availability of various lucrative alternatives in western part of the country from where he belonged. In 1987, when the concept of Prag Bosimi came to his mind, Assam virtually lacked basic infrastructure. Despite all these odds, he joined hands with Govt of Assam to put Assam on the industrial map of the country. His dream was to transform Assam into textile hub of North – East India similar to Surat in Gujarat. In course of implementation of this polyster brand under PBSL he had to face enormous challenges and difficulties in completing the project. He did not give up the project despite huge time, cost overrun and adverse law and order situation prevalent at that time.

Mr. Vyas tried his level best for years to get some special package from Govt of India to restore the viability of projects in North East India to compete with advanced infrastructural facilities and lower transportation in other developed states. Ultimately Govt of India declared the North East Industrial policy in 1997 providing various incentives for industrial units located in North East. After this policy lots of industries came up in Assam & North East. This policy was possible only due to Mr. Vyas tireless efforts.

PBSL could successfully run for initial years but could not sustain thereafter due to withdrawal of the benefits granted under North Eastern Industrial Policy (NEIP) by Central Govt. Fiscal budget of 2005, forced the company to shut down its operations. At this stage also Mr. Vyas did not give up the project and tried to bring renowned international investor in the project, but could not succeed due to law and order situation prevailing in Assam.

As Prag Bosimi could not generate sufficient revenue to meet its expenses, Mr. Vyas bought in his personal money in the Prag Bosimi Synthetics Ltd of around Rs. 100 Crores as Unsecured Loan without any interest. As a Managing Director also he had never drawn his salary. He used to keep special emphasis towards the benefit of workers of the company. Despite various odds he always paid the workers and never thought of retrenchment or declaring lock out in the company. Workers were his first priority. He did not leave the project till his last breath.

**DIRECTORS' REPORT**

To,  
The Members,  
Prag Bosimi Synthetics Limited (PBSL).

Your Directors have pleasure in presenting the 29th Annual Report together with audited accounts of the Company for the 12 months period ended on 31st March, 2021.

**1) SUMMARISED FINANCIAL RESULTS:**

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

(₹ in Lakhs)

Particulars	12 month ended 31st March, 2021	12 months ended 31st March, 2020
Gross Turnover	162.94	1771.84
Profit / (Loss) before Depreciation, Interest and Taxation	(167.77)	(580.99)
(Add)/ Less: Interest	606.27	626.82
(Add)/ Less: Depreciation	444.85	441.65
Profit / (Loss) for the year	(1218.89)	(1649.46)
Add/ (Less) Loss brought forward from the previous period	(25114.22)	(23464.75)
Total Loss carried forward to next period/year	(26333.11)	(25114.22)

**2) COMPANY ACTIVITIES:**

Due to Covid 19 the company virtually could not function from March 2020 Onward. Prior to that also company's operation was adversely affected due to disruption of two electricity Supply Poles which collapsed in storm in May 2019. In spite of our repeated and regular follow up with the concerned authorities the line could not be restored finally after a favorable order from Assam Electricity regulatory commission (AERC) power was finally restored in Sept 2019. During this span of 4-5 month we had lost our established market. Thereafter even though we gradually restated our production, agitation of CAA further disrupted the production and marketing efforts. After CAA protest subsided, the moment, company was ready to start and increase its production, Covid - 19 lockdown hampered the start off.

Unfortunately, Due to Covid, our MD Mr. Hemant B. Vyas expired on 1st January 2021, which was a big blow to the company. Even Covid did not spare our CEO – Mr. Ramesh Pokhriyal, who was not available from Dec 2020 and is still undergoing Post Covid treatment and further, our CFO - Mr. Raktim Kumar Das also suffered from Covid and is still undergoing post Covid complications. In addition, few senior officers, marketing consultants and several other staff too suffered from Covid -19. Due to all these circumstances company was virtually non- functional.

In addition to the 1st all India Lockdown, we are still facing partial lockdown, both in Maharashtra and Assam in phases. Further, substantial finished goods are still lying in the factory and which could not be sold as the workers did not permit movement of goods out of factory. Since economy has opened out, we expect a concrete plan for company's future course of action would be drawn up and settlement with the employees taken up

**3) DIVIDEND:**

Due to losses your directors have not recommended any dividend for the current period in respect of any Shares capital

**4) 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.

**5) SHARE CAPITAL:**

The Authorised Share Capital of the Company is ₹ 250/- Cr (Rupees Two Hundred and Fifty Crores only). The authorized share capital is divided into ₹150 Lacs of Equity share capital and ₹100 Lacs of Preference shares Capital. The paid up Share Capital of the Company as at March 31, 2021 stood at ₹90.153 Crores divided into 7,43,82,960 Equity Shares of ₹ 10/- each, and 15,77,000. Non-Redeemable Preference shares of Rs 100/- each. During the year under review, the Company has not issued any kind of share capital. As on 31st March, 2021, Legal heirs of Late M. D. Shri Hemant B. Vyas are holding 5,14,000 Redeemable Preference Shares of the Company.



# Prag Bosimi Synthetics Limited

As on March 31, 2021, none of the Directors and/or Key Managerial Person of the Company holds instruments convertible into Equity Shares of the Company.

## 6) PUBLIC DEPOSITS:

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

## 7) DEBENTURES:

The Unsecured Optionally Cumulative Convertible Debentures (OCCD) issued by the Company stands at its original issue value of Rupees Fifty four Crores as on March 31, 2021. The said NCDs -OCCD were issued on a private placement basis in October 2017 for a period of twenty years. The payment of interest was effective from 1st April 2019. However, Company is pursuing with holders of such NCD -OCCD to waive off interest in view of the Covid-19 situation.

## 8) CHANGE IN NATURE OF BUSINESS, IF ANY.

There was no changes in the nature of business of Company in the financial year 2020-21.

## 9) 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 the new accounting Principle i.e IND AS. The estimates and judgments relating to the financial statements are made on a prudent and going concern basis, so as to reflect true and fair view, the form and substance of transactions and reasonably present the Company's state of affairs, profits / (loss) and cash flows for the year ended 31st March 2021.

The Company continues to focus on judicious management of its working capital, receivables, inventories and other working capital parameters through strict checks and controls on continuous monitoring basis.

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

## 10) EXTRACT OF ANNUAL RETURN:

Pursuant to the provisions of Section 134(3) (a) and Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 the Annual Return of the Company for the Financial Year ended 31 March, 2021 in Form MGT-7 is uploaded on the website of the Company and can be accessed at [http://pragbosimi.com/admin\\_pbsl/uploads/products/image/phpQCM2ly.pdf](http://pragbosimi.com/admin_pbsl/uploads/products/image/phpQCM2ly.pdf).

## 11) 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.

## 12) SUBSIDIARIES & ASSOCIATES:

The Company has 2 subsidiary companies and One Associate Company. Pursuant to Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of Subsidiaries/ Associate Companies are given as **Annexure I** in Form AOC-1 which forms an integral part of this Report

Our associate Prag Jyoti Textile Park Pvt Ltd has been duly approved by Ministry of Textiles (MOT) (Govt of India). In financial terms progress of the park can be seen from following figures

Total project cost is ₹ 47.25 Crores

Funds employed till date

Ministry of Textile – ₹ 12.00 Crores (25% of total grant)

SPV contribution – ₹ 3.63 Crores (50 % of SPV contribution)

Application for release of Third Grant of Rs.10.00 Crores which was placed before Ministry of Textile, Govt. of India during Feb 2019 was released in two installments i. e 1st in Feb 2020 of ₹ 2 Crores and 2nd in June 2021, of ₹ 8 Crores i.e. after inordinate delay of 15 months. However, ₹ 8 Crores received in June 21 is in process of utilization. The delay in release of funds against 3rd Grant had severely affected the progress of the textile park and Covid situation has aggravated.

Our subsidiaries Company Viz., Prag Bosimi Texurising Private Limited and Prag Bosimi Packaging Private Limited are not operational at present.

## 13) CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES:

All Related Party Transactions are first placed before the Audit Committee for its prior / omnibus approval which are of a foreseen and repetitive nature and thereafter referred to the Board. The transactions entered into with the related parties are at arm's length

and in the ordinary course of business and are in accordance with the provisions of the Companies Act, 2013 read with rules made thereunder and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There were no material related party transactions entered into by the Company during the financial year which attracted the provisions of Section 188 of the Companies Act, 2013. The requisite disclosure, if any in Form AOC – 2 is furnished in **Annexure – II**. All related party transactions are mentioned in the Notes to the Financial Statements.

None of the transactions with any of related parties were in conflict with the Company's interest. The policy on Related Party and Material Related Party is put up on the website of the Company viz. [www.pragbosimi.com](http://www.pragbosimi.com)

#### 14) 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.

#### 15) DIRECTORS AND KEY MANAGERIAL PERSONS (KMP):

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Devang Vyas (DIN 00096459) retires by rotation as Non-Executive Director at the ensuing Annual General Meeting and being eligible, offers herself for the re-appointment. The Board recommends his re-appointment.

##### DETAILS OF DIRECTORS / KMP APPOINTED AND RESIGNED DURING THE YEAR

Sr. No.	Name	Designation	Date of Appointment	Date of Resignation
1	Mr. Puru Gupta	Chairman & Nominee Director	13.02.2019	02.09.2020
2.	Mr. Oinam Saran Singh	Chairman & Nominee Director	02.09.2020	15.03.2021
3.	Mr. Adil Khan	Chairman & Nominee Director	15.03.2021	
4.	Mr. Hemant B. Vyas	Managing Director	29.06.1993	01.01.2021 (Deceased)

#### 16) 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.

#### 17) BOARD MEETINGS

The details of the Board Meetings and other Committee Meetings held during the financial year 2020-21 are given in the separate section of Corporate Governance Report.

#### 18) 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.

#### 19) 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.

## 20) MATERIAL CHANGES AND COMMITMENTS

The company has requested for temporary disconnection of power and waiver of Fixed charges in April 2020 due to sudden shut down of operation resulting from the outbreak of Covid'19 and subsequent Lockdown. However it was only on 16-06-2020 that our line was temporarily disconnected. Our line was finally disconnected permanently on 30-06-2021 for nonpayment of dues of approx Rs 80 Lacs inspite of our request to kindly refrain from such permanent disconnection until our long pending claims to the tune of approximately 800 Lakhs against APDCL are settled.

## 21) DIRECTORS' RESPONSIBILITY STATEMENT:

Directors of your Company confirm that:

- in the preparation of the accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2021 and of the loss of the Company for that period;
- proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the accounts of the Company have been prepared on a going concern basis;
- internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

## 22) RISK MANAGEMENT POLICY:

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

However, provision of Regulation 21 of Listing Regulations for constitution of Risk Management Committee is not applicable to the Company.

## 23) VIGIL MECHANISM POLICY FOR THE DIRECTORS AND EMPLOYEES:

The Company has put in place a Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The detail of the policy is available on the Company's website [www.pragbosimi.com](http://www.pragbosimi.com).

No complaint was received by the Company during the year ended 31st March, 2021.

## 24) DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL:

As mentioned in the last Annual report the case is still going on in NCLT of M/s 3A Capital Services Limited. NCLT has ordered clarification from ICICI and Standard Chartered Bank about the history of the matter.

## 25) CORPORATE GOVERNANCE:

Your Company affirms its commitment to Corporate Governance and is fully compliant with the conditions of Corporate Governance stipulated in Regulation 27(2) of the Listing Agreement with Stock Exchanges. A separate section on compliance of Corporate Governance and a Certificate from the Auditor's firm and practising Company Secretary dated 30<sup>th</sup> June 2021 in this regard are annexed hereto and forms a part of the Report.

## 26) DISCLOSURE OF INTERNAL FINANCIAL CONTROLS

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

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

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

**28) DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013 READ WITH RULES**

Pursuant to the requirements of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013 read with Rules thereunder, the Company has not received any complaint of sexual harassment during the year under review.

“Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013”.

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

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

**30) PARTICULARS OF EMPLOYEES & DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND OTHER DISCLOSURES AS PER RULE 5 OF COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014:**

None of the employees of the Company is in receipt of remuneration exceeding the limit prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Disclosure pursuant to Section 197(12) of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **ANNEXURE IV** to this report.

**31) STATUTORY AUDITORS**

M/s M. H Dalal & Associates, Chartered Accountants, Mumbai; and M/s. A M D & Associates, Chartered Accountants, Guwahati are Auditors of the Company

The observations made by the Statutory Auditors in their report for the financial period ended 31st March 2021 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

**32) SECRETARIAL AUDITOR**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. Amit Mundra & Associates, Practising Company Secretary had been appointed to undertake the Secretarial Audit of the Company.

Secretarial Audit Report issued by Mr. Amit Mundra, Company Secretary in Form MR-3 for the financial year 2020-21 forms part to this report annexed as **ANNEXURE V**. The said report does not contain any observation or qualification requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

**33) INTERNAL AUDITOR:**

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

**34) INTERNAL CONTROL SYSTEMS:**

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

**35) CORPORATE SUSTAINABILITY AND SOCIAL RESPONSIBILITY:**

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

## 36) GREEN INITIATIVES

In line with the 'Green initiative', the Company has affected electronic delivery of the Annual Report 2020-21, are sent to all members whose email addresses are registered with the Company/ Depository Participant(s). For members who have not registered their email addresses, please register the same with the RTA. It can also be assessed at [http://pragbosimi.com/admin\\_pbsl/uploads/products/image/phpA6ePKu.pdf](http://pragbosimi.com/admin_pbsl/uploads/products/image/phpA6ePKu.pdf)

## 37) REPORTING OF FRAUDS

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of Act and Rules framed thereunder.

## 38) INDUSTRIAL RELATIONS/ HUMAN RESOURCES:

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

## 39) NON-COMPLIANCE

There is no non-compliance of any of the requirements of corporate governance report as required under the Listing Regulations

## 40) CEO/CFO CERTIFICATION

As required under Regulation 17(8) of Listing Regulations, the Managing Director and CEO have certified to the Board about compliance by the Company with the requirements of the said sub regulation for the financial year ended 31st March, 2021.

## 41) COMPLIANCE CERTIFICATE

Compliance Certificate for Corporate Governance from Auditors of the Company is given as Annexure – 'B' to this report.

## 42) CAUTIONARY STATEMENT

Statements in this Directors' Report and Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company's operations include raw material availability and its prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, Tax regimes, economic developments within India and the countries in which the Company conducts business and other ancillary factor.

## 43) APPRECIATION:

Your Directors take this opportunity to offer their sincere thanks to the Government of India, State Government of Assam, AIDC, Investors, and Bankers for their continued support and co-operation, have helped in your Company's progress. Also Your Directors wish to place on record their appreciation, and for the contribution made by the employees at all levels whose hard work, and support, without which Company's achievements would not have been possible. Your Directors also wish to thank its customers, dealers, agents, suppliers, for their continued support and faith reposed in the Company.

**By order of the Board of Directors**

Date: 11<sup>th</sup> August, 2021  
Place: MUMBAI

**Raktim Kumar Das**  
Whole Time Director  
Din no.: 05115126

**Rohit P. Doshi**  
Independent Director  
Din No. 00424996

## MANAGEMENT DISCUSSION AND ANALYSIS

### DISCLAIMER STATEMENT

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

### INDUSTRY OUTLOOK

The domestic demand for Polyester filament Yarn (PFY) for apparel and non-apparel sector is improving due to healthy growth in GDP and newer application of polyester. This is a prime material for textiles. The raw material for polyester yarn is PTA/MEG which falls under petrochemical industry. Overall, FY 22 is expected to be a tough year for the textile industry. Even some Govt owned mills under NTC are still suffering adverse affects of the pandemic. In the era of ever increasing prices of Oil & Petroleum Product Prices and Now, major focus will be on cost cutting measures, improving productivity, reduction in wastage and efforts on taking quality to next level and deriving efficiency to make products further cost competitive. However, since our factory is not in operation, we are not in the position to take the benefit of the industrial growth.

### OPPORTUNITIES

The perceptible shift to manmade fibers in the international textile market is already having a similar effect in the Indian textile markets. With the right government policies for encouraging higher consumption of fabrics made from manmade fibers present an opportunity to our company in the years to come.

### RISKS AND CONCERNS

Overall negative impact is expected across the industry due to current COVID 19 pandemic. A shift towards online business is expected to happen due to the fear & the restrictions to maintain the social distancing. Also, there could be short time recessionary pressure due to job losses and money crunch in the market and it will take a considerable amount of time before we could see healthy demand coming back in the Textile industry.

### HEALTH, SAFETY AND SECURITY ENVIRONMENT

Our Company has always been adopting all possible safety measures concerning the health and safety of the Workers and staffs at all levels. This has improved the morale among the workers and staffs and also the working environment at large. Further, to prevent the spread of pandemic Covid 19, the Company has taken all precautionary measures required, such as social distancing, use of masks and sanitizers etc., at all its plant as well as at office locations. Your Company is in full compliance of all Government directives issued in this behalf. The Company has always considered safety as one of its key focus areas and strives to make continuous improvement on this front.

### HUMAN RESOURCES/INDUSTRIAL RELATIONS

Employer-Employee overall relations are generally satisfactory. However as an affect of the pandemic the resultant closure of the factory has led to workers agitation due to non-payment of dues and have demand VRS for settlement.

### CHALLENGES

PTA /MEG /POY are the principals Raw materials for our product whose prices are linked with international market of Oil & Petroleum Product Prices which is of late ever increasing. Thus apart from normal fluctuation due to demand and supply of currency fluctuation may also affect the prices. Currently due to Covid 19 it is very difficult to predict that when will the international markets will get open for trade and situation will settle down to normalcy

### CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The provision of the Companies Act, 2013 relating to CSR Initiatives are not applicable to the Company.

### COMPLIANCE

The Compliance function of the Company is responsible for independently ensuring that operating and business units comply with regulatory and internal guidelines. The Compliance Department of the Company is continued to play a pivotal role in ensuring implementation of compliance functions in accordance with the directives issued by regulators, the Company's Board of Directors and the Company's Compliance Policy. The Audit Committee of the Board reviews the performance of the Compliance Department and the status of compliance with regulatory/internal guidelines on a periodic basis.

The Company has complied with all requirements of regulatory authorities. No penalties/strictures were imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to capital market during the last three years.

**ANNEXURE I TO THE DIRECTORS' REPORT**

Form AOC – 1

**Part A: Subsidiaries**

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

Statement containing salient features of the financial statement of subsidiaries

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

**ANNEXURE II TO THE DIRECTORS' REPORT**

Form No. AOC-2

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto**

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

- 1) Details of contracts or arrangements or transactions not at arm's length basis:** There are no transactions or arrangements or contracts with Related Parties which were not at arm's length basis during the period under review.
- 2) Details of material contracts or arrangement or transactions at arm's length basis**

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any [₹]	Date(s) of approval by the Board	Amount paid as advances, if any:
Hemant Vyas	Loan repaid	On Going	39,35,25,000	30.06.2021	Nil

## ANNEXURE III

## ANNEXURE TO THE DIRECTORS' REPORT

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS/ OUT GO:

## (A) POWER AND FUEL CONSUMPTION

Particulars	CURRENT PERIOD (2020-2021)	PREVIOUS PERIOD (2019-2020)
<b>1. Electricity:</b>		
Purchased:		
(a) No of Units	Nil	1547486
(b) Total Amount (₹)	Nil	13710727
(c) Rate/Unit (₹)	Nil	8.86
Own Generation:	Nil	Nil
Through Diesel generators	Nil	Nil
(a) No. Of Units:	Nil	Nil
(b) Unit per litre of Diesel	Nil	Nil
(c) Cost/Unit (₹)	Nil	Nil
Through steam turbine generation	Nil	Nil
No. of Units:	N.A	N.A
Unit per litre of Fuel oil/Gas	N.A	N.A
Cost/Unit	N.A	N.A
<b>2. Coal:</b>		
Quantity in tons	Nil	447.49
Total cost	Nil	3880559
Average Rate per ton	Nil	8671.83
<b>3. Furnace Oil:</b>		
Quantity (KL)	N.A	N.A
Total Amount (₹)	N.A	N.A
Average Rate (₹)	N.A	N.A
<b>4. Steam:</b>		
Quantity in Tons:	Nil	2889.44
Total Cost: (₹)	Nil	2929892
Rate per Ton (₹)	Nil	1014
Consumption per unit of production	Nil	4.83
Electricity per K.G. Yarn in No of Units	Nil	0.40
Steam in K. G. per K. G. of Yarn	Nil	4.83
<b>B. FOREIGN EXCHANGE EARNINGS/OUTGO:</b>		
Foreign Exchange Earnings (₹)	Nil	2521040
Foreign Exchange Outgo	Nil	Nil
Capital Goods	Nil	Nil
Stores, spares and consumable	Nil	Nil
Others (₹)	Nil	1464897

By order of the Board of Directors

**Raktim Kumar Das**  
Whole Time Director  
Din No.: 05115126

**Rohit P.Doshi**  
Independent Director  
Din No.: 00424996

Date: 11<sup>th</sup> August 2021  
Place: Mumbai



## ANNEXURE IV

- i. Disclosure for Ratio of Remuneration of Each Director to the Median Employee's Remuneration And Other Details As Per Rule 5 of The Companies (Appointment & Remuneration) Rules, 2014:

Median Remuneration			: ₹ 6,61,665
Shri Ramesh Pokhriyal (CEO)	Remuneration		: ₹ 6,00,000
	Ratio		: 2.29:3

- ii. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial period : None
- iii. The percentage increase in the median remuneration of employees in the financial period : Nil
- iv. The number of permanent employees on the rolls of the Company :163
- v. Explanation on the relationship between average increase in remuneration and the Company's performance: Not Applicable as per Notification dated 30th June, 2016
- vi. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company: Not Applicable as per Notification dated 30th June, 2016
- vii. Variations in the market capitalization of the Company, price earning ratio as at the closing date of the current financial period and previous financial period and percentage increase over / decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current financial period and previous financial period: Not Applicable as per Notification dated 30th June, 2016
- viii. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: Not applicable
- ix. Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company: Not Applicable as per Notification dated 30th June, 2016
- x. The key parameters for variable component of remuneration availed by the directors are as follows: Not Applicable as per Notification dated 30th June, 2016
- xi. Theratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the period : Not Applicable as per Notification dated 30th June, 2016
- xii. It is hereby affirmed that the remuneration paid is as per the as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

**ANNEXURE V**

FORM NO. MR.3

**SECRETARIAL AUDIT REPORT**

For The Financial Year Ended 31st March, 2021

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

To,

The Members,

M/s PRAG BOSIMI SYNTHETICS LTD.

House No.19, Ambikagiri Nagar, Milan Path,

R.G.Barua Road, Guwahati,

Assam - 781 024.

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; (Not applicable to the Company during the audit period);
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to Foreign Direct Investment, Overseas direct Investment and External Commercial Borrowings. - Not applicable to the Company
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - **Not Applicable during the audit period**
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October, 2014 - **Not Applicable during the audit period**
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not Applicable during the audit period**
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not Applicable during the audit period**
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **Not Applicable during the audit period**;

## Prag Bosimi Synthetics Limited

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

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

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

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

Except that, Mr. Hemant B. Vyas, Managing Director/ Whole Time Director of the Company, who was expired on 01.01.2021 and therefore, with effect from 01.01.2021 his name has been removed from the Board of Directors & committee by filing necessary form with the Registrar of Companies/ MCA.

The Company has not yet replaced with Managing Director/ Whole Time Director in place of Mr. Hemant B. Vyas and it is in process to appoint appropriate candidate to fill the position of Managing Director/ Whole Time Director within the prescribed time limit as informed by the Management.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

For CS Amit Mundra  
Practising Company Secretary  
Sole Proprietor  
FCS No. 7933  
CP No. 16182  
  
Place: Mumbai  
Date: 30.06.2021  
  
UDIN: F007933C000552246

**\*Disclaimer Note:**

During this challenging time of COVID 19 outbreak this report has been undertaken to the best of my capability based on of e verification of scans, soft copies, information, confirmations, records and documents made available to us by the management. Physical inspection of records and documents could not be possible due to COVID 19 outbreak and lockdown.

**ANNEXURE - A**

To

The Members  
Prag Bosimi Synthetics Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

CS Amit Mundra  
Practising Company Secretary  
Sole Proprietor  
FCS No. 7933  
CP No. 16182

Place: Mumbai  
Date: 30.06.2021

UDIN: F007933C000552246

## ANNEXURE TO THE DIRECTORS' REPORT

### REPORT ON CORPORATE GOVERNANCE

The Directors of the Company present the Report on Corporate Governance for the year ended 31st March, 2021, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulation"). is set out as below:

Corporate Governance is modus operandi of governing a corporate entity which includes a set of systems, procedures and practices which ensure that the Company is managed in the best interest of all corporate stakeholders i.e. shareholders, employees, suppliers, customers and society in general. Fundamentals of Corporate Governance include transparency, accountability, reporting and independence. For accomplishment of the objectives of ensuring fair Corporate Governance, the Government of India has put in place a framework based on the stipulations contained under the Companies Act, SEBI Regulations, Accounting Standards, Secretarial Standards, etc. Corporate Governance has become a buzzword in the corporate world. Globalizations, widespread of shareholders, changing ownership structure, greater expectations, etc. have made a good Corporate Governance sin-quo-nun of modern management.

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

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

The Company's governance philosophy is based on trusteeship, transparency and accountability. As a corporate citizen, our business fosters a culture of ethical behavior and disclosures aimed at building trust of our stakeholders. The Company's Code of Business Conduct and Ethics, Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Insiders and the Charter–Business for Peace are an extension of our values and reflect our commitment to ethical business practices, integrity and regulatory compliances. The Company's governance framework is based on the following principles:

- ✓ Appropriate composition and size of the Board, with each member bringing in expertise in their respective domains;
- ✓ Timely disclosure of material operational and financial information to the stakeholders;
- ✓ Availability of Information to the members of the Board and Board Committees to enable them to discharge their fiduciary duties;
- ✓ Systems and processes in place for internal control; and
- ✓ Proper business conduct by the Board, Senior Management and Employees.

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

The following codes and policies have been adopted by the Company.

- Code of Conduct
- Code of Internal Procedure and Conduct for Insider Trading
- Whistle Blower Policy
- Related Party Transactions Policy
- Sexual Harassment Policy
- Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other Employees
- Board Performance Evaluation Policy
- Risk Management Policy
- Policy for determination of materiality of any event/information
- Policy on Preservation of Documents
- Archival Policy for any Material Event/ Information disclosed to the Stock Exchange.

**Board of Directors:****(A) Composition of the Board**

The Board of Directors comprises of experts drawn from diverse fields/profession. The Board has an optimum combination of Executive, Non-Executive and Independent Directors. As on 31st March, 2021 the Company's Board comprises of 7 directors. The Board has seven Non-Executive Directors, consisting of four Independent Directors. The details of the Directors during the year ended 31st March, 2021 are given below:

Sr. No.	Name of the Director	Category	Board Meetings attended during the year	Whether attended the last AGM	Directorships held in other Indian Public Companies
1	Shri Adil Khan	Chairman, Nominee of AIDC, Non Executive Director	0	NA	0
2	Shri. Devang H. Vyas	Non - Executive Director	4	No	0
3	Shri. Prasanta Bora	Nominee of AIDC, Non-Executive	1	Yes	0
4	Shri. G.M. Das	Independent Director Non- Executive	2	Yes	0
5	Shri Rohit P. Doshi	Independent Director Non- Executive	4	Yes	0
6	Ms. Bina Advani	Independent Director Non- Executive	4	No	0
7	Shri Mukund Trivedi	Independent Director Non- Executive	4	Yes	0

**Notes:**

- None of the directors hold directorships in more than twenty companies of which directorship in public companies does not exceed ten in line with the provisions of Section 165 of the Act.
- None of the directors hold membership of more than ten committees of board, nor, is a chairman of more than five committees across board of all listed entities.
- No director holds directorship in more than seven listed entities.
- None of the independent director holds the position of the independent director in more than seven listed companies as required under the Listing Regulations.
- None of the director has been appointed as an Alternate Director for Independent Director.
- The information provided above pertains to the following committees in accordance with the provisions of Regulation 26(1) (b) of the Listing Regulations: (i) Audit Committee; and (ii) Stakeholders Relationship Committee.
- The committee membership and chairmanship above excludes membership and chairmanship in private companies, foreign companies and Section 8 companies. The number of directorship excludes directorship of private companies, foreign companies, companies incorporated under Section 8 of the Companies Act, 2013 and alternate directorship.
- None of the director are related to each other.

**CHAIRMAN AND MANAGING DIRECTOR**

His primary role is to provide leadership to the Board in achieving goals of the Company. He is responsible for transforming the Company into a successful organization. He is responsible, inter-alia, for the working of the Board and for ensuring that all relevant issues are placed before the Board and that all Directors are encouraged to provide their expert guidance on the relevant issues raised in the meetings of the Board. He is also responsible for formulating the corporate strategy along with other members of the Board of Directors. His role, inter alia, includes:

- Provide leadership to the Board and preside over all Board and General Meetings.
- Achieve goals in accordance with Company's overall vision.
- Ensure that Board decisions are aligned with Company's strategic policy.
- Ensure to place all relevant matters before the Board and encourage healthy participation by all Directors to enable them to provide their expert guidance.
- Monitor the core management team.

# Prag Bosimi Synthetics Limited

Non-Executive Directors (including Independent Directors) play a critical role in balancing the functioning of the Board by providing independent judgments on various issues raised in the Board Meetings like formulation of business strategies, monitoring of performances, etc. Their role, inter- alia, includes:

- Impart balance to the Board by providing independent judgment.
- Provide feedback on Company's strategy and performance.
- Provide effective feedback and recommendations for further improvements

## ROLE OF THE COMPANY SECRETARY IN GOVERNANCE PROCESS

The Company Secretary plays a key role in ensuring that the Board procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and senior management for effective decision making at the meetings. The Company Secretary is primarily responsible, to assist the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements and Secretarial Standards, to provide guidance to Directors and to facilitate convening of meetings. He interfaces between the management and regulatory authorities for governance matters. All the Directors of the Company have access to the advice and services of the Company Secretary.

## BOARD INDEPENDENCE

The Non-Executive Independent Directors fulfill the conditions of independence as specified in Section 149 of Companies Act, 2013 and Rules made there under and to meet with requirements of Regulation 16(b) of Listing Regulations. Further, none of the Independent Director is serving more than seven listed companies. In case he/she is serving as a Whole-Time Director in any listed company, does not hold the position of Independent Director in more than three listed companies. A formal letter of appointment to Independent Director as provided in Companies Act, 2013 and the Listing Regulations has been issued and draft of the same has been disclosed on website of the Company.

## Directors' Profile

Details of the Directors seeking appointment/ re-appointment at the ensuing Annual General Meeting, as per Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been given along with the annexure to the Notice of the Annual General Meeting.

## (B) Number of Board Meetings

Corporate Governance policy requires the Board to meet at least 4 times in a year with a maximum gap of 120 days between any two meetings. The Board of Directors met 5 times during the period under review. The details of Board Meetings held during the year are as under:

Sr. No.	Date of the Board Meeting	Board Strength	No. of Directors present
1	May 26, 2020	8	7
2	July 31, 2020	8	6
3	2 <sup>nd</sup> September, 2020	8	7
4	November 11, 2020	8	6
5	February 12 <sup>th</sup> 2021	7	5

## Board's Process

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

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

**(C) Roles, Responsibilities and Duties of the board**

The duties of Board of Directors have been enumerated in Listing Regulations, Section 166 of the Companies Act, 2013 and Schedule IV of the said Act (Schedule IV is specifically for Independent Directors). There is a clear demarcation of responsibility and authority amongst the Board of Directors.

**Information placed before the Board**

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of Listing Regulations to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective meetings or by way of presentations and discussions during the meeting.

**Minutes of the Meeting**

The draft Minutes of the proceedings of the Meetings are circulated amongst the Members of the Board / Committees. Comments and suggestions, if any, received from the Directors are incorporated in the Minutes, in consultation with the Chairman. The Minutes are confirmed by the Members and signed by the Chairman of such meeting at any time before the next meeting is held or by the Chairman of the next Board / Committee Meetings. All Minutes of the Committee Meetings are placed before the Board Meeting for perusal and noting.

**Post Meeting Mechanism**

The important decisions taken at the Board / Board Committee meetings are communicated to the concerned department/s and/or division.

**Board Support**

The Company Secretary attends the Board meetings and advises the Board on Compliances with applicable laws and governance.

**(D) Code of conduct**

The Company has adopted Code of Conduct for all the Directors and Senior Management of the Company. All the Directors and the Senior Management have affirmed compliance with respective code of conduct. The Code of conduct for Directors and senior management personnel are posted on the Company's website "[www.pragbosimi.com](http://www.pragbosimi.com)".

**(E) Familiarisation programme for independent directors**

The Independent Directors have been familiarized with the Company, their roles and responsibilities in the Company, nature of the industry in which Company operates. The details of the familiarization programs imparted to the Independent Directors during 2020-2021 are put up on the website of the Company and can be accessed at [http://www.pragbosimi.com/companyolicies\\_procedures.php](http://www.pragbosimi.com/companyolicies_procedures.php)

**(F) Formal letter of appointment to the independent directors**

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

**(G) Key Board qualifications, expertise and attributes:**

The Board of Directors comprises of experts who bring in the necessary skills and competence that allow them to make effective decisions or contributions to the Board, its committees and the management.

- The list of core skills/expertise/competencies pertaining to the business, as identified and available with the Board of Directors is as follows:
- Behavioural - The Board members effectively participate and contribute in the Board meetings and maintain board confidentiality. The Board possesses key attributes and competencies on the whole enabling them to function well as a team.
- Governance - The essential governance, legal and compliance knowledge is possessed by all the directors which aids in protecting the shareholders interest.
- Technical - The Directors possesses required skills and specialist knowledge to assist the management in the key areas. All the directors have the ability to understand the financial statements.



# Prag Bosimi Synthetics Limited

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- Industry - The Directors have necessary experience and knowledge in the textile industry which enables them to guide the management.

## **(H) Confirmation on the fulfillment of the conditions of independence:**

Based on the declarations received from the Independent Directors, the Board of Directors are of the opinion that the Independent Directors fulfill the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 and are independent of the management.

## **(I) Resignation of Independent Directors before expiry of tenure:**

Subject to the above, none of the Independent Directors has resigned before the expiry of the tenure during the year under review.

## **GOVERNANCE CODES**

### **1) Code of business Conduct & Ethics**

The Company has adopted Code of Business Conduct & Ethics ("the Code") which is applicable to the Board of Directors and all Employees of the Company. The Board of Directors and the members of Senior Management Team of the Company are required to affirm semi-annual Compliance of this Code. A declaration signed by the Chairman and Managing Director of the Company to this effect is placed at the end of this report. The Code requires Directors and Employees to act honestly, fairly, ethically, and with integrity, conduct themselves in professional, courteous and respectful manner. The Code is displayed on the Company's website viz. [www.pragbosimi.com](http://www.pragbosimi.com)

### **2) Conflict of Interests**

Each Director informs the Company on an annual basis about the Board and the Committee positions he occupies in other companies including Chairmanships and notifies changes during the year. The Members of the Board while discharging their duties, avoid conflict of interest in the decision making process. The Members of Board restrict themselves from any discussions and voting in transactions in which they have concern or interest.

### **3) Insider Trading Code**

The Company has adopted an 'Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Designated Persons' ("the Code") in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (The PIT Regulations).

The Code is applicable to Promoters, Member of Promoter's Group, all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company. The Company Secretary is the Compliance Officer for monitoring adherence to the said PIT Regulations

The Company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' in compliance with the PIT Regulations. This Code is displayed on the Company's website viz. [www.pragbosimi.com](http://www.pragbosimi.com). The Company has also formulated "Policy on Inquiry" in case of leak of UPSI.

## **Committees of the Board:**

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

### **(A) Audit Committee**

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

The constitution of the Audit Committee meets with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements), 2015. The Committee consists of the following members:

Sr. No.	Name of the Members	Category
1	Shri G. M. Das	Non-Executive Independent Director
2	Shri Rohit Doshi	Non-Executive Independent Director
3	Ms. Bina Advani	Non-Executive Independent Director
4	Shri Mukund Trivedi	Non-Executive Independent Director
5	Shri Prasanta Bora	Non-Executive Independent Director

The objective of the Audit Committee is to assist the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The Committee's purpose is to oversee the accounting and financial reporting process of the Company, the audits of the Company's financial statements, review of compliances and review of systems and controls, approval or any subsequent modification of transactions of the Company with related parties, review compliance with regulation 9A of the SEBI PIT Regulations, the appointment, independence, performance and remuneration of the statutory auditors, the performance of internal auditors and the Company's risk management policies.

In view of the amendments to the Listing Regulations and SEBI PIT Regulations, the Board amended the terms of reference of the Committee, effective from 1st April 2019.

The terms of reference of the Audit Committee are broadly as under:

- Reviewing the financial reports and the disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information is disclosed in the reports.
- Recommending the appointment and removal of external auditors, fixation of audit fee and other payments.
- Reviewing the financial statements and draft audit report, including quarterly/half yearly financial information.
- Reviewing with the management and internal auditors, the adequacy of internal control systems.
- Reviewing the adequacy of internal audit function, including the audit charter, approval of the audit plan and its execution, coverage and frequency of internal audit and discussions with internal auditors of any significant findings and follow-up thereon.
- The Board has framed the Audit Committee Charter for the purpose of effective compliance of provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations. The Audit Committee interalia performs the functions to:
  1. Review with the Company's Chief Financial Officer ('CFO'), the preparation, execution and results of the Company's annual internal audit work program;
  2. Review the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
  3. Review with the management, performance of statutory and internal auditors and review of adequacy of the internal control systems;
  4. Discussion with statutory auditors before audit commences, about the nature and scope of audit as well as post- audit discussion to ascertain any area of concern;
  5. Discussion with internal auditors on any significant findings and follow up thereon;
  6. Recommend appointment of Statutory, Internal and Cost Auditors and their remuneration;
  7. Look after the risk assessment including fraud risk and risk guidelines governing the risk management process;
  8. Review the management discussion and analysis of financial condition and results of operations;
  9. Review statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  10. Review the internal audit reports relating to internal control weaknesses;
  11. Scrutinize inter-corporate loans and investments;
  12. Review the functioning of the Whistle blower mechanism; and

13. Review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 with reference to events which were regarded as UPSI, whether such UPSI were shared in the manner expected, instances of leaks, if any, instance of breaches of the Code, efficiency of sensitization process, etc. at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.

In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

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

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

### INTERNAL CONTROLS AND GOVERNANCE PROCESSES

The Company continuously invests in strengthening its internal control and processes. The Audit Committee along with the CFO formulates a detailed plan to the Internal Auditors for the year, which is reviewed at the Audit Committee Meetings. The Internal Auditors submit their recommendations to the Audit Committee and provide a road map for the future.

The Committee has powers similar to those stated in the listing agreements and exercises most of the functions in line with the requirements of the code of Corporate Governance. The details of the Audit Committee meeting held during the year ended on 31st March, 2021 are as under:

#### Audit Committee Meetings

The members of Audit Committee met five times on dated 26th May, 31st July, 2nd September and 11th November in year 2020 and on 12th February in the year 2021 during the financial year ended on 31st March 2021.

Sr. No.	Name of the Members	Number of Meetings Held	No. of Meetings attended
1	Shri G. M. Das	5	4
2	Shri Rohit Doshi	5	5
3	Shri Mukund Trivedi	5	5
4	Shri Prasanta Bora	5	0
5	Ms Bina Advani	5	5

### B. Nomination and Remuneration Committee

The Nomination and Remuneration Committee of Directors as constituted by the Board of Directors of the Company in accordance with the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations.

The composition of the committee is as under:

1. Mr. Rohit Doshi Chairman, Independent Director
2. Mr. G. M. Das, Independent Director
3. Mr. Mukund Trivedi, Independent Director

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

The broad in terms of reference of the Nomination and Remuneration Committee are as under:

1. To help the Board in determining the appropriate size, diversity and composition of the Board
2. To recommend to the Board appointment/ reappointment and removal of Directors and Senior Management;
3. To frame criteria for determining qualifications, positive attributes and independence of Directors;
4. to recommend to the Board, remuneration payable to the Directors and Senior Management (while fixing the remuneration to Executive Directors the restrictions contained in the Act is to be considered);
5. to create an evaluation framework for Independent Directors and the Board;
6. to provide necessary reports to the Chairman of the committee after the evaluation process is completed by the Directors;
7. to assist in developing a succession plan for the Board and Senior Management;
8. to assist the Board in fulfilling responsibilities entrusted from time-to-time;
9. delegation of any of its powers to any Member of the Committee or the Compliance Officer.

### **PRINCIPLE AND RATIONALE**

Section 178 of the Companies Act, 2013 and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 require the Nomination and Remuneration Committee of the Board of Directors of every listed entity, among other classes of companies, to—

- Section 178 of the Companies Act, 2013 and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 require the Nomination and Remuneration Committee of the Board of Directors of every listed entity, among other classes of companies, to—
- formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal carry out evaluation of every director's performance—formulate the criteria for evaluation of Independent Directors and the Board.

Accordingly, in adherence to the above said requirements and in line with the Company philosophy towards nurturing its human resources, the Nomination and Remuneration Committee of the Board of Directors of Prag Bosimi Synthetics Limited herein below recommends to the Board of Directors for its adoption the Nomination and Remuneration Policy for the directors, key managerial personnel and other employees of the Company set out below:

### **Criteria of selection of Non-Executive Directors**

- The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of accounting, finance, taxation, law etc. However Women Director is exempted from said criteria.
- In case of appointment of Independent Directors, the N&R Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- The N&R Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- The N&R Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director—
  - a. Qualification, expertise and experience of the Directors in the irrespective fields;
  - b. Personal, Professional or business standing;
  - c. Diversity of the Board.
- In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

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## Remuneration

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board/Committee meetings. A Non- Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## CEO & Managing Director – Criteria for selection / appointment

For the purpose of selection of the CEO & MD, the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

## Remuneration for the CEO & Whole Time Director

- At the time of appointment or re-appointment, the CEO & Whole Time Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the N&R Committee and the Board of Directors) and the CEO & Whole Time Director within the overall limits prescribed under the Companies Act, 2013.
- The remuneration shall be subject to the approval of the Members of the Company in General Meeting.
- The remuneration of the CEO & Whole Time Director is paid by way of salary, allowances, perquisites, amenities and retirement benefits.

## GENERAL

This Policy shall apply to all future employment of Company's Senior Management including Key Managerial Personnel and Board of Directors.

Any or all the provisions of this Policy would be subject to the revision/amendment in the Companies Act, 2013, related rules and regulations, guidelines and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on the subject as may be notified from time to time. Any such amendment shall automatically have the effect of amending this Policy without the need of any approval by the Nomination and Remuneration Committee and/or the Board of Directors.

## PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, the Board has carried out the annual evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Chairman and Managing Director and the Non Independent Directors was carried out by the Independent Directors. The Directors express their satisfaction with the evaluation process

The Company has a Nomination and Remuneration Committee to review and recommend payment of annual salaries, commission, service agreements and other employment conditions of the Executives. The Committee met 3 times 26th May and 31<sup>st</sup> July in the year 2020 and 12th February in the year 2021 and all the members were present.

Sr. No.	Name of the Members	Number of Meetings Held	No. of Meetings attended
1	Shri G. M. Das	3	3
3	Shri Rohit Doshi	3	3
5	Shri Mukund Trivedi	3	3

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

**Details of Remuneration, sitting fees paid/ accrued/credited to the Directors during the year ended March 31, 2021**

Sr. No.	Name of the Director	Salary	Perquisites & Other benefits*	Performance/ Bonus/ Commission	Sitting Fee	Total
1	Shri. Devang H. Vyas	-	-	-	25000	<b>25000</b>
2	Shri. Rohit P. Doshi	-	-	-	25000	<b>25000</b>
3	Shri Mukund Trivedi	-	-	-	25000	<b>25000</b>
4	Shri G. M. Das	-	-	-	20000	<b>20000</b>
5	Ms. Bina Advani	-	-	-	25000	<b>25000</b>
6	Shri Prasanta Bora	-	-	-	10000	<b>10000</b>

**C. Stakeholders Relationship Committee:**

A Stakeholders Relationship Committee has been constituted by the Board of Directors to monitor the redressal of the shareholders/ investors grievances. The Committee met 4 times 26th May, 2nd September, 11th November in the year 2020 and on 12th February, in the year 2021 and all the members were present.

The broad terms of reference of the Stakeholders Relationship Committee are as under:

- to consider and resolve the grievances of security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.;
- to consider and approve demat/remat of shares/ split/consolidation/sub-division of share/debenture certificates;
- to consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transposition of names, deletion of names transfer and transmission of securities, etc.;
- to oversee and revive wall matters connected with the transfer of the Company's securities;
- to consider and approve opening/ modification of operation and closing of bank accounts;
- to grant special/general Power of Attorney in favour of employees of the Company from time to time in connection with the conduct of the business of the Company particularly with Government and Quasi- Government Institutions;
- to fix record date/book closure of share/debenture transfer book of the Company from time to time;
- to appoint representatives to attend the General Meeting of other companies in which the Company is holding securities;
- to change the signatories for availing of various facilities from Banks/Financial Institution;
- to grant authority to execute and sign foreign exchange contracts and derivative transactions;
- to monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading;
- to review measures taken for effective exercise of voting rights by shareholders;
- to review adherence to the standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- to review of the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- to assist the Board in reviewing and implementing policies under the Business Responsibility Reporting of the Company as may be delegated by the Board;
- to carry out any other function as prescribed under the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, the Companies Act, 2013 and other applicable laws as amended from time to time ;and
- to carry out any other duties that may be delegated to the Committee by the Board of Directors from time-to- time.
- The Secretarial Department of the Company and the Registrar and Share Transfer Agent, Sharex Dynamic (India) Private Limited attend to all grievances of the shareholders received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, etc. The Minutes of the Committee of Directors (Stakeholders Relationship Committee) Meetings are circulated to the Board and noted by the Board of Directors.

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Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors. Shareholders are requested to furnish their updated telephone numbers and e-mail addresses to facilitate prompt action.

The Board has delegated the power of approving transfer of shares/issue of duplicate share certificates, etc., to the Stakeholders' Relationship Committee. Ms. Madhu Dharewa, Company Secretary is designated as Compliance Officer for complying with the requirements of SEBI regulations and with the Stock Exchanges in India and overseeing the investors' grievances.

The Committee comprises of the following Directors/ Secretary:-

1. Shri. Rohit P.Doshi (Independent Director) Chairman
2. Shri. Bina Advani
3. Shri. Devang Vyas
4. Ms Madhu P. Dharewa (Company Secretary)

Sr. No.		Number of Meetings Held	No. of Meetings attended
1	Shri Rohit Doshi	4	4
2	Shri Hemant B Vyas	3	3
3	Shri Devang Vyas	4	4
4.	Ms. Bina Advani *	1	1

- Bina Advani was appointed on 12<sup>th</sup> February in place of Hemant B. Vyas due to his unfortunate demise

There have been no complaints pending as on 31<sup>st</sup> March 2021.

Company Secretary also acts as a Secretary to the Committee and is the Compliance Officer of the Company

## D) Separate Meeting of the Independent Directors

During the financial year 2020-2021, the independent directors met separately without the presence of non-independent directors on 12<sup>th</sup> February 2021 in compliance with Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

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

Based on the declarations received from the Independent Directors, the Board of Directors are of the opinion that the Independent Directors fulfill the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 and are independent of the management.

## General Body Meetings

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

Year	Location	Whether any special resolutions passed	Date& Time	Time
2019-2020	House No.4, Ambikagiri, Milan Path, Guwahati-781024	Yes (3)	30th Sept 2020 11:30 a.m	1) Re-appointment of Managing Director 2) Re-appointment of Shri Girindra Mohan Das (DIN 00144978) as an Independent Director of the Company 3) Re-appointment of Shri Mukund Trivedi (DIN 07179964) as an Independent Director of the Company

2018-2019	House No.4, Nilgiri Path, R.G. Barua Road, Near Doordarshan, Guwahati - 781 024	Yes (2)	26th Sept 2019 11:30 a.m	1) Re-appointment of Shri Rohit P. Doshi (DIN 00424996) as an Independent Director of the Company 2) Reclassification of Authorised share capital and Amendment to the Memorandum of Association
2017-2018	House No.4, Nilgiri Path, R.G. Barua Road, Near Doordarshan, Guwahati - 781 024	Yes (2)	25th Sept 2018 11:30 a.m	1) Alteration of the object clause of the Memorandum of Association of the Company 2) Change of Registrar and Share Transfer Agent of the Company

### Disclosures

There was a related party transaction during the year, the details of which has been mentioned in the Notes to Accounts no 29 as per AS-18 in Notes forming part of the Consolidated Financial Statements for the year ended 31st March 2021

There are no pecuniary relationships or transactions with the non - executive independent directors.

The Company has complied with all the mandatory requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and erstwhile Clause 49 of the Listing Agreement and the Company has not adopted any non- mandatory requirements of Clause 49 of the Listing Agreement.

### Means of communication

#### A. Quarterly Results

**B. Newspapers wherein results normally published:** Financial Express (English) and Dainik Assami (Regional)

**C. Any website, wherein displayed :** www.pragbosimi.com

**D. Whether it also displays official news releases :** Yes

**E. Presentations made to Institutional Investors or to the Analysts :** NA

### GENERAL SHAREHOLDER'S INFORMATION

#### 1. Annual General Meeting:-

The information regarding 28th Annual General Meeting for the financial year ended on 31st March 2021 is as follows :-

Date: 29th September, 2021 Time: 3:00 P.M.

Venue: Through VC/OVCM

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

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

Financial Reporting of 1st Quarter ended on 30th June 2021	On or before 14th August, 2021
Financial Reporting of 2nd Quarter ended on 30th September 2021	On or before 14th November 2021
Financial Reporting of 3rd Quarter ended on 31st December 2021	On or before 14th February, 2022
Financial Reporting of 4th Quarter ended on 31st March 2022	On or before 30th May, 2022
Date of Annual General Meeting	During September 2022

**4. Dividend Payment Date:** No Dividend has been recommended for the year.

**5. Book Closure Date:** September 22 to September 29, 2021. (Both days inclusive)

**6. Dividend History:** The Company has not paid any Dividend during last 10 years

#### 7. Unclaimed Dividend / Share Certificates

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, if the dividend transferred to the Unpaid Dividend Account



## Prag Bosimi Synthetics Limited

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

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

Details of Unclaimed Dividend and Due Dates for transfer are as follows as on March 31, 2021:

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

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

8. **Listing on Stock Exchange** : BSE Limited
9. **Listing Fees** : Annual Listing Fees for Financial year 2020-2021 has been paid.
10. **Stock Code & ISIN** : Scrip Code 500192 on BSE.  
ISIN INE962B01011 on NSDL & CDSL
11. **Market Price Data (Equity Shares of Face Value of ₹ 10/-) :**

Month	Price on BSE (₹) & Volume			S&P BSE Sensex	
	High	Low	Volume	High	Low
April, 2020	2.54	2.01	10416	33887.25	27500.79
May, 2020	2.30	2.05	16427	32,845.48	29,968.45
June, 2020	3.39	2.05	55459	35,706.55	32,348.10
July, 2020	3.50	2.03	65055	38,617.03	34,927.20
August, 2020	2.60	2.09	52575	40,010.17	36,911.23
September, 2020	2.34	2.02	55284	39,359.51	36,495.98
October, 2020	2.20	1.87	69373	41,048.05	38,410.20
November, 2020	2.10	1.74	54485	44,825.37	39,334.92
December, 2020	2.54	1.94	89649	47,896.97	44,118.10
January, 2021	2.47	2.00	97972	50,184.01	46,160.46
February, 2021	2.18	1.76	85940	52,516.76	46,433.65
March, 2021	1.95	1.50	285998	51,821.84	48,236.35

### 12. Registrar & Share Transfer Agent

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

#### Link Intime India Private Limited

C 101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai – 400083

### 13. Share Transfer Systems

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

## 14. Shareholding pattern of the Company

	Category	No. of Equity shares held	Percentage of shareholding
<b>A</b>	<b>Promoters</b>		
	1 Indian Promoters (Individuals/HUF)	3986674	5.36
	2 Foreign Promoters	NIL	NIL
	3 Bodies Corporate	13723509	18.45
	4 Central/State Govt. Institutions (Assam Industrial Development Corporation Limited)	1,83,77,980	24.71
	5 NRIs / Foreign Individuals	29450	0.040
<b>B</b>	<b>Non-Promoters Holding</b>		
	<b>1 Institutional Investors</b>		
	A Mutual Funds and UTI	98,900	0.13
	B Banks, Financial Institutions, Insurance Companies, /Non-Govt. Institutions)	1,032	0.00
	<b>2 Others – Non Institutions</b>		
	A Others including Bodies Corporate	10309557	13.86
	B Individuals holding nominal share capital up to ₹ 2 lakh	16792082	22.58
	C Individuals holding nominal share capital more than ₹ 2 lakh	11063776	14.87
	<b>TOTAL</b>	<b>7,43,82,960</b>	<b>100.00</b>

15. Distribution Schedule on number of shares as on 31<sup>st</sup> March, 2021

NO OF SHARES			SHAREHOLDERS		SHARES	
			NUMBER	% TO TOTAL HOLDERS	NUMBER	% TO TOTAL CAPITAL
1	-	5000	84822	95.6754	11050312	14.8560
5001	-	10000	2115	2.3856	1797268	2.4162
10001	-	20000	807	0.9103	1266952	1.7033
20001	-	30000	274	0.3091	712360	0.9577
30001	-	40000	113	0.1275	401466	0.5397
40001	-	50000	122	0.1376	588734	0.7915
50001	-	100000	153	0.1726	1143136	1.5368
100001	-	ABOVE	250	0.2820	57422732	77.1988
<b>TOTAL</b>			<b>89158</b>	<b>100.00</b>	<b>743829600</b>	<b>100.00</b>

## 16. Investors Correspondence

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

**Registrar and Share Transfer Agents:****Link Intime India Private Limited**

C 101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai – 400083

**Registered Office:**

Prag Bosimi Synthetics Ltd.  
House no. 19, Ambikagiri Nagar,  
Milan Path, R.G.Barua Road,  
Guwahati-781024, Assam

# Prag Bosimi Synthetics Limited

## **Corporate Office:**

The Company Secretary  
Prag Bosimi Synthetics Ltd,  
R-79/83, Lakshmi Insurance Bldg  
Fifth Floor, Sir P.M. Road, Mumbai 400001.

## **17. Dematerialization of Equity Shares and Liquidity**

As per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialized form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.

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

### **Procedures for dematerialization / rematerialization of Equity Shares:-**

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

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

No. of Shares Dematerialized		No. of Shares in Physical Form	
No. of Shares	Percentage	No. of Shares	Percentage
<b>4,91,96,979</b>	<b>66.14%</b>	<b>2,51,85,981</b>	<b>33.86%</b>

## **18. Plant Location of the Company:**

Bijulibari Village, P.O. Khandajan, Via Sipajhar, Dist.Darrang784145

## **19. Bank Details of the Shareholders:**

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

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

## **20. Depository Services**

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

- National Securities Depository Ltd.**  
Trade World, A Wing, 4th & 5th Floor, Kamala Mills Compound,  
Lower Parel, Mumbai 400013  
Telephone: (022)24994200  
Fax: (022)24976351  
E-mail: info@nsdl.co.in Website: www.nsdl.co.in

- b) **Central Depository Services (India) Ltd.**  
 Marathon Futurex, A Wing, 25th Floor,  
 Mafatlal Mills Compound, N. M. Joshi Marg,  
 Lower Parel, Mumbai - 400 013.  
 Telephone: (022) 23023333  
 E-mail : helpdesk@cdslindia.com  
 Website: [www.cdslindia.com](http://www.cdslindia.com)

## 21. Nomination Facility

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

## 22. Important Points

Investors should hold securities in dematerialized form, as transfer of shares in physical form is no longer permissible. As mandated by SEBI, w.e.f. April 1, 2019, request for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository except for transmission and transposition of securities. Members are advised to dematerialize securities in the Company to facilitate transfer of securities. Holding securities in dematerialized form is beneficial to the investors in the following manner:

- A safe and convenient way to hold securities;
- Elimination of risk(s) associated with physical certificates such as bad delivery, fake securities, delays, thefts, etc.;
- Immediate transfer of securities;
- No stamp duty on electronic transfer of securities;
- Reduction in transaction cost;
- Reduction in paperwork involved in transfer of securities;
- No odd lot problem, even one share can be traded;
- Availability of nomination facility;
- Ease in effecting change of address / bank account details as change with Depository Participants (DPs) gets registered with all companies in which investor holds securities electronically;
- Easier transmission of securities as the same is done by DPs for all securities in demat account;
- Automatic credit in to demat account of shares, arising out of bonus / split / consolidation / merger / etc.;
- Convenient method of consolidation of folios/accounts;
- Holding investments in Equity, Debt Instruments, Government securities, Mutual Fund Units etc. in a single account;
- Ease of pledging of securities; and
- Ease in monitoring of portfolio.

### Members holding Shares in Physical mode:

- a) are required to submit their Permanent Account Number (PAN) and bank account details to the Company / RTA, if not registered with the Company as mandated by SEBI.
- b) are advised to register the nomination in respect of their shareholding in the Company. Nomination Form SH-13 ([Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014] can be obtained from the Company's Registrar and Share Transfer Agent. It is also available on Public domain.
- c) are requested to register / update their e-mail address with the Company / RTA for receiving all communications from the Company electronically.

# Prag Bosimi Synthetics Limited

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## Members holding Shares in Electronic mode:

- a) are requested to submit their PAN and bank account details to their respective DPs with whom they are maintaining their demat accounts.
- b) are advised to contact their respective DPs for registering the nomination.
- c) are requested to register / update their e-mail address with their respective DPs for receiving all communications from the Company electronically.

The Securities and Exchange Board of India vide its circular no. SEBI / HO / MIRSD / DOS3 / CIR / P / 2019 / 30 dated February 11, 2019, with a view to address the difficulties in transfer of shares, faced by non-residents and foreign nationals, has decided to grant relaxations to non-residents from the requirement to furnish PAN and permit them to transfer equity shares held by them in listed entities to their immediate relatives subject to the following conditions:

- a) The relaxation shall only be available for transfers executed after January 1, 2016.
- b) The relaxation shall only be available to non-commercial transactions, i.e. transfer by way of gift among immediate relatives.
- c) The non-resident shall provide copy of an alternate valid document to ascertain identity as well as the non-resident status.
- d) Non-Resident Indian members are requested to inform Linkintime India Private Limited, Company's Registrar and Transfer Agent immediately on the change in the residential status on return to India for permanent settlement.

**By order of the Board of Directors**

Date: 11<sup>th</sup> August, 2021  
Place: MUMBAI

**Raktim Kumar Das**  
Whole Time Director  
Din no.: 05115126

**Rohit P. Doshi**  
Independent Director  
Din No. 00424996

**The disclosures of the Compliance with Corporate Governance requirements specified in regulation 17 to 27 and regulation 46(2) of SEBI (Listing Obligations Disclosure Requirements) 2015.**

Sr. No.	Particulars	Regulations	Brief Descriptions of the Regulations	Compliance Status (Yes / No / N.A.)
1.	Independent director(s)	16(1)(b) & 25(6)	Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	Yes
2.	Board of Directors	17(1)	Composition of Board	Yes
		17(2)	Meeting of Board of Directors	Yes
		17(3)	Review of Compliance Reports	Yes
		17(4)	Plans for orderly succession for appointments	Yes, as and when applicable
		17(5)	Code of Conduct	Yes
		17(6)	Fees / Compensation	Yes
		17(7)	Minimum Information to be placed before the Board	Yes
		17(8)	Compliance Certificate	Yes
		17(9)	Risk Assessment and Management	Yes
		17(10)	Performance Evaluation	Yes
		17(11)	Recommendation of the Board	Yes
3.	Maximum number of Directorship	17A	Directorship in listed entities	Yes
4.	Audit Committee	18(1)	Composition of Audit Committee & Presence of the Chairman of the Committee at the Annual General Meeting	Yes
		18(2)	Meeting of Audit Committee	Yes
		18(3)	Role of the Committee and Review of information by the Committee	Yes
5.	Nomination and Remuneration Committee	19(1) & (2)	Composition of Nomination and Remuneration Committee	Yes
		19 (2A)	Quorum of Nomination and Remuneration Committee	Yes
		19(3)	Presence of the Chairman of the Committee at the Annual General Meeting	Yes
		19 (3A)	Meeting of Nomination and Remuneration Committee	Yes
		19(4)	Role of the Committee	Yes
6.	Stakeholders Relationship Committee	20(1) & (2)	Composition of Stakeholder Relationship Committee	Yes
		20 (2A)	Quorum of Stakeholders Relationship Committee	Yes
		20 (3) & (3A)	Meeting of Stakeholders Relationship Committee	Yes
		20(4)	Role of the Committee	Yes
7.	Risk Management Committee	21(1), (2) & (3)	Composition of Risk Management Committee	NA (Since not in top 1000 listed Cos)
		21(3A)	Meeting of Risk Management Committee	NA (Since not in top 1000 listed Cos)
		21(4)	Role of the Committee	NA (Since not in top 1000 listed Cos)
8.	Vigil Mechanism	22	Formulation of Vigil Mechanism for Directors and Employees.	Yes
9.	Related Party Transactions.	23(1) (1A), (5), (6), (7) & (8)	Policy for Related Party Transactions.	Yes
		23(2)&(3)	Approval including prior or omnibus approval of Audit Committee for all Related Party Transactions and review of transactions by the Committee	Yes
		23(4)	Approval for Material Related Party Transactions.	NA (since none)
		23(9)	Disclosure of Related Party Transactions on consolidated basis	Yes

## Prag Bosimi Synthetics Limited

Sr. No.	Particulars	Regulations	Brief Descriptions of the Regulations	Compliance Status (Yes / No / N.A.)
10.	Subsidiaries of the Company	24(1)	Composition of Board of Directors of Unlisted Material Subsidiary	NA (since none)
		24(2),(3),(4),(5) & (6)	Other Corporate Governance requirements with respect to Subsidiary including Material Subsidiary of listed entity	NA (No material subsidiary)
11.	Secretarial Compliance Report	24A	Secretarial Compliance Report	Yes
12.	Obligations with respect to Independent Directors	25(1)&(2)	Maximum Directorship & Tenure	Yes
		25(3)	Meeting of Independent Directors	Yes
		25(4)	Review of Performance by the Independent Directors	Yes
		25(7)	Familiarization of Independent Directors	Yes
		25 (8) & (9)	Declarations from Independent Directors	Yes
		25 (10)	D & O Insurance for Independent Directors	NA (since not in top 1000 listed Cos)
13.	Obligations with respect to Directors and Senior Management	26(1)&(2)	Memberships & Chairmanship in Committees	Yes
		26(3)	Affirmation with compliance to code of conduct from members of Board of Directors and Senior Management Personnel	Yes
		26(4)	Disclosure of Shareholding by Non- Executive Directors	Yes
		26(5)	Disclosures by Senior Management about potential conflicts of Interest	Yes
14.	Other Corporate Governance Requirements	27(1)	Compliance of Discretionary Requirements	Yes
		27(2)	Filing of Quarterly Compliance Report on Corporate Governance	Yes
15.	Disclosures on Website of the Company	46(2)(b)	Terms and conditions of appointment of Independent Directors	Yes
		46(2)(c)	Composition of various committees of Board of Directors	Yes
		46(2)(d)	Code of Conduct of Board of Directors and Senior Management Personnel	Yes
		46(2)(e)	Details of establishment of Vigil Mechanism / Whistle Blower policy	Yes
		46(2)(f)	Criteria of making payments to Non-Executive Directors	Yes
		46(2)(g)	Policy on dealing with Related Party Transactions	Yes
		46(2)(h)	Policy for determining Material Subsidiaries	Yes
		46(2)(i)	Details of familiarisation programmes imparted to Independent Directors	Yes

## Certificate of Non –Disqualification Of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C Sub clause(10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

The Members of  
Prag Bosimi synthetics Limited  
Guwahati

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Prag Bosimi Synthetics Limited having CINL17124AS1987PLC002758 and having Registered Office at House No. 19, Ambikagiri Nagar, Milan Path, R.G.Barua Road, Guwahati-781024, Assam, India. (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Subclause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2021 have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment / Re-appointment	Date of Cessation
1.	Adil Khan	08415244	15/03/2021	Nil
2.	Hemant Bhanushankar Vyas	00076289	29/06/1993	01/01/2021
3.	Devang Hemantkumar Vyas	00076459	08/07/2015	Nil
4.	Girindra Mohan Das	00144978	20/11/2004	Nil
5.	Prasanta Bora	02744331	14/02/2018	Nil
6.	Rohit Parmanandas Doshi	00424996	15/05/2014	Nil
7.	Mukund Pradyumanrai Trivedi	07179964	14/08/2015	Nil
8.	Bina Vasdev Advani	08534761	14/08/2019	Nil

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This Certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company

For Amit Mundra  
Company Secretary  
Proprietor  
FCS No. 7933, C.P. No. 16182  
UDIN: F007933C000773203

Place: Mumbai  
Date: 12<sup>th</sup> August, 2021



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

To,

The Members of  
Prag Bosimi Synthetics Limited  
Guwahati

I have examined the compliance of conditions of Corporate Governance by Prag Bosimi Synthetics Limited ('the Company') for the year ended March 31, 2021, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI Listing Regulations, 2015") as referred to in Regulations 15(2) of the SEBI Listing Regulations, 2015 for the period from April 01, 2020 to March 31, 2021.

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

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015 and the Guidelines on Corporate Governance issued by the Reserve Bank of India.

Based on our verification of the books, papers, minute books, forms and returns filed, MCA website and other records maintained by Prag Bosimi Synthetics Limited, having its Registered office at House No. 19, Ambikagiri Nagar, Milan Path, R.G.Barua Road, Guwahati-781024, Assam and also the information provided by the Company, its officers, agents and authorized representatives, we hereby report that during the Financial Year ended on March 31,2021, in our opinion ,none of the director on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of Company by the Board/Ministry of Corporate Affairs or any such Statutory authority.

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

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

Date: 12<sup>th</sup> August 2021

Place: Mumbai

For CS Amit Mundra  
Practising Company Secretary  
Proprietor  
FCS No. 7933, CP No. 16182  
UDIN No.: F007933C000773478

## DECLARATION OF THE CEO & CFO

We the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of Prag Bosimi Synthetics Limited ("the Company") to the best of our knowledge and belief certify that:

- a. We have reviewed financial statements for the year ended March 31, 2021 and that to the best of our knowledge and belief, we state that:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. We further state that to the best of our knowledge and belief, no transactions are entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We are responsible for establishing and maintaining internal controls over financial reporting and that we have evaluated the effectiveness of internal control systems pertaining to financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee:
  - i. significant changes, if any, in internal control over financial reporting during the year;
  - ii. significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

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

Place: Mumbai  
Date: 30<sup>th</sup> June 2021

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

**RAKTIM KUMAR DAS**  
Chief Financial Officer  
Pan No. AGHPD9267B

**ANNUAL CERTIFICATE UNDER REGULATION 26(3) OF THE SEBI  
(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

As provided under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with M/s. Prag Bosimi Synthetics Limited Code of Business Conduct and Ethics for the year ended March 31, 2021.

For Prag Bosimi Synthetics Limited

Date: 11<sup>th</sup> August 2021  
Place: Mumbai

**Raktim Kumar Das**  
Whole Time Director  
Din No.: 05115126

## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of Prag Bosimi Synthetics Limited.

We have examined the compliance of conditions of Corporate governance by Prag Bosimi Synthetics Ltd. for the period from 1<sup>st</sup> April 2020 to 31<sup>st</sup> March, 2021 as stipulated in erstwhile Clause 49 of the Listing Agreement and Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015") of the said Company with Stock exchanges.

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

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

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

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

For **M.H. Dalal & Associates**

Chartered Accountants  
(Firm Reg. No. 112449W)

For **AMD & Associates**

Chartered Accountants  
(Firm Regn.No.318191E)

**Devang M. Dalal**

Partner  
(Membership No. 109049)  
UDIN No.: 21109049AAAAVV1450

**Debashish Bordoloi**

Partner  
(Membership No. 068018)  
UDIN No.: 21068018AAAAFL6075

Place: Mumbai

Date: 11<sup>th</sup> August, 2021

## INDEPENDENT AUDITOR'S REPORT

To the Members of **PRAG BOSIMI SYNTHETICS LIMITED**

### REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

#### OPINION

We have audited the accompanying Standalone Financial Statements of Prag Bosimi Synthetics Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including the Statement of Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its loss including other comprehensive income, its Cash Flows and the Changes in Equity for the year ended on that date.

#### BASIS FOR OPINION

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

#### KEY AUDIT MATTERS

Key Audit matters are those matters that, in our professional judgment, were of most significance in our Audit of the Standalone Financial Statements for the financial year ended March 31, 2021. These matters were addressed in the context of our Audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matters to be communicated in our report.

Key Audit Matters (KAMs)	How the KAMs were addressed in our Audit
<b>Revenue Recognition</b>	
We have identified this as an area of importance because the Company's revenue is a material item in view of adoption of IND AS 115 "Revenue from Contracts with Customers". The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue.	Our audit procedures include the following: <ul style="list-style-type: none"><li>• Evaluation of the Company's accounting principles in relation to implementation of the new revenue accounting standard;</li><li>• Created an understanding of the Company's routines and internal controls associated with revenue recognition;</li><li>• Examination of a selection of transactions to ensure that they have been reported correctly according to agreements and in the correct periods;</li></ul>

Litigation	
<p>The Company is involved in legal proceeding as described in Note 20 of the Standalone Financial Statements.</p> <p>The Company assesses the need to make provision or to disclose a contingent liability on a case-to-case basis considering the underlying facts for each litigation. The eventual outcome of the litigation is uncertain and estimation at Balance Sheet date involves extensive judgements of Management including input from legal counsel due to the complexity of each litigations. Adverse outcomes could impact the Company's reported profit and balance sheet position.</p>	<p>Our audit procedures include the following:</p> <ul style="list-style-type: none"> <li>• Evaluation of the design and testing the operating effectiveness of controls in respect of the identification, evaluation of litigations, the recording / reassessment of the related liabilities, provisions and disclosures.</li> <li>• Obtained a list of litigations from the management; and performed inquiries with the management of the Company; obtained and read the underlying documents to assess the assumptions used by management in arriving at the conclusions.</li> <li>• Read the disclosures related to provisions and contingent liabilities in the standalone Financial Statements to assess consistency with underlying documents.</li> </ul>

### INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's information, but does not include the Standalone Financial Statements and our Auditor's Report thereon. Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those on Board of Directors are also responsible for overseeing the Company's financial reporting process

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

## Prag Bosimi Synthetics Limited

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Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditors' Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i) The Company does not have any pending litigations which would impact its financial position.
  - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii) There has not been an occasion in case of the Company during the year ended March 31, 2021 to transfer any sums to the Investor Education and Protection Fund. Hence, the question of delay in transferring such sums does not arise; and
- h) In our opinion and to the best of our information and according to the explanations given to us, the managerial remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act, read with Schedule V to the Act.

**For M. H Dalal & Associates**

Chartered Accountants  
Firm Registration No.: 112449W

**Devang M. Dalal**

Partner  
Membership No.: 109049  
UDIN : 21109049AAAASS8948

Place: Mumbai  
Date: June 30, 2021

**For AMD & Associates**

Chartered Accountants  
Firm Registration No.: 318191E

**Debashish Bardoloi**

Partner  
Membership No.: 109049  
UDIN : 21068018AAAEN5874

Place: Mumbai  
Date: June 30, 2021



## Prag Bosimi Synthetics Limited

### ANNEXURE – A TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE TO THE MEMBERS OF PRAG BOSIMI SYNTHETICS LIMITED

i. In Respect of its Fixed Assets:

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) The assets have been physically verified by the management in accordance with the phased programmed of verification adopted by the Company. In our opinion, the frequency of the verification is reasonable having regard to the size of the Company and nature of fixed assets. No material discrepancies have been noticed in respect of the assets physically verified during the year.
- c) Title Deeds of immovable properties are held in the name of the company.

ii. In Respect of its Inventories:

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

- iii. In our opinion and according to information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, paragraph 3(iii) of the Order is not applicable to the company.
- iv. According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013, with respect to the loans and investments made, and guarantees and security provided by it.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Companies Act, 2013 and the Rules framed there under to the extent notified.
- vi. The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the Company.
- vii. a) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company is regular in depositing undisputed statutory dues including income-tax, goods and services tax, cess and any other statutory dues to the appropriate authorities.

<b>The Act Applicable</b>	<b>Details of Tax</b>	<b>Amount</b>
The Assam Professions, Trades, Callings and Employments Taxation Act, 1947	Professional Tax	₹ 20,17,315

- b) information and explanations given to us and on the basis of examination of the records of the Company, there are no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax, which have not been deposited on account of any dispute..
- viii. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of loans and borrowings to a financial institution, banks, government or dues to debenture holders.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees have been noticed or reported during the course of our audit.
- xi. The managerial remuneration has been paid or provided in accordance with the provisions of Section 197 read with Schedule V of the Act. The provision of Section 197 read with schedule 5 to the Companies Act, 2013 is not applicable to the Company. Accordingly, paragraph 3(xi) of the Order is not applicable.

- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, there are no transactions with the related parties. Accordingly, paragraph 3(xiii) of the Order is not applicable to the Company.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

**For M. H Dalal & Associates**

Chartered Accountants

Firm Registration No.: 112449W

**Devang M. Dalal**

Partner

Membership No.: 109049

UDIN : 21109049AAAASS8948

Place: Mumbai

Date: June 30, 2021

**For AMD & Associates**

Chartered Accountants

Firm Registration No.: 318191E

**Debashish Bardoloi**

Partner

Membership No.: 109049

UDIN : 21068018AAAEN5874

Place: Mumbai

Date: June 30, 2021

## **ANNEXURE – B TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE TO THE MEMBERS OF PRAG BOSIMI SYNTHETICS LIMITED**

### **REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB - SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”)**

We have audited the Internal Financial Controls with reference to Financial Statements of Prag Bosimi Synthetics Limited (“the Company”) as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **AUDITORS’ RESPONSIBILITY**

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

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

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

#### **MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

**INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

**OPINION**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For M. H Dalal & Associates**

Chartered Accountants  
Firm Registration No.: 112449W

**Devang M. Dalal**

Partner  
Membership No.: 109049  
UDIN : 21109049AAAASS8948

Place: Mumbai  
Date: June 30, 2021

**For AMD & Associates**

Chartered Accountants  
Firm Registration No.: 318191E

**Debashish Bardoloi**

Partner  
Membership No.: 109049  
UDIN : 21068018AAAEN5874

Place: Mumbai  
Date: June 30, 2021

# Prag Bosimi Synthetics Limited

## STANDALONE BALANCE SHEET AS ON MARCH 31, 2021

Particulars	Notes	As on March 31, 2021 ₹	As on March 31, 2020 ₹
<b>ASSETS</b>			
<b>Non-current Assets</b>			
(a) Property, Plant and Equipment	3A	1,975,568,085	2,021,177,825
(b) Capital work-in-progress	3B	11,850,480	11,850,480
(c) Non-Current Financial Assets	4		
(i) Investments	4.1	6,190,630	6,190,630
(ii) Trade Receivables	4.2	23,235,200	19,269,260
(iii) Loans	4.3	194,725,568	191,620,675
(d) Other Non-Current Assets	5	10,662,851	11,938,998
		<u>2,222,232,813</u>	<u>2,262,047,868</u>
<b>Current Assets</b>			
(a) Current Inventories	6	85,578,609	97,143,469
(b) Current Financial Assets	7		
(i) Investments	7.1	-	110,184,439
(ii) Trade Receivables	7.2	3,591,743	37,320,151
(iii) Cash and Cash Equivalents	7.3	4,028,369	6,653,293
(iv) Loans	7.4	40,711,004	39,559,228
(c) Other Current Assets	8	183,632	4,277,679
		<u>134,093,358</u>	<u>295,138,258</u>
<b>TOTAL ASSETS</b>		<u>2,356,326,171</u>	<u>2,557,186,126</u>
<b>EQUITY &amp; LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share capital	9.1	898,405,800	898,405,800
(b) Other Equity	9.2	(362,212,171)	(240,322,866)
		<u>536,193,629</u>	<u>658,082,934</u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
(a) Non-Current Financial Liabilities	10		
(i) Borrowings	10.1	1,563,186,614	1,598,886,614
(ii) Trade Payables	10.2	76,081,915	61,461,333
- total outstanding dues of micro enterprises and small enterprises			
- total outstanding dues of creditors other than micro enterprises and small enterprises			
(b) Non-Current Provisions	11	20,934,151	20,823,326
(c) Other Non-Current Liabilities	12	130,908,013	76,510,286
		<u>1,791,110,693</u>	<u>1,757,681,559</u>
<b>Current Liabilities</b>			
(a) Current Financial Liabilities	13		
(i) Borrowings	13.1	-	99,004,302
(ii) Trade Payables			
- total outstanding dues of micro enterprises and small enterprises			
- total outstanding dues of creditors other than micro enterprises and small enterprises	13.2	12,252,649	23,257,939
(b) Current Provisions	14	11,561,758	12,462,368
(c) Other Current Liabilities	15	5,207,443	6,697,024
		<u>29,021,849</u>	<u>141,421,633</u>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<u>2,356,326,171</u>	<u>2,557,186,126</u>
<b>Significant accounting policies</b>	2		
<b>Notes to the financial statements</b>	3 - 33		

The accompanying notes are integral part of these financial statements

**For M.H. Dalal & Associates**  
Chartered Accountants  
Firm Registration No: 112449W

**For AMD & Associates**  
Chartered Accountants  
Firm Registration No: 318191E

**For and on behalf of Board of Directors of Prag Bosimi Synthetics Limited**  
CIN: L17124AS1987PLC002758

**Devang M. Dalal**  
Partner  
Membership No. 109049

**Debashish Bordoloi**  
Partner  
Membership No. 068018

**Devang H. Vyas**  
Non Executive Director  
DIN: 00076459

**Mukund P. Trivedi**  
Director  
DIN: 07179964

**Bina Advani**  
Director  
DIN: 08534761

**Rohit Doshi**  
Director  
DIN: 00424996

Place: Mumbai  
June 30, 2021

**G. M. Das**  
Director  
DIN: 00144978

**Ramesh Pokhriyal**  
Chief Executive Officer

**Raktim Kumar Das**  
Chief Financial Officer

**Madhu Dharewa**  
Company Secretary

**STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021**

Particulars	Notes	Year ended March 31, 2021 ₹	Year ended March 31, 2020 ₹
<b>Income</b>			
Revenue From Operations	16	16,294,260	177,184,135
Other Income	17	11,641,081	10,031,002
<b>Total Revenue</b>		<b>27,935,342</b>	<b>187,215,137</b>
<b>Expenses</b>			
Cost of Materials Consumed	18.1	3,259,822	121,477,713
Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade	18.2	10,612,203	9,079,584
Employee Benefits Expense	18.3	11,353,139	50,198,663
Finance Cost	18.4	60,627,577	62,681,868
Depreciation and Amortisation Expenses	18.5	44,484,940	44,165,249
Other Expenses	18.6	19,486,967	57,101,058
<b>Total Expenses</b>		<b>149,824,647</b>	<b>344,704,135</b>
<b>Profit/(Loss) before Exceptional and Extraordinary Items and Tax</b>		<b>(121,889,305)</b>	<b>(157,488,998)</b>
<b>Exceptional Items</b>		-	-
<b>Profit/(Loss) before Tax</b>		<b>(121,889,305)</b>	<b>(157,488,998)</b>
<b>Tax Expense</b>			
Adjustment for Prior Period Tax Expense		-	7,457,311
<b>Profit/(Loss) for the year</b>		<b>(121,889,305)</b>	<b>(164,946,309)</b>
<b>Other Comprehensive income</b>			
A (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Total comprehensive income</b>		<b>(121,889,305)</b>	<b>(164,946,309)</b>
<b>Earnings per equity share : (Face value of ₹ 10 each)</b>			
Basic and Diluted (Rupees)	33	(0.16)	(2.22)
<b>Significant accounting policies</b>	2		
<b>Notes to the financial statements</b>	3 - 33		

The accompanying notes are integral part of these financial statements

**For M.H. Dalal & Associates**  
Chartered Accountants  
Firm Registration No: 112449W

**For AMD & Associates**  
Chartered Accountants  
Firm Registration No: 318191E

**For and on behalf of Board of Directors of Prag Bosimi Synthetics Limited**  
CIN: L17124AS1987PLC002758

**Devang M. Dalal**  
Partner  
Membership No. 109049

**Debashish Bordoloi**  
Partner  
Membership No. 068018

**Devang H. Vyas**  
Non Executive Director  
DIN: 00076459

**Mukund P. Trivedi**  
Director  
DIN: 07179964

**Bina Advani**  
Director  
DIN: 08534761

**Rohit Doshi**  
Director  
DIN: 00424996

Place: Mumbai  
June 30, 2021

**G. M. Das**  
Director  
DIN: 00144978

**Ramesh Pokhriyal**  
Chief Executive Officer

**Raktim Kumar Das**  
Chief Financial Officer

**Madhu Dharewa**  
Company Secretary

# Prag Bosimi Synthetics Limited

## STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

### A. Equity share capital

Particulars	Amount ₹
<b>As at March 31, 2019</b>	<b>898,405,800</b>
Changes in equity share capital during the year	-
<b>As at March 31, 2020</b>	<b>898,405,800</b>
Changes in equity share capital during the year	-
<b>As at March 31, 2021</b>	<b>898,405,800</b>

### B. Other Equity

Particulars	Reserve and surplus				Total
	Capital Reserve	Capital Redemption Reserve	General Reserve	Retained earnings	
<b>Balance as at March 31, 2019</b>	<b>16,700,000</b>	<b>814,625,000</b>	<b>1,413,766,002</b>	<b>(2,346,475,381)</b>	<b>(101,384,379)</b>
Profit/(loss) for the year	-	-	-	(164,946,309)	<b>(164,946,309)</b>
Transferred during the year	-	-	26,007,822	-	<b>26,007,822</b>
Other comprehensive income for the period	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	26,007,822	(164,946,309)	<b>(138,938,487)</b>
<b>Balance as at March 31, 2020</b>	<b>16,700,000</b>	<b>814,625,000</b>	<b>1,439,773,824</b>	<b>(2,511,421,690)</b>	<b>(240,322,866)</b>
Profit/(loss) for the year	-	-	-	(121,889,305)	<b>(121,889,305)</b>
Transferred during the year	-	-	-	-	-
Other comprehensive income for the period	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	-	(121,889,305)	<b>(121,889,305)</b>
<b>Balance as at March 31, 2021</b>	<b>16,700,000</b>	<b>814,625,000</b>	<b>1,439,773,824</b>	<b>(2,633,310,995)</b>	<b>(362,212,171)</b>
<b>Significant accounting policies</b>	<b>2</b>				
<b>Notes to the financial statements</b>	<b>3 - 33</b>				

The accompanying notes are integral part of these financial statements

**For M.H. Dalal & Associates**  
Chartered Accountants  
Firm Registration No: 112449W

**For AMD & Associates**  
Chartered Accountants  
Firm Registration No: 318191E

**For and on behalf of Board of Directors of Prag Bosimi Synthetics Limited**  
CIN: L17124AS1987PLC002758

**Devang M. Dalal**  
Partner  
Membership No. 109049

**Debashish Bordoloi**  
Partner  
Membership No. 068018

**Devang H. Vyas**  
Non Executive Director  
DIN: 00076459

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Director  
DIN: 07179964

**Bina Advani**  
Director  
DIN: 08534761

**Rohit Doshi**  
Director  
DIN: 00424996

Place: Mumbai  
June 30, 2021

**G. M. Das**  
Director  
DIN: 00144978

**Ramesh Pokhriyal**  
Chief Executive Officer

**Raktim Kumar Das**  
Chief Financial Officer

**Madhu Dharewa**  
Company Secretary

**STATEMENT OF STANDALONE CASH FLOW FOR THE YEAR APRIL 1, 2020 TO MARCH 31, 2021**

Particulars	Year ended March 31, 2021 ₹	Year ended March 31, 2020 ₹
<b>A Cash flow from operating activities:</b>		
<b>Loss before tax</b>	(121,889,305)	(157,488,998)
<b>Adjustments for:</b>		
Loss on Damage of Fixed Asset	340,044	-
Interest Income	(8,699,809)	(7,068,880)
Interest Expense	60,627,577	62,681,868
Depreciation and Amortization Expense	44,484,940	44,165,249
Operating profit/(loss) before working capital changes	(25,136,554)	(57,710,761)
<b>Adjustments for:</b>		
(Increase) / decrease in Inventories	11,564,860	15,328,935
(Increase) / decrease in Trade Receivables	29,762,468	49,087,936
(Increase) / decrease in Other Current Assets	4,094,047	3,164,856
(Increase) / decrease in Other Non-current Assets	1,276,147	(7,000)
(Increase) / decrease in Current and Non-current Loans and Advances	(3,732,597)	(2,108,944)
Increase / (decrease) in Trade Payables	3,615,291	(22,418,529)
Increase / (decrease) in Other Current Liabilities	(1,489,581)	(2,497,699)
Increase / (decrease) in Other Non-Current Liabilities	(1,714,273)	(2,183,540)
Increase / (decrease) in Provisions	(789,785)	7,407,308
<b>Cash generated from operations</b>	17,450,023	(11,937,438)
Taxes paid	(524,072)	(2,402,242)
<b>Net cash flows from operating activities</b>	16,925,951	(14,339,680)
<b>B Cash flow from investing activities</b>		
Purchase of Property, Plant and Equipment including Capital Work-in-progress (Net)	784,756	(3,318,984)
Sale/(Purchase) of Investments (Net)	110,184,439	-
Interest received	8,699,809	7,068,880
<b>Net cash flows from / (used in) investing activities</b>	119,669,004	3,749,896
<b>C Financing Activities</b>		
Proceed/(Repayment) of Long-term Borrowings (Net)	(35,700,000)	20,739,544
Repayment of Short-term Borrowings (Net)	(99,004,302)	(1,287,927)
Interest paid	(4,515,577)	(6,077,720)
<b>Net cash flow from / (used in) financing activities</b>	(139,219,879)	13,373,897
<b>Net increase / (decrease) in cash and cash equivalents</b>	(2,624,923)	2,784,113
Cash and cash equivalents at the beginning of the year	6,653,293	3,869,180
Cash and cash equivalents at the end of the year	4,028,369	6,653,293
<b>Net increase / (decrease) in cash and cash equivalents</b>	(2,624,923)	2,784,113
<b>Components of cash and cash equivalents</b>		
Cash in hand	363,713	510,236
Balances with banks in current account	2,360,697	4,839,097
Others - Margin Money Deposit	1,303,959	1,303,959
<b>Total cash and cash equivalents</b>	4,028,369	6,653,293
<b>Significant accounting policies</b>	2	
<b>Notes to the financial statements</b>	3 - 33	

The accompanying notes are integral part of these financial statements

**For M.H. Dalal & Associates**  
Chartered Accountants  
Firm Registration No: 112449W

**For AMD & Associates**  
Chartered Accountants  
Firm Registration No: 318191E

**For and on behalf of Board of Directors of Prag Bosimi Synthetics Limited**  
CIN: L17124AS1987PLC002758

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Director  
DIN: 00424996

Place: Mumbai  
June 30, 2021

**G. M. Das**  
Director  
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Chief Executive Officer

**Raktim Kumar Das**  
Chief Financial Officer

**Madhu Dharewa**  
Company Secretary



# Prag Bosimi Synthetics Limited

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## Notes to and forming part of the Standalone Financial Statement as on and for the year ended March 31, 2021

### 1. COMPANY OVERVIEW

Prag Bosimi Synthetics Limited ("the company") is a domestic public limited company with registered office situated at House no. 19, Ambikagiri Nagar, Milan Path, R. G. Barua Road, Guwahati - 781024, Assam. It is engaged primarily in manufacturing of Polyester Yarn. **The Company is listed on the Bombay Stock Exchange (BSE).** The Company has started manufacturing operations with effect from 28/03/2017. The company continued its activities in separate division Bosimi Apparel.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### a. Basis for Preparation of Accounts

- i. Compliance with Ind AS: These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.
- ii. Historical Cost Convention: The financial Statements have been prepared on an historical cost basis except for certain financial instruments which are measured at fair value.
- iii. Current Non - Current Classification: All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

#### b. Use of Estimates and Judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognized in the period in which the results are known/materialized. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

#### ESTIMATION OF UNCERTAINTIES RELATING TO THE GLOBAL HEALTH PANDEMIC FROM COVID-19:

The COVID-19 pandemic is an evolving human tragedy declared a global pandemic by the World Health Organization with adverse impact on economy and business.

Due to this the operations in the manufacturing and distributions unit got temporarily disrupted. In light of these circumstances, the Company has considered the possible effects that may result from COVID-19 on the carrying amounts of financials assets, Inventories, Trade Receivables, Capital Work in Progress, Advances, property plant and equipment, etc as well as liabilities accrued. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company has used internal and external information. Having reviewed the underlying data and based on current estimates the Company expects the carrying amount of these assets will be recovered and there is no significant impact on liabilities accrued. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

#### c. Property, Plant and Equipment (PPE)

Property, plant and equipment are stated at acquisition or construction cost less accumulated depreciation and impairment loss. Cost comprises the purchase price and any attributable cost of bringing the asset to its location and working condition for its intended use, including relevant borrowing costs and any expected costs of decommissioning. If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE. The cost of an item of PPE is recognized as an asset if, and only if, it is probable that the economic benefits associated with the item will flow to the Company in future periods and the cost of the item can be measured reliably. Expenditure incurred after the PPE have been put into operations, such as repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred. Items such as spare parts, standby equipment

**Notes to and forming part of the Standalone Financial Statement as on and for the year ended March 31, 2021 (Contd.)**

and servicing equipment are recognized as PPE when it is held for use in the production or supply of goods or services, or for administrative purpose, and are expected to be used for more than one year. Otherwise such items are classified as inventory. An item of PPE is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

d. Depreciation on Property, Plant and Equipment

Depreciation on fixed assets other than lease-hold land is provided on straight-line method in the manner specified in Schedule II of Companies Act, 2013. Leasehold Land is amortized over the remaining period of lease. Depreciation on additions/deductions during the year has been provided on pro-rata basis with reference to the month of addition/deduction.

e. Treatment of Expenditure during Construction Period

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

f. Investments

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

g. Inventories

Inventories are valued at lower of cost or net realizable value after providing for obsolescence, if any. Cost includes purchase price, duties, transport & handling costs and other costs directly attributable to the acquisition and bringing the inventories to their present location and condition.

- Raw materials, stores, spares, consumables and construction materials: At lower of cost or net realizable value.
- Work in process: At lower of cost or net realizable value.
- Finished Goods: At lower of cost or net realizable value

h. Retirement Benefits

- i. Defined Contribution Plan: The Company's liability towards Employee's Provident Fund scheme administered by the Employees Provident Fund Scheme, Govt. of India is considered as Defined Contribution Plan. The Company's contributions paid towards these defined contribution plans is recognized as expense in the Profit and Loss Account during the year in which the employees rendered the related service.
- ii. Defined Benefit Plan: Company's liabilities towards gratuity and leave encashment if any are considered as Defined Benefit Plans. The present value of the obligations towards gratuity is determined based on actuarial valuation using the projected unit credit method. As regards the Leave encashment, it is calculated on the actual balance leave of each employee on the year-end. This is done on the same basis as in the last accounting year.

i. Transactions of Foreign Currency Items

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

## Notes to and forming part of the Standalone Financial Statement as on and for the year ended March 31, 2021 (Contd.)

j. Government Grants and Subsidies

Government Grants are recognized when there is a reasonable assurance that the same will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized in the Statement of Profit and Loss by way of a deduction to the related expense on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income on a systematic basis over the expected useful life of the related asset. Government grants, that are receivable towards capital investments under State Investment Promotion Scheme, are recognized in the Statement of Profit and Loss in the period in which they become receivable. The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates and is being recognized in the Statement of Profit and Loss.

k. Taxes on Income

No provision for taxation is made as the company has incurred losses during the year and has also brought forward unabsorbed losses. Provision for Current Tax is recognized in accordance with the provisions of the Income Tax Act, 1961 and is made annually based on the Tax liability after taking credit for the Tax Allowances and exemptions. No provision for deferred taxation is made in accounts as the company has been incurring losses year after year.

l. Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, bank overdraft, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

m. Investments in Subsidiaries, Joint ventures and Associates

Investment in equity instruments of subsidiary, joint ventures and associates is recognized at cost as per Ind AS 27.

n. Financial Assets:

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

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- Those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

ii. Measurement: At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

iii. Impairment of financial assets: The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

iv. Derecognition of financial assets: A financial asset is derecognized only when:

- the rights to receive cash flows from the asset have expired, or

**Notes to and forming part of the Standalone Financial Statement as on and for the year ended March 31, 2021 (Contd.)**

- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows to one or more recipient.
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

o. Financial Liabilities:

- i. Classification as debt or equity: Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.
- ii. Initial recognition and measurement: All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables.
- iii. Subsequent measurement: The measurement of financial liabilities depends on their classification, as described below:
- iv. Borrowings: Borrowings are subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the statement of profit and loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

- v. De-recognition: Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other gains/ (losses). When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

## Notes to and forming part of the Standalone Financial Statement as on and for the year ended March 31, 2021 (Contd.)

p. Provisions and Contingent Liabilities

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

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

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

q. Earnings Per Share

Basic Earnings per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

r. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured.

- i. Revenue is recognized upon transfer of control of promised goods to the customers in an amount that reflects consideration which the company expects to receive in exchange of the goods. Revenue from Sale of goods is recognized at the point of time when the control is transferred to the customer which is usually dispatched / delivery of goods based on contracts with the customer. Revenue is measured based on the transaction price which is consideration. Revenue excludes taxes collected from customer on behalf of the Government.
- ii. Income from services is recognized (net of GST as applicable) as they are rendered, based on agreement/arrangement with the concerned customers.
- iii. Dividend income is accounted for when the right to receive the income is established.
- iv. For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset.
- v. Interest income for all financial instruments measured at fair value through other comprehensive income is recognized in the Statement of Profit and Loss.

## Notes to and forming part of the Standalone Financial Statement as on and for the year ended March 31, 2021 (Contd.)

## 3A Property, Plant and Equipment

Particulars	Land Freehold	Land Leasehold	Building Owned	Plant & Machinery	Furniture & Fixtures	Vehicles	Office Equipment	TOTAL
<b>Gross Carrying Amount</b>								
Balance as at 31st March, 2019	578,617	229,730	291,344,673	1,941,589,696	4,256,490	1,616,108	1,117,306	2,240,732,620
Exchange Difference	-	-	-	-	-	-	-	-
Additions	-	-	-	1,372,816	44,339	-	-	1,417,155
Reclassification as held for sale	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
<b>Balance as at 31st March, 2020</b>	<b>578,617</b>	<b>229,730</b>	<b>291,344,673</b>	<b>1,942,962,512</b>	<b>4,300,829</b>	<b>1,616,108</b>	<b>1,117,306</b>	<b>2,242,149,775</b>
Exchange Difference	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-
Reclassification as held for sale	-	-	-	-	-	-	-	-
Disposals (Refer Nore)	-	-	(1,124,800)	-	-	-	-	(1,124,800)
<b>Balance as at 31st March, 2021</b>	<b>578,617</b>	<b>229,730</b>	<b>290,219,873</b>	<b>1,942,962,512</b>	<b>4,300,829</b>	<b>1,616,108</b>	<b>1,117,306</b>	<b>2,241,024,975</b>
<b>Accumulated Depreciation</b>								
Balance as at 31st March, 2019	-	59,976	50,257,383	124,204,974	1,659,555	624,814	-	176,806,702
Additions	-	19,992	17,648,836	25,560,938	763,556	171,928	-	44,165,249
Disposals								-
Reclassification as held for sale								-
<b>Balance as at 31st March, 2020</b>	<b>-</b>	<b>79,968</b>	<b>67,906,218</b>	<b>149,765,912</b>	<b>2,423,111</b>	<b>796,742</b>	<b>-</b>	<b>220,971,951</b>
Additions	-	19,992	17,304,246	26,781,183	165,139	214,380	-	44,484,940
Disposals								-
Reclassification as held for sale								-
<b>Balance as at 31st March, 2021</b>	<b>-</b>	<b>99,960</b>	<b>85,210,464</b>	<b>176,547,094</b>	<b>2,588,250</b>	<b>1,011,122</b>	<b>-</b>	<b>265,456,890</b>
<b>Net carrying amount</b>								
Balance as at 31st March, 2020	578,617	149,762	223,438,455	1,793,196,600	1,877,718	819,366	1,117,306	2,021,177,825
Balance as at 31st March, 2021	578,617	129,770	205,009,409	1,766,415,417	1,712,579	604,986	1,117,306	1,975,568,085

## 3B Capital Work in Progress

31st March, 2020	11,850,480
31st March, 2021	11,850,480

NOTE - Deductions under Building Owned pertains to Damage of Compound Wall due to Cyclone.

# Prag Bosimi Synthetics Limited

Notes to and forming part of the Standalone Financial Statement as on and for the year ended March 31, 2021 (Contd.)

Particulars	As on 31st March, 2021 ₹	As on 31st March, 2020 ₹
<b>4 Non-Current Financial Assets</b>		
<b>4.1 Non Current Investments</b>		
<b>Investment in Subsidiaries in fully paid Equity Instruments (unquoted)</b>		
a) Prag Bosimi Packaging Private Limited 10,000 Shares of ₹ 10/- each fully paid up	100,000	100,000
b) Prag Bosimi Texturising Private Limited 10,000 Shares of ₹ 10/- each fully paid up	100,000	100,000
<b>Investment in Associate company in fully paid Equity Instruments (unquoted)</b>		
a) Prag Jyoti Textile Park Private Limited 5,99,063 Shares of ₹ 10/- each fully paid up	5,990,630	5,990,630
	<u>6,190,630</u>	<u>6,190,630</u>
<b>4.2 Non-Current Trade Receivables</b>		
<b>Unsecured, Considered Good</b>		
Trade Receivables	23,235,200	19,269,260
	<u>23,235,200</u>	<u>19,269,260</u>
<b>4.3 Non-Current Long Term Loans</b>		
<b>Unsecured, Considered Good</b>		
Advances to Suppliers	10,542,022	7,485,258
Advances receivable in Cash/Kind	184,183,546	184,135,417
	<u>194,725,568</u>	<u>191,620,675</u>
<b>5 Other Non-Current Assets</b>		
Security Deposits	7,852,649	9,128,796
Other Non-Current Assets	2,810,202	2,810,202
	<u>10,662,851</u>	<u>11,938,998</u>
<b>6 Inventories</b>		
Raw Materials	15,080,909	15,969,589
Work-in-Progress	10,809,202	17,261,196
Finished Goods	15,538,122	19,698,331
Stores and Spares	44,150,376	44,214,353
	<u>85,578,609</u>	<u>97,143,469</u>

## Notes to and forming part of the Standalone Financial Statement as on and for the year ended March 31, 2021 (Contd.)

Particulars	As on 31st March, 2021 ₹	As on 31st March, 2020 ₹
<b>7 Current Financial Assets</b>		
<b>7.1 Current Investments</b>		
Fixed Deposits with Bank	-	110,184,439
	<u>-</u>	<u>110,184,439</u>
<b>7.2 Current Trade Receivables</b>		
<b>Unsecured, Considered Good</b>		
Trade Receivables	3,591,743	37,320,151
	<u>3,591,743</u>	<u>37,320,151</u>
<b>7.3 Cash &amp; Cash Equivalent</b>		
Balances with Bank	2,360,697	4,839,097
Cash on hand	363,713	510,236
Others - Margin Money Deposit	1,303,959	1,303,959
	<u>4,028,369</u>	<u>6,653,293</u>
<b>7.4 Current Loans and Advances</b>		
<b>Unsecured, Considered Good</b>		
Loans and Advances to Related Parties	24,755,450	20,739,514
Loans and Advances to Employees	3,333,276	3,286,916
Advances to Suppliers	3,373,207	5,708,313
Balance with Government Authorities	9,249,071	9,824,485
	<u>40,711,004</u>	<u>39,559,228</u>
<b>8 Other Current Assets</b>		
Income Accrued but not Due	-	3,930,283
Prepaid Expenses	183,632	347,396
	<u>183,632</u>	<u>4,277,679</u>



# Prag Bosimi Synthetics Limited

## Notes to and forming part of the Standalone Financial Statement as on and for the year ended March 31, 2021 (Contd.)

Particulars	As on 31st March, 2021 ₹	As on 31st March, 2020 ₹
<b>9.1 Equity Share Capital</b>		
<b>Authorised shares :</b>		
1. 12,00,00,000 Equity Shares of ₹ 10/- each with voting rights	1,200,000,000	1,200,000,000
2. 300,00,000 Equity Shares (Unclassified) of ₹ 10/- each with voting rights	300,000,000	300,000,000
3. 10,00,000 Redeemable Preference Shares of ₹ 100/- each	100,000,000	100,000,000
4. 90,00,000 Optionally Convertible Redeemable Preference Shares of ₹ 100/- each	900,000,000	900,000,000
	<u>2,500,000,000</u>	<u>2,500,000,000</u>
<b>Issued, subscribed and fully paid up capital :</b>		
Equity Shares of ₹ 10/- each with voting rights	743,829,600	743,829,600
Calls in Arrears	(3,123,800)	(3,123,800)
15,77,000 Optionally Convertible Redeemable Preference Shares of ₹ 100/- each	157,700,000	157,700,000
	<u>898,405,800</u>	<u>898,405,800</u>

### Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting period

Particulars	As on 31st March, 2021		As on 31st March, 2020	
	Number	Amount	Number	Amount
At the beginning of the period	74,382,960	743,829,600	74,382,960	743,829,600
Add: Share issued during the period	-	-	-	-
Outstanding at the end of the period	<u>74,382,960</u>	<u>743,829,600</u>	<u>74,382,960</u>	<u>743,829,600</u>

### Details of shareholders holding more than 5% shares in the Company

Particulars	As on March 31, 2021		As on March 31, 2020	
	No. of Shares	% of holding	No. of Shares	% of holding
Assam Industrial Development Corporation Limited	18,377,980	24.71%	18,377,980	24.71%
Akhilesh Merchantile Private Limited	6,423,909	8.64%	6,423,909	8.64%
Devsai Investments and Finances Private Limited	4,250,000	5.71%	4,250,000	5.71%

### Terms / rights attached to equity shares

The company has only one Class of Equity Shares having a par value of ₹ 10/- per share. Each Holder of Equity Share is entitled to one vote per share. The shareholders are entitled to dividend in the proportion of their shareholding. In the event of Liquidation of the company the Holders of Equity Shares will be entitled to receive remaining assets of the Company, after payment of all external liabilities. The Distribution will be in proportionate to the number of Equity Shares.

## 9.2 Other Equity

### Reserves & Surplus

Particulars	As on 31st March, 2021	As on 31st March, 2020
Capital Reserve	16,700,000	16,700,000
Capital Redemption Reserve	814,625,000	814,625,000
General Reserve	1,439,773,824	1,439,773,824
Retained Earnings	<u>(2,633,310,995)</u>	<u>(2,511,421,690)</u>
	<u>(362,212,171)</u>	<u>(240,322,866)</u>

## Notes to and forming part of the Standalone Financial Statement as on and for the year ended March 31, 2021 (Contd.)

Particulars	As on 31st March, 2021 ₹	As on 31st March, 2020 ₹
<b>10 Non-Current Financial Liabilities</b>		
<b>10.1 Non-Current Borrowings</b>		
<b>Unsecured Debentures</b>		
Optionally Cumulative Convertible Debentures (OCCD)	543,700,000	543,700,000
<b>Unsecured Loans</b>		
From Government	28,000,000	28,000,000
From Related Parties	991,486,614	1,027,186,614
	<u>1,563,186,614</u>	<u>1,598,886,614</u>
<b>10.2 Non-Current Trade Payables</b>		
- total outstanding dues of micro enterprises and small enterprises	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	76,081,915	61,461,333
	<u>76,081,915</u>	<u>61,461,333</u>
<b>11 Non-Current Provisions</b>		
<b>Provisions for Employee Benefits</b>		
(i) Gratuity	11,201,260	12,057,266
(ii) Leave Encashment	8,530,780	7,567,958
(iii) Leave Travel Allowance	1,038,087	1,034,078
(iv) Other Defined Benefit Plan - Insurance	164,024	164,024
	<u>20,934,151</u>	<u>20,823,326</u>
<b>12 Other Non-Current Liabilities</b>		
Interest Accrued on Borrowings	86,992,000	43,496,000
Advances from Customers	3,716,918	3,660,491
Salary Payable	6,839,640	7,069,200
Other Expenses Payable	2,264,441	2,264,441
Security Deposits	50,610	50,610
Unpaid Dividend	27,547,813	14,931,813
Statutory Liabilities	3,496,591	5,037,731
	<u>130,908,013</u>	<u>76,510,286</u>
<b>13 Financial Liabilities</b>		
<b>13.1 Current Borrowings</b>		
<b>Unsecured - Others</b>		
Bank Overdraft	-	99,004,302
	<u>-</u>	<u>99,004,302</u>
<b>13.2 Current Trade Payables</b>		
- total outstanding dues of micro enterprises and small enterprises	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	12,252,649	23,257,939
	<u>12,252,649</u>	<u>23,257,939</u>

# Prag Bosimi Synthetics Limited

## Notes to and forming part of the Standalone Financial Statement as on and for the year ended March 31, 2021 (Contd.)

Particulars	As on 31st March, 2021 ₹	As on 31st March, 2020 ₹
<b>14 Current Provisions</b>		
<b>Provisions for Employee Benefits</b>		
(i) Gratuity	4,994,607	3,234,157
(ii) Leave Encashment	-	1,601,951
Provision for Expenses	<u>6,567,151</u>	<u>7,626,260</u>
	<u><b>11,561,758</b></u>	<u><b>12,462,368</b></u>
<b>15 Current Liabilities</b>		
Advances from Customers	811,661	54,683
Salary Payable	4,210,631	6,086,332
Statutory Liabilities	<u>185,151</u>	<u>556,009</u>
	<u><b>5,207,443</b></u>	<u><b>6,697,024</b></u>
Particulars	Year ended 31st March, 2021 ₹	Year ended 31st March, 2020 ₹
<b>16 Revenue from Operations</b>		
Sale of Products (Net of Sales Return)	11,288,985	149,484,097
Other Operating Revenue		
- Sale of Scrap	-	1,433,104
- Brokerage and Commission	<u>5,005,275</u>	<u>26,266,934</u>
	<u><b>16,294,260</b></u>	<u><b>177,184,135</b></u>
<b>17 Other Income</b>		
Interest Income	8,699,809	7,068,880
Other Non-operating Income	<u>2,941,272</u>	<u>2,962,122</u>
	<u><b>11,641,081</b></u>	<u><b>10,031,002</b></u>
<b>18.1 Cost of Materials Consumed</b>		
Raw Materials at the Beginning of the year	15,969,589	21,398,752
Add: Purchases	<u>2,371,142</u>	<u>116,048,550</u>
	<u><b>18,340,731</b></u>	<u><b>137,447,302</b></u>
Less: Raw Materials at the End of the year	<u>15,080,909</u>	<u>15,969,589</u>
Total Cost of Materials Consumed	<u><b>3,259,822</b></u>	<u><b>121,477,713</b></u>
<b>18.2 Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade</b>		
<b><u>Inventories at the End of the Year</u></b>		
Finished Goods	15,538,122	19,698,331
Work-in-Progress	<u>10,809,202</u>	<u>17,261,196</u>
	<u><b>26,347,324</b></u>	<u><b>36,959,527</b></u>
<b><u>Inventories at the Beginning of the Year</u></b>		
Finished Goods	19,698,331	24,254,320
Work-in-Progress	<u>17,261,196</u>	<u>21,784,791</u>
	<u><b>36,959,527</b></u>	<u><b>46,039,111</b></u>
	<u><b>10,612,203</b></u>	<u><b>9,079,584</b></u>

## Notes to and forming part of the Standalone Financial Statement as on and for the year ended March 31, 2021 (Contd.)

Particulars	Year ended 31st March, 2021 ₹	Year ended 31st March, 2020 ₹
<b>18.3 Employee Benefits Expense</b>		
Salaries, Wages and Bonus	10,844,065	49,336,862
Contributions to Provident and Other Funds	182,489	315,827
Staff Welfare Expenses	326,585	545,974
	<u>11,353,139</u>	<u>50,198,663</u>
<b>18.4 Finance Cost</b>		
Interest Expenses	60,627,577	62,681,868
	<u>60,627,577</u>	<u>62,681,868</u>
<b>18.5 Depreciation and Amortisation expenses</b>		
Depreciation on Plant, Property and Equipment	44,464,948	44,145,257
Amortiation of Intangible Assets	19,992	19,992
	<u>44,484,940</u>	<u>44,165,249</u>
<b>18.6 Other Expenses</b>		
Consumption of Stores and Spares	650	1,218,695
Power and fuel	4,650,689	18,589,257
Labour Charges	(508,438)	5,919,790
Freight and forwarding	286,973	3,962,237
Advertisement expenses	79,958	81,569
Rent including lease rentals	4,027,713	3,968,100
Repairs and maintenance - Buildings	-	6,012
Repairs and maintenance - Machinery	-	207,102
Repairs and maintenance - Others	340,756	521,403
Insurance Expenses	1,342,469	1,886,075
Interest on delayed payment	55,928	14,332
Rates and taxes	58,572	66,672
Communication	124,643	1,296,175
Vehicle Expenses	31,073	1,810,940
Travelling and conveyance	978,838	4,129,509
Printing and stationery	188,366	1,031,824
Commission Expenses	-	56,068
Donations and contributions	14,210	67,910
Legal and professional	2,414,349	2,103,644
Auditors' Remuneration (See details below)	249,200	365,750
Prior Priod Expenses	2,096,278	5,221,124
Miscellaneous expenses	3,054,739	4,576,871
	<u>19,486,967</u>	<u>57,101,058</u>
<b><u>Payments made to Auditors</u></b>		
Statutory Audit Fees	199,200	315,750
Tax Audit Fees	50,000	50,000
	<u>249,200</u>	<u>365,750</u>

# Prag Bosimi Synthetics Limited

## Notes to and forming part of the Standalone Financial Statement as on and for the year ended March 31, 2021 (Contd.)

### 19. Contingent Liability not Provided for in the Financial Statements:

Sr. No.	Particulars	As on March 31, 2021 ₹	As on March 31, 2020 ₹
a)	Counter Guarantees for Sales tax	5,000	5,000
b)	Claims against the Group not acknowledged as debts	29,32,81,000	29,32,81,000
c)	Letter of undertaking executed in favor of Joint Director General of foreign trade under Duty Exemption Entitlement Scheme (Advance License Scheme) for custom duty	1,30,40,682	1,30,40,682
d)	Letters of credit and Bank Guarantees given by bankers on behalf of the Company.	52,50,000	52,50,000

20. The Company in the Financial Year 2018 - 2019 had received an order from Company Law Board Kolkata Bench for transferring of 30,00,000 Preference Shares in the Name of 3A Capital Services Limited, against which the company has preferred an Appeal in Bombay High Court. **There is no update in the said matter during the year.**

21. The Board is contemplating taking steps for recovering the calls-in-arrears from defaulting applicants, including forfeiture of the shares as a last resort after exhausting all other avenues for recovery in a spirit of maintaining shareholder friendly environment. The Board therefore considers it prudent not to provide for the interest on calls-in-arrears.

22. Loans and Advances include ₹ 78,52,649/- (Previous Year ₹ 91,28,796/-) overdue from various parties on account of accommodation deposits, security deposits, ex-employees, etc.

23. In the opinion of the Board of Directors, in the ordinary course of business the value on realization of current assets, loans and advances, including security Deposits are at least equal to the amount at which they are stated in the Balance Sheet.

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

25. Prag Bosimi Synthetics Limited (Holding Company) has two subsidiary companies i.e. Prag Bosimi Texurising Private Limited and Prag Bosimi Packaging Private Limited which are non-operating and non-revenue generating. Therefore, operating expenditure's incurred by the companies are absorbed by the holding Company. The same is authorized by the Board Resolution dated: 14/08/2014.

26. The Manufacturing Activities of the company was closed during almost entire year due to non-availability of power, due to natural calamities such as cyclone Amphan and also due to Lockdown restrictions imposed by the state government on account of Covid-19 Pandemic. This led to temporary stoppage of production. In view of the above our Managing Director Mr. Hemant B. Vyas had decided not to take Salary for the whole year and hence no Provision has been made in the Accounts.

27. Disclosure under IND AS – 108 – Segment Report: Operating Segments:

- Packaging – Corrugated Box
- Garment – Readymade Garments
- Knitted Fabrics – Knitted Fabrics
- Others – Fabrics, Yarn and Others

The chief operational decision maker (CODM) monitors the operating results of its business for the purpose of making decisions about resource allocation and performance assessment. Operating segments have been identified on the basis of the nature of products. Revenue and Expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated on the basis of associated revenue of the segment. All other expenses which are not attributable or allocable to segments have been disclosed as un-allocable expenses. Assets

**Notes to and forming part of the Standalone Financial Statement as on and for the year ended March 31, 2021 (Contd.)**

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

(Amount in '000)

Particulars	Yarn	Packaging	Garment/ Fabrics	Knitted Fabrics	Others	Total
REVENUE	2,959	842	-	7,488	16,646	<b>27,935</b>
Previous Year	99,019	21,516	(2,940)	31,889	37,731	<b>1,87,215</b>
RESULT	(14,761)	(53)	(108)	(921)	(934)	<b>(16,777)</b>
Previous Year	(63,195)	(5,527)	(5,622)	1,554	33,822	<b>(38,968)</b>
Finance Cost						<b>60,628</b>
Previous Year						<b>62,682</b>
Unallocable Expenses (Net of Unallocable Income)						<b>44,485</b>
Previous Year						<b>63,296</b>
Net Profit						<b>(1,21,889)</b>
Previous Year						<b>(1,64,946)</b>

**28. Related Party Disclosures:**

As per Indian Accounting Standard 24 "Related Party Transactions" as prescribed by the Companies (Indian Accounting Standards) Rules, 2015 the Company's Related Parties, Transactions during the year and their Closing Balances (if Any) are disclosed below:

**A. RELATIONSHIPS**

Sr. No.	Relation	Name
1.	Related Parties where Control Exists	
	a. Wholly Owned Subsidiary	1. Prag Bosimi Texurising Private Limited 2. Prag Bosimi Packaging Private Limited
	b. Associate Company	1. Prag Jyoti Textile Park Private Limited (16.08% Shareholding)
2.	Other Related Parties	
	a. Key Managerial Personnel	1. Mr. Hemant B. Vyas (MD) – Expired on 01/01/2021 2. Mr. Ramesh C. Pokhriyal (CEO) 3. Mr. Raktim Kumar Das (CFO) 4. Mrs. Madhu Dharewa (CS)
	b. Directors	1. Ms. Bina Advani 2. Mr. Mukund Trivedi 3. Mr. Devang H. Vyas 4. Mr. Rohit Doshi 5. Mr. Girindra M. Das 6. Mr. Prasanta Bora
	c. Entities with Common Directors	1. Ayodhya Vintrade Private Limited 2. Interlink Suppliers Private Limited 3. Karma Land and Infrastructure Company Private Limited 4. Gateway Advisors Private Limited 5. Gateway Commsales Private Limited

# Prag Bosimi Synthetics Limited

Notes to and forming part of the Standalone Financial Statement as on and for the year ended March 31, 2021 (Contd.)

## B. DETAILS OF TRANSACTION CARRIED OUT WITH RELATED PARTIES:

Sr. No	Name	Nature of Transaction	For the year ended 31.03.2021 ₹	For the year ended 31.03.2020 ₹
1.	Mr. Hemant B. Vyas	Remuneration Paid to Key Managerial Personnel	-	7,81,230
2.	Mr. Ramesh C. Pokhriyal	Remuneration Paid to Key Managerial Personnel	6,02,100	21,00,000
3.	Mr. Raktimdas Das	Remuneration Paid to Key Managerial Personnel	6,60,000	15,60,000
4.	Mrs. Madhu Dharewa	Remuneration Paid to Key Managerial Personnel	4,04,200	6,00,000
5.	Ms. Deepali Pathak	Directors Sitting Fees	-	5,000
6.	Mr. Mukund Trivedi	Directors Sitting Fees	25,000	20,000
7.	Mr. Devang H. Vyas	Directors Sitting Fees	25,000	20,000
8.	Mr. Rohit Doshi	Directors Sitting Fees	25,000	20,000
9.	Mr. Girindra M. Das	Directors Sitting Fees	20,000	15,000
10.	Mr. Prasanta Bora	Directors Sitting Fees	10,000	-
11.	Mrs. Beena Advani	Directors Sitting Fees	25,000	10,000
12.	Mr. Hemant B. Vyas	Loans (Repaid)	(39,35,25,000)	4,65,35,000
13.	Interlink Suppliers Private Limited	Loans Received	34,44,25,000	-
14.	Gateway Advisors Private Limited	Loans Received	1,00,00,000	-
15.	Gateway Commsales Private Limited	Loans Received	34,00,000	-
17.	Karma Land and Infrastructure Company Private Limited	Repayment of Unsecured Loans	-	1,07,95,456
13.	Prag Bosimi Texurising Private Limited	Loans/Advances Given – Net	(41,550)	-
14.	Prag Bosimi Packaging Private Limited	Loans/Advances Given – Net	85,279	(1,35,961)
15.	Prag Jyoti Textile Park Private Limited	Loans/Advances Given - Net	39,72,207	(49,40,152)

## C. RECEIVABLES/PAYABLES AS ON 31.03.2020:

Sr. No	Particulars	Amount as on 31.03.2021 ₹	Amount as on 31.03.2020 ₹
1.	Remuneration Payable to Key Managerial Personnel		
a.	Mr. Hemant B. Vyas	56,54,232	58,83,792
b.	Mr. Ramesh C. Pokhriyal	3,30,000	3,30,000
c.	Mr. Raktimkumar Das	(1,65,100)	2,34,900
d.	Mrs. Madhu Dharewa	30,000	49,800

## Notes to and forming part of the Standalone Financial Statement as on and for the year ended March 31, 2021 (Contd.)

Sr. No	Particulars	Amount as on 31.03.2021 ₹	Amount as on 31.03.2020 ₹
2.	Unsecured Loans Payable		
	a. Mr. Hemant B. Vyas	45,19,61,614	84,54,86,614
	b. Ayodhya Vintrade Private Limited	7,99,50,000	7,99,50,000
	c. Interlink Suppliers Private Limited	43,36,75,000	8,92,50,000
	d. Karma Land and Infrastructure Company Private Limited	1,25,00,000	1,25,00,000
	e. Gateway Advisors Private Limited	1,00,00,000	-
	f. Gateway Advisors Private Limited	34,00,000	-
3.	Loans/Advances Receivables		
	a. Prag Bosimi Texurising Private Limited	19,57,303	19,98,853
	b. Prag Bosimi Packaging Private Limited	1,19,460	34,181
	c. Prag Jyoti Textile Park Private Limited	2,26,78,686	1,87,06,479
4.	Investment in Shares		
	a. Prag Bosimi Texurising Private Limited	1,00,000	1,00,000
	b. Prag Bosimi Packaging Private Limited	1,00,000	1,00,000
	c. Prag Jyoti Textile Park Private Limited	59,90,630	59,90,630

29. **Due to Micro and Small Enterprises:** Under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, which came into force from 02nd October, 2006, the following disclosures are made for the amounts due to Micro and Small Enterprises:

Sr. No	Particulars	Amount as on 31.03.2021 ₹	Amount as on 31.03.2020 ₹
1.	The amounts remaining unpaid to any supplier as at the end of the year		
	a) Principal	NIL	NIL
	b) Interest	NIL	NIL
2.	Amount of Interest paid by the company in terms of Section 16 of MSMED Act, 2006, along with the amount of Payment made to the supplier beyond the appointed day during each accounting year	NIL	NIL
3.	Amount of Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the accounting year) but without adding the interest specified under the MSMED Act, 2006	NIL	NIL
4.	The amount of interest accrued and remaining unpaid at the end of the accounting year	NIL	NIL
5.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of MSMED Act, 2006	NIL	NIL



# Prag Bosimi Synthetics Limited

## Notes to and forming part of the Standalone Financial Statement as on and for the year ended March 31, 2021 (Contd.)

### 30. Earnings Per Share:

Computation of Number of Shares for Calculating Diluted Earnings per Share

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Number of Shares outstanding	74,382,960	74,382,960
Number of Shares considered as Weighted average shares outstanding	74,382,960	74,382,960
Net Profit after Taxation attributable to Equity Shares	(121,889,305)	(16,49,46,309)
Net Profit after Taxation for Diluted earnings per Shares	(121,889,305)	(16,49,46,309)
Earnings Per Share		
- Basic	(0.16)	(2.22)
- Diluted	(0.16)	(2.22)

### 31. Previous Year Comparatives:

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

The accompanying notes are integral part of these financial statements

**For M.H. Dalal & Associates**  
Chartered Accountants  
Firm Registration No: 112449W

**For AMD & Associates**  
Chartered Accountants  
Firm Registration No: 318191E

**For and on behalf of Board of Directors of Prag Bosimi Synthetics Limited**  
CIN: L17124AS1987PLC002758

**Devang M. Dalal**  
Partner  
Membership No. 109049

**Debashish Bordoloi**  
Partner  
Membership No. 068018

**Devang H. Vyas**  
Non Executive Director  
DIN: 00076459

**Mukund P. Trivedi**  
Director  
DIN: 07179964

**Bina Advani**  
Director  
DIN: 08534761

**Rohit Doshi**  
Director  
DIN: 00424996

Place: Mumbai  
June 30, 2021

**G. M. Das**  
Director  
DIN: 00144978

**Ramesh Pokhriyal**  
Chief Executive Officer

**Raktim Kumar Das**  
Chief Financial Officer

**Madhu Dharewa**  
Company Secretary

## STANDALONE ANNEXURE-I

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

	Unit	For the twelve months period ended 31.03.2021		For the twelve months period ended 31.03.2020	
		Quantity	Amount ₹	Quantity	Amount ₹
a. Opening Stock					
Yarn	MT	62.30	8147729	105.36	12,638,997
Readymade Garment	Pcs	1994	519000	8027	2,981,780
Knitted Fabric	MT	26.54	5240499	4.29	497,400
Others					
b. Purchases					
Readymade Garment	Pcs				
Knitted Fabric	MT			112.13	16,210,161
c. Actual Production/Processed					
Yarn (net of captive consumption)	MT			733.20	
Knitted Fabric Transfer from WIP		43.58		99.55	
d. Sales					
Yarn	MT	15.03	2,958,813	754.68	99,019,394
Readymade Garment	Pcs	-	-	6033	448,280
Knitted Fabric	MT	45.71	7,480,910	189.43	31,889,398
Others					18,127,025
Transfer to Raw Material	MT			21.58	2,297,116
e. Closing Stock					
Yarn	MT	47.27	4,960,719	62.30	8,147,729
Readymade Garment	Pcs	1994	519,000	1994	519,000
Knitted Fabric	MT	24.41	3,541,348	26.54	5,240,499
B. (i) Details of Raw Materials/WIP Consumed					
Yarn	MT			767.46	69,678,224
Knitted Fabric WIP	MT	42.24	3,259,822	221.58	22,600,849
Others					29,851,577
Total			3,259,822		122,130,649

## Prag Bosimi Synthetics Limited

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

	For the twelve months period ended 31.03.2021		For the twelve months period ended 31.03.2020	
	%	Amount ₹	%	Amount ₹
Raw Materials				
– imported	-	-	-	-
– indigenous	100	3,259,822	100	121,477,713
	100	3,259,822	100	121,477,713
Others				
– imported				
– indigenous	100	-	100	-
	100	-	100	-

### C. Auditors' remuneration includes:

Audit Fees	199,200	315,750
Certification Fees	50,000	50,000
Other Matters		
	249,200	365,750

### D. Licenced & installed Capacity (as certified by the Management)

	Units	Licenced Capacity	As at Wednesday, March 31, 2021	
			Units	Installed Capacity
Polyester Filament Yarn	TPA	25,000	TPA	36,000
Draw Texturising Machines	Nos		Nos	7
Cone Winding Machines	Nos		Nos	6
Dyeing Machines	Nos		Nos	5
TFO Machines	Nos		Nos	5
Doubler Machines	Nos		Nos	11

### E. Expenditure in Foreign Currency (On actual payment basis)

	For the twelve months period ended 31.03.2021	For the twelve months period ended 31.03.2020
	₹	₹
i) Technical Services	-	-
ii) Other matters	-	1,464,897

**ANNEXURE-II**  
**BALANCE SHEET ABSTRACT & COMPANY'S GENERAL BUSINESS PROFILE**

i. Registration Details

Registration No	2758	State Code	02
Balance Sheet Date	31-Mar-21		

ii. Capital raised during the year(Amount in rupees thousands)

Public issue	Nil	Rights issue	
Bonus issue	Nil	Private Placement	

iii. Position of Mobilisation and Deployment of Funds  
(Amount in rupees thousands)

Total liabilities	2,356,326,171	Total assets	2,356,326,171
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Sources of funds

Paid up Capital	898,405,800	Reserves & Surplus	(362,212,171)
Non-current liabilities	1,791,110,693	Current liabilities	29,021,849

Application of Funds:

Net Fixed Assets&CWIP	1,987,418,565		
Non-Current Investments	6,190,630	Current Investments	-
Non-current assets	228,623,619	Current assets	134,093,357

iv. Performance of Company (Amount in rupees thousands)

Turnover (including other income)	27,935,342	Total Expenditure	149,824,647
Profit/(Loss) Before Tax	(121,889,305)	Profit/(Loss) After Tax	(121,889,305)

v. Generic Name of the Principal Products of the Company

Item Code No.(ITC Code)	5402.42	Earning Per Share	(0.16)
Product Description	Polyester Filament Yarn (PFY)		Polyester Filament Yarn (PFY)

## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PRAG BOSIMI SYNTHETICS LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

### OPINION

We have audited the accompanying Consolidated Financial Statements of Prag Bosimi Synthetics Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate which comprise the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss (including the Statement of Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group and its Associates as at March 31, 2021, its Consolidated loss including other comprehensive income, its Cash Flows and the Consolidated Changes in Equity for the year ended on that date.

### BASIS FOR OPINION

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the audit of the Consolidated Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

### KEY AUDIT MATTERS

Key Audit Matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate Financial Statements and on the other Financial Information of the subsidiaries and associates, were of most significance in our Audit of the Consolidated Financial Statements for the financial year ended March 31, 2021. These matters were addressed in the context of our Audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matters to be communicated in our report.

Key Audit Matters (KAMs)	How the KAMs were addressed in our Audit
<b>Revenue Recognition</b>	
We have identified this as an area of importance because the Company's revenue is a material item in view of adoption of IND AS 115 "Revenue from Contracts with Customers". The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue.	Our audit procedures include the following: <ul style="list-style-type: none"><li>• Evaluation of the Group's accounting principles in relation to implementation of the new revenue accounting standard;</li><li>• Created an understanding of the Group's routines and internal controls associated with revenue recognition;</li><li>• Examination of a selection of transactions to ensure that they have been reported correctly according to agreements and in the correct periods;</li></ul>

Litigation	
<p>The Group is involved in legal proceeding as described in Note 20 of the Consolidated Financial Statements.</p> <p>The Group assesses the need to make provision or to disclose a contingent liability on a case-to-case basis considering the underlying facts for each litigation. The eventual outcome of the litigation is uncertain and estimation at Balance Sheet date involves extensive judgements of Management including input from legal counsel due to the complexity of each litigations. Adverse outcomes could impact the Group's reported profit and balance sheet position.</p>	<p>Our audit procedures include the following:</p> <ul style="list-style-type: none"> <li>• Evaluation of the design and testing the operating effectiveness of controls in respect of the identification, evaluation of litigations, the recording / reassessment of the related liabilities, provisions and disclosures.</li> <li>• Obtained a list of litigations from the management; and performed inquiries with the management of the Group Companies; obtained and read the underlying documents to assess the assumptions used by management in arriving at the conclusions.</li> <li>• Read the disclosures related to provisions and contingent liabilities in the Consolidated Financial Statements to assess consistency with underlying documents.</li> </ul>

### INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's information, but does not include the Consolidated Financial Statements and our Auditor's Report thereon. Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the Consolidated Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those on Board of Directors are also responsible for overseeing the Company's financial reporting process.

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

## Prag Bosimi Synthetics Limited

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As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our Auditors' Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### OTHER MATTERS

We have not Audited the Financial Statements of the two (2) Indian Subsidiaries whose Financial Statements reflect total assets of ₹ 24,67,227/- at March 31, 2021, total revenue of ₹ Nil/- and Net Cash Outflows amounting to ₹ 3,776/- as considered in the Consolidated Financial Statements. The Consolidated Financial Statements also include the Group's Share of net loss of ₹ 9,988/- for the year ended March 31, 2021 in respect of one (1) associates, whose Financial Statements have not been Audited by us. These Financial Statements and other financial information have been audited by other auditor, whose Financial Statements, other financial information and auditor's reports have been furnished to us by management. Our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates, is based solely on the reports of such other auditors.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by Section 143(3) of the Act, we report based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and associates, as noted in the 'Other matter' paragraph we report, to the extent applicable, that that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of aforesaid Consolidated Financial Statements;
  - b) In our opinion, proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books;
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Consolidated Comprehensive Income, the Statement of Consolidated Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for purpose of preparation of the Consolidated Financial Statements.
  - d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) On the basis of the written representations received from the directors of the Holding company as on 31st March, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the Statutory Auditors of its subsidiary companies and a associate company incorporated in India, none of the directors of the group companies are disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act;
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and its associate company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Group's internal financial controls over financial reporting;
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the Reports of the other Statutory Auditor of the Subsidiaries and associates as noted in other matter paragraph:
    - i) The Group and its associates did not have any pending litigations which would impact its financial position.
    - ii) The Group and its associates did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii) There has not been an occasion in case of the Group during the year ended March 31, 2021 to transfer any sums to the Investor Education and Protection Fund. Hence, the question of delay in transferring such sums does not arise; and
  - h) In our opinion and based on the consideration of the Reports of the other Statutory Auditor of the Subsidiaries and associates and to the best of our information and according to the explanations given to us, the managerial remuneration for the year ended March 31, 2021 has been paid/provided by the Holding Company, its subsidiaries and associate company incorporated in India to their directors is in accordance with the provisions of section 197 of the Act, read with Schedule V to the Act.

**For M. H Dalal & Associates**  
Chartered Accountants  
Firm Registration No.: 112449W

**Devang M. Dalal**  
Partner  
Membership No.: 109049  
UDIN : 21109049AAAASS8948

Place: Mumbai  
Date: June 30, 2021

**For AMD & Associates**  
Chartered Accountants  
Firm Registration No.: 318191E

**Debashish Bardoloi**  
Partner  
Membership No.: 109049  
UDIN : 21068018AAAEN5874

Place: Mumbai  
Date: June 30, 2021



## **ANNEXURE – A TO THE INDEPENDENT AUDITOR’S REPORT ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS of Prag Bosimi Synthetics Limited for the year ended March 31, 2021**

### **Report On The Internal Financial Controls With Reference To The Aforesaid Consolidated IND AS Financial Statements Under Section 143(3)(I) Of The Companies Act, 2013**

#### **OPINION**

In conjunction with our Audit of the Consolidated IND AS Financial Statements of Prag Bosimi Synthetics Limited (hereinafter referred to as “the Holding Company”) as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to Consolidated IND AS Financial Statements of the Holding Company and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.

In our Opinion, the Holding Company and such companies incorporated in India which are its Subsidiary companies have, in all material respects, adequate internal financial controls with reference to Consolidated IND AS Financial Statements and such internal financial controls were operating effectively as at March 31, 2021, based on the Internal Financial Controls with reference to Consolidated IND AS Financial Statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”).

#### **MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The respective Company’s Management and the Board of Directors are responsible for establishing and maintaining Internal Financial Controls with reference to Consolidated IND AS Financial Statements based on the criteria established by the respective Company considering the essential components of Internal Control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as “the Act”).

#### **AUDITOR’S RESPONSIBILITY**

Our responsibility is to express an opinion on the internal financial controls with reference to Consolidated IND AS Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Consolidated IND AS Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated IND AS Financial Statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Consolidated IND AS Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated IND AS Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated IND AS Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the Auditors’ judgement, including the assessment of the risks of material misstatement of the Consolidated IND AS Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to Consolidated IND AS Financial Statements.

#### **MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED IND AS FINANCIAL STATEMENTS**

A company’s internal financial controls with reference to Consolidated IND AS Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control’s with reference to Consolidated IND AS Financial Statements includes those policies and procedures that:

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED IND AS FINANCIAL STATEMENTS**

Because of the Inherent Limitations of internal financial controls with reference to Consolidated IND AS Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the Internal Financial Controls with reference to Consolidated IND AS Financial Statements to future periods are subject to the risk that the internal financial controls with reference to Consolidated IND AS Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**For M. H Dalal & Associates**

Chartered Accountants

Firm Registration No.: 112449W

**Devang M. Dalal**

Partner

Membership No.: 109049

UDIN : 21109049AAAASS8948

Place: Mumbai

Date: June 30, 2021

**For AMD & Associates**

Chartered Accountants

Firm Registration No.: 318191E

**Debashish Bardoloi**

Partner

Membership No.: 109049

UDIN : 21068018AAAEN5874

Place: Mumbai

Date: June 30, 2021

# Prag Bosimi Synthetics Limited

## CONSOLIDATED BALANCE SHEET AS ON MARCH 31, 2021

Particulars	Notes	As on March 31, 2021 ₹	As on March 31, 2020 ₹
<b>ASSETS</b>			
<b>Non-current Assets</b>			
(a) Property, Plant and Equipment	3A	1,975,595,785	2,021,215,513
(b) Capital work-in-progress	3B	214,112,307	192,278,720
(c) Non-Current Financial Assets	4		
(i) Investments	4.1	-	-
(ii) Trade Receivables	4.2	23,235,200	19,269,260
(iii) Loans	4.3	194,725,568	191,620,675
(d) Other Non-Current Assets	5	11,385,051	12,451,198
		<u>2,419,053,911</u>	<u>2,436,835,366</u>
<b>Current Assets</b>			
(a) Current Inventories	6	85,578,609	97,143,469
(b) Current Financial Assets	7		
(i) Investments	7.1	-	113,184,439
(ii) Trade Receivables	7.2	3,591,743	37,320,151
(iii) Cash and Cash Equivalents	7.3	4,447,129	9,838,155
(iv) Loans	7.4	33,663,987	42,680,258
(c) Other Current Assets	8	562,516	4,656,563
		<u>127,843,984</u>	<u>304,823,035</u>
		<u>2,546,897,895</u>	<u>2,741,658,401</u>
<b>TOTAL ASSETS</b>			
<b>EQUITY &amp; LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share capital	9.1	927,452,070	927,452,070
(b) Other Equity	9.2	(362,834,854)	(240,935,561)
		<u>564,617,216</u>	<u>686,516,509</u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
(a) Non-Current Financial Liabilities	10		
(i) Borrowings	10.1	1,574,977,562	1,610,677,562
(ii) Trade Payables	10.2	76,081,915	61,461,333
- total outstanding dues of micro enterprises and small enterprises			
- total outstanding dues of creditors other than micro enterprises and small enterprises			
(b) Non-Current Provisions	11	21,064,954	20,954,129
(c) Other Non-Current Liabilities	12	250,960,600	196,703,035
		<u>1,923,085,031</u>	<u>1,889,796,059</u>
<b>Current Liabilities</b>			
(a) Current Financial Liabilities	13		
(i) Borrowings	13.1	-	99,004,302
(ii) Trade Payables	13.2	28,783,634	34,125,824
- total outstanding dues of micro enterprises and small enterprises			
- total outstanding dues of creditors other than micro enterprises and small enterprises			
(b) Current Provisions	14	12,097,882	12,941,716
(c) Other Current Liabilities	15	18,314,132	19,273,991
		<u>59,195,648</u>	<u>165,345,833</u>
		<u>2,546,897,895</u>	<u>2,741,658,401</u>
<b>TOTAL EQUITY &amp; LIABILITIES</b>			
<b>Significant accounting policies</b>			
<b>Notes to the financial statements</b>			
	2		
	3 - 33		

The accompanying notes are integral part of these financial statements

**For M.H. Dalal & Associates**  
Chartered Accountants  
Firm Registration No: 112449W

**For AMD & Associates**  
Chartered Accountants  
Firm Registration No: 318191E

**For and on behalf of Board of Directors of Prag Bosimi Synthetics Limited**  
CIN: L17124AS1987PLC002758

**Devang M. Dalal**  
Partner  
Membership No. 109049

**Debashish Bordoloi**  
Partner  
Membership No. 068018

**Devang H. Vyas**  
Non Executive Director  
DIN: 00076459

**Mukund P. Trivedi**  
Director  
DIN: 07179964

**Bina Advani**  
Director  
DIN: 08534761

**Rohit Doshi**  
Director  
DIN: 00424996

Place: Mumbai  
June 30, 2021

**G. M. Das**  
Director  
DIN: 00144978

**Ramesh Pokhriyal**  
Chief Executive Officer

**Raktim Kumar Das**  
Chief Financial Officer

**Madhu Dharewa**  
Company Secretary

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021**

Particulars	Notes	Year ended March 31, 2021 ₹	Year ended March 31, 2020 ₹
<b>Income</b>			
Revenue From Operations	16	16,294,260	177,184,135
Other Income	17	11,641,081	10,031,002
<b>Total Revenue</b>		<b>27,935,342</b>	<b>187,215,137</b>
<b>Expenses</b>			
Cost of Materials Consumed	18.1	3,287,266	122,130,649
Purchases of Stock in Trade	18.2	(27,444)	(652,936)
Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade	18.3	10,612,203	9,079,584
Employee Benefits Expense	18.4	11,353,139	50,198,663
Finance Cost	18.5	60,627,577	62,681,868
Depreciation and Amortisation Expenses	18.6	44,494,928	44,176,875
Other Expenses	18.7	19,486,967	57,101,058
<b>Total Expenses</b>		<b>149,834,635</b>	<b>344,715,761</b>
<b>Profit/(Loss) before Exceptional and Extraordinary Items and Tax</b>		<b>(121,899,293)</b>	<b>(157,500,624)</b>
<b>Exceptional Items</b>		-	-
<b>Profit/(Loss) before Tax</b>		<b>(121,899,293)</b>	<b>(157,500,624)</b>
<b>Tax Expense</b>			
Adjustment for Prior Period Tax Expense		-	7,457,311
<b>Profit/(Loss) for the year</b>		<b>(121,899,293)</b>	<b>(164,957,935)</b>
<b>Other Comprehensive income</b>			
A (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Total comprehensive income</b>		<b>(121,899,293)</b>	<b>(164,957,935)</b>
<b>Earnings per equity share : (Face value of ₹ 10 each)</b>			
Basic and Diluted (Rupees)	33	(0.16)	(2.13)
<b>Significant accounting policies</b>	2		
<b>Notes to the financial statements</b>	3 - 33		

The accompanying notes are integral part of these financial statements

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Place: Mumbai  
June 30, 2021

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Chief Executive Officer

**Raktim Kumar Das**  
Chief Financial Officer

**Madhu Dharewa**  
Company Secretary

# Prag Bosimi Synthetics Limited

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

### A. Equity share capital

Particulars	Amount ₹
<b>As at March 31, 2019</b>	<b>898,405,800</b>
Changes in equity share capital during the year	-
<b>As at March 31, 2020</b>	<b>898,405,800</b>
Changes in equity share capital during the year	-
<b>As at March 31, 2021</b>	<b>898,405,800</b>

### B. Other Equity

Particulars	Reserve and surplus				Total
	Capital Reserve	Capital Redemption Reserve	General Reserve	Retained earnings	
<b>Balance as at March 31, 2019</b>	<b>16,700,000</b>	<b>814,625,000</b>	<b>1,413,766,002</b>	<b>(2,347,076,450)</b>	<b>(101,985,448)</b>
Profit/(loss) for the year	-	-	-	(164,957,935)	<b>(164,957,935)</b>
Transferred during the year	-	-	26,007,822	-	<b>26,007,822</b>
Other comprehensive income for the period	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	26,007,822	(164,957,935)	<b>(138,950,113)</b>
<b>Balance as at March 31, 2020</b>	<b>16,700,000</b>	<b>814,625,000</b>	<b>1,439,773,824</b>	<b>(2,512,034,385)</b>	<b>(240,935,561)</b>
Profit/(loss) for the year	-	-	-	(121,899,293)	<b>(121,899,293)</b>
Transferred during the year	-	-	-	-	-
Other comprehensive income for the period	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	-	(121,899,293)	<b>(121,899,293)</b>
<b>Balance as at March 31, 2021</b>	<b>16,700,000</b>	<b>814,625,000</b>	<b>1,439,773,824</b>	<b>(2,633,933,678)</b>	<b>(362,834,854)</b>

Significant accounting policies 2

Notes to the financial statements 3 - 33

The accompanying notes are integral part of these financial statements

**For M.H. Dalal & Associates**  
Chartered Accountants  
Firm Registration No: 112449W

**For AMD & Associates**  
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Firm Registration No: 318191E

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CIN: L17124AS1987PLC002758

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DIN: 00424996

Place: Mumbai  
June 30, 2021

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Director  
DIN: 00144978

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Chief Executive Officer

**Raktim Kumar Das**  
Chief Financial Officer

**Madhu Dharewa**  
Company Secretary

**CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR APRIL 1, 2020 TO MARCH 31, 2021**

Particulars	Year ended March 31, 2021 ₹	Year ended March 31, 2020 ₹
<b>A Cash flow from operating activities:</b>		
<b>Loss before tax</b>	<b>(121,899,293)</b>	<b>(157,500,624)</b>
<b>Adjustments for:</b>		
Loss on Damage of Fixed Asset	<b>340,044</b>	-
Interest Income	<b>(8,699,809)</b>	(7,068,880)
Interest Expense	<b>60,627,577</b>	62,681,868
Depreciation and Amortization Expense	<b>44,494,928</b>	44,176,875
Operating profit/(loss) before working capital changes	<b>(25,136,554)</b>	(57,710,761)
<b>Adjustments for:</b>		
(Increase) / decrease in Inventories	<b>11,564,860</b>	15,328,935
(Increase) / decrease in Trade Receivables	<b>29,762,468</b>	49,087,935
(Increase) / decrease in Other Current Assets	<b>4,094,047</b>	3,164,856
(Increase) / decrease in Other Non-current Assets	<b>1,066,147</b>	(519,200)
(Increase) / decrease in Current and Non-current Loans and Advances	<b>6,427,062</b>	(3,851,740)
Increase / (decrease) in Trade Payables	<b>9,278,391</b>	(29,137,720)
Increase / (decrease) in Other Current Liabilities	<b>(959,859)</b>	(2,515,482)
Increase / (decrease) in Other Non-Current Liabilities	<b>(1,854,435)</b>	(2,137,271)
Increase / (decrease) in Provisions	<b>(733,009)</b>	7,510,035
<b>Cash generated from operations</b>	<b>33,509,119</b>	<b>(20,780,414)</b>
Taxes paid	<b>(515,683)</b>	(2,574,868)
<b>Net cash flows from operating activities</b>	<b>32,993,436</b>	<b>(23,355,282)</b>
<b>B Cash flow from investing activities</b>		
Purchase of Property, Plant and Equipment including Capital Work-in-progress (Net)	<b>(21,048,832)</b>	(8,674,456)
Sale/(Purchase) of Investments (Net)	<b>113,184,439</b>	(3,000,000)
Interest received	<b>8,699,809</b>	7,068,880
<b>Net cash flows from / (used in) investing activities</b>	<b>100,835,417</b>	<b>(4,605,576)</b>
<b>C Financing Activities</b>		
Proceed/(Repayment) of Long-term Borrowings (Net)	<b>(35,700,000)</b>	20,739,544
Received Government Grant	-	20,000,000
Repayment of Short-term Borrowings (Net)	<b>(99,004,302)</b>	(1,287,927)
Interest paid	<b>(4,515,577)</b>	(6,077,720)
<b>Net cash flow from / (used in) financing activities</b>	<b>(139,219,879)</b>	<b>33,373,897</b>
<b>Net increase /(decrease) in cash and cash equivalents</b>	<b>(5,391,026)</b>	<b>5,413,039</b>
Cash and cash equivalents at the beginning of the year	<b>9,838,155</b>	4,425,115
Cash and cash equivalents at the end of the year	<b>4,447,129</b>	9,838,155
<b>Net increase /(decrease) in cash and cash equivalents</b>	<b>(5,391,026)</b>	<b>5,413,040</b>
<b>Components of cash and cash equivalents</b>		
Cash in hand	<b>367,348</b>	514,896
Balances with banks in current account	<b>2,455,973</b>	5,017,755
Balances with banks in Escrow account	<b>319,849</b>	3,001,544
Others - Margin Money Deposit	<b>1,303,959</b>	1,303,959
<b>Total cash and cash equivalents</b>	<b>4,447,129</b>	<b>9,838,155</b>
<b>Significant accounting policies</b>	<b>2</b>	
<b>Notes to the financial statements</b>	<b>3 - 33</b>	

The accompanying notes are integral part of these financial statements

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Chartered Accountants  
Firm Registration No: 112449W

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DIN: 00424996

Place: Mumbai  
June 30, 2021

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Chief Executive Officer

**Raktim Kumar Das**  
Chief Financial Officer

**Madhu Dharewa**  
Company Secretary

# Prag Bosimi Synthetics Limited

## Notes to and forming part of the Consolidated Financial Statement as on and for the year ended March 31, 2021

### 1. COMPANY OVERVIEW

Prag Bosimi Synthetics Limited (“the company”) is a domestic public limited company with registered office situated at House no. 19, Ambikagiri Nagar, Milan Path, R. G. Barua Road, Guwahati - 781024, Assam. It is engaged primarily in manufacturing of Polyester Yarn. The Company is listed on the Bombay Stock Exchange (BSE) The Company has started manufacturing operations with effect from 28/03/2017. The company continued its activities in separate division Bosimi Apparel.

### 2. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements (CFS) relates to parent company Prag Bosimi Synthetics Limited (PBSL) and its subsidiary companies (collectively referred to as the “Group”).

#### PRINCIPLES OF CONSOLIDATION:

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

#### COMPANIES INCLUDED IN CONSOLIDATION:

The CFS comprises the audited financial statements (except as mentioned otherwise) of PBSL and its subsidiaries for the year ended 31st March, 2021, which are as under:

Name of the Company	Country of Incorporation	PBSL’s Ownership Interest	
		As on March 31, 2021	As on March 31, 2020
Prag Jyoti Textile Park Private Limited	India	16.08%	16.08%
Prag Bosimi Packaging Private Limited	India	100%	100%
Prag Bosimi Texurising Private Limited	India	100%	100%

### 3. SIGNIFICANT ACCOUNTING POLICIES

#### a. Basis for Preparation of Accounts

- i. Compliance with IND AS: These financial statements are prepared and presented in accordance with the Indian Accounting Standards (IND AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 notified under section 133 of the Companies Act, 2013, the relevant provisions of the Companies Act, 2013 (“the Act”) and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.
- ii. Historical Cost Convention: The financial Statements have been prepared on an historical cost basis except for certain financial instruments which are measured at fair value. The Company follows the accrual system of accounting and recognizes income and expenditure on accrual basis. Accounting policies not referred to otherwise are consistent with the Generally Accepted Accounting Principles.
- iii. Current Non - Current Classification: All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

#### b. Use of Estimates and Judgments

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

**Notes to and forming part of the Consolidated Financial Statement as on and for the year ended March 31, 2021 (Contd.)**

estimates are recognized in the period in which the results are known/materialized. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

**ESTIMATION OF UNCERTAINTIES RELATING TO THE GLOBAL HEALTH PANDEMIC FROM COVID-19:**

The COVID-19 pandemic is an evolving human tragedy declared a global pandemic by the World Health Organization with adverse impact on economy and business.

Due to this the operations in the manufacturing and distributions unit got temporarily disrupted. In light of these circumstances, the Company has considered the possible effects that may result from COVID-19 on the carrying amounts of financials assets, Inventories, Trade Receivables, Capital Work in Progress, Advances, property plant and equipment, etc as well as liabilities accrued. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company has used internal and external information. Having reviewed the underlying data and based on current estimates the Company expects the carrying amount of these assets will be recovered and there is no significant impact on liabilities accrued. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

**c. Property, Plant and Equipment (PPE)**

Property, plant and equipment are stated at acquisition or construction cost less accumulated depreciation and impairment loss. Cost comprises the purchase price and any attributable cost of bringing the asset to its location and working condition for its intended use, including relevant borrowing costs and any expected costs of decommissioning. If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE. The cost of an item of PPE is recognized as an asset if, and only if, it is probable that the economic benefits associated with the item will flow to the Company in future periods and the cost of the item can be measured reliably. Expenditure incurred after the PPE have been put into operations, such as repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred. Items such as spare parts, standby equipment and servicing equipment are recognized as PPE when it is held for use in the production or supply of goods or services, or for administrative purpose, and are expected to be used for more than one year. Otherwise such items are classified as inventory.

An item of PPE is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

**d. Depreciation on Property, Plant and Equipment**

Depreciation on fixed assets other than lease-hold land is provided on straight-line method in the manner specified in Schedule II of Companies Act, 2013. Leasehold Land is amortized over the remaining period of lease. Depreciation on additions/deductions during the year has been provided on pro-rata basis with reference to the month of addition/deduction.

**e. Treatment of Expenditure during Construction Period**

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

**f. Investments**

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



## Notes to and forming part of the Consolidated Financial Statement as on and for the year ended March 31, 2021 (Contd.)

### g. Inventories

Inventories are valued at lower of cost or net realizable value after providing for obsolescence, if any. Cost includes purchase price, duties, transport & handling costs and other costs directly attributable to the acquisition and bringing the inventories to their present location and condition.

- Raw materials, stores, spares, consumables and construction materials: At lower of cost or net realizable value.
- Work in process: At lower of cost or net realizable value.
- Finished Goods: At lower of cost or net realizable value

### h. Retirement Benefits

- Defined Contribution Plan:** The Company's liability towards Employee's Provident Fund scheme administered by the Employees Provident Fund Scheme, Govt. of India is considered as Defined Contribution Plan. The Company's contributions paid towards these defined contribution plans is recognized as expense in the Profit and Loss Account during the year in which the employees rendered the related service.
- Defined Benefit Plan:** Company's liabilities towards gratuity and leave encashment if any are considered as Defined Benefit Plans. The present value of the obligations towards gratuity is determined based on actuarial valuation using the projected unit credit method. As regards the Leave encashment, it is calculated on the actual balance leave of each employee on the year-end. This is done on the same basis as in the last accounting year.

### i. Transactions of Foreign Currency Items

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

### j. Government Grants and Subsidies

Government Grants are recognized when there is a reasonable assurance that the same will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized in the Statement of Profit and Loss by way of a deduction to the related expense on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income on a systematic basis over the expected useful life of the related asset. Government grants, that are receivable towards capital investments under State Investment Promotion Scheme, are recognized in the Statement of Profit and Loss in the period in which they become receivable. The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates and is being recognized in the Statement of Profit and Loss.

### k. Taxes on Income

No provision for taxation is made as the company has incurred losses during the year and has also brought forward unabsorbed losses. Provision for Current Tax is recognized in accordance with the provisions of the Income Tax Act, 1961 and is made annually based on the Tax liability after taking credit for the Tax Allowances and exemptions. No provision for deferred taxation is made in accounts as the company has been incurring losses year after year.

### l. Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, bank overdraft, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities

**Notes to and forming part of the Consolidated Financial Statement as on and for the year ended March 31, 2021 (Contd.)**

of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

m. Investments in Subsidiaries, Joint ventures and Associates

Investment in equity instruments of subsidiary, joint ventures and associates is recognized at cost as per Ind AS 27.

n. Financial Assets:

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

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- Those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

ii. Measurement: At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

iii. Impairment of financial assets: The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

iv. Derecognition of financial assets: A financial asset is derecognized only when:

- the rights to receive cash flows from the asset have expired, or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows to one or more recipient.
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

o. Financial Liabilities:

i. Classification as debt or equity: Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

## Notes to and forming part of the Consolidated Financial Statement as on and for the year ended March 31, 2021 (Contd.)

- ii. Initial recognition and measurement: All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables.
- iii. Subsequent measurement: The measurement of financial liabilities depends on their classification, as described below:
- iv. Borrowings: Borrowings are subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the statement of profit and loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

- v. De-recognition: Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other gains/ (losses). When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

p. Provisions and Contingent Liabilities

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

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

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

q. Earnings Per Share

Basic Earnings per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per

**Notes to and forming part of the Consolidated Financial Statement as on and for the year ended March 31, 2021 (Contd.)**

share, the net profit for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

r. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured.

- i. Revenue is recognized upon transfer of control of promised goods to the customers in an amount that reflects consideration which the company expects to receive in exchange of the goods. Revenue from Sale of goods is recognized at the point of time when the control is transferred to the customer which is usually dispatched / delivery of goods based on contracts with the customer. Revenue is measured based on the transaction price which is consideration. Revenue excludes taxes collected from customer on behalf of the Government.
- ii. Income from services is recognized (net of GST as applicable) as they are rendered, based on agreement/arrangement with the concerned customers.
- iii. Dividend income is accounted for when the right to receive the income is established.
- iv. For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset.
- v. Interest income for all financial instruments measured at fair value through other comprehensive income is recognized in the Statement of Profit and Loss.

# Prag Bosimi Synthetics Limited

Notes to and forming part of the Consolidated Financial Statement as on and for the year ended March 31, 2021 (Contd.)

## 3A Property, Plant and Equipment

Particulars	Land Freehold	Land Leasehold	Building Owned	Plant & Machinery	Furniture & Fixtures	Vehicles	Office Equipment	TOTAL
<b>Gross Carrying Amount</b>								
Balance as at 31st March, 2019	578,617	229,730	291,344,673	1,941,589,696	4,307,375	1,616,108	1,150,613	2,240,816,812
Exchange Difference	-	-	-	-	-	-	-	-
Additions	-	-	-	1,372,816	44,339	-	-	1,417,155
Reclassification as held for sale	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Balance as at 31st March, 2020	578,617	229,730	291,344,673	1,942,962,512	4,351,714	1,616,108	1,150,613	2,242,233,967
Exchange Difference	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-
Reclassification as held for sale	-	-	-	-	-	-	-	-
Disposals	-	-	(1,124,800)	-	-	-	-	(1,124,800)
Balance as at 31st March, 2021	578,617	229,730	290,219,873	1,942,962,512	4,351,714	1,616,108	1,150,613	2,241,109,167
<b>Accumulated Depreciation</b>								
Balance as at 31st March, 2019	-	59,976	50,257,383	124,204,974	1,674,465	624,814	19,968	176,841,580
Additions	-	19,992	17,648,836	25,560,938	768,526	171,928	6,656	44,176,875
Disposals	-	-	-	-	-	-	-	-
Reclassification as held for sale	-	-	-	-	-	-	-	-
Balance as at 31st March, 2020	-	79,968	67,906,218	149,765,912	2,442,991	796,742	26,624	221,018,455
Additions	-	19,992	17,304,246	26,781,183	170,109	214,380	5,018	44,494,928
Disposals	-	-	-	-	-	-	-	-
Reclassification as held for sale	-	-	-	-	-	-	-	-
Balance as at 31st March, 2021	-	99,960	85,210,464	176,547,094	2,613,100	1,011,122	31,642	265,513,382
<b>Net carrying amount</b>								
Balance as at 31st March, 2020	578,617	149,762	223,438,455	1,793,196,600	1,908,723	819,366	1,123,989	2,021,215,513
Balance as at 31st March, 2021	578,617	129,770	205,009,409	1,766,415,417	1,738,614	604,986	1,118,971	1,975,595,785

## 3B Capital Work in Progress

31st March, 2020	192,278,720
31st March, 2021	214,112,307

NOTE - Deductions under Building Owned pertains to Damage of Compound Wall due to Cyclone.

## Notes to and forming part of the Consolidated Financial Statement as on and for the year ended March 31, 2021 (Contd.)

Particulars	As on 31st March, 2021 ₹	As on 31st March, 2020 ₹
<b>4 Non-Current Financial Assets</b>		
<b>4.1 Non Current Investments</b>		
<b>Investment in Subsidiaries in fully paid Equity Instruments (unquoted)</b>		
a) Prag Bosimi Packaging Private Limited 10,000 Shares of ₹ 10/- each fully paid up	100,000	100,000
b) Prag Bosimi Texturising Private Limited 10,000 Shares of ₹ 10/- each fully paid up	100,000	100,000
<b>Investment in Associate company in fully paid Equity Instruments (unquoted)</b>		
a) Prag Jyoti Textile Park Private Limited 5,99,063 Shares of ₹ 10/- each fully paid up	5,990,630	5,990,630
	<u>6,190,630</u>	<u>6,190,630</u>
<b>4.2 Non-Current Trade Receivables</b>		
<b>Unsecured, Considered Good</b>		
Trade Receivables	23,235,200	19,269,260
	<u>23,235,200</u>	<u>19,269,260</u>
<b>4.3 Non-Current Long Term Loans</b>		
<b>Unsecured, Considered Good</b>		
Advances to Suppliers	10,542,022	7,485,258
Advances receivable in Cash/Kind	184,183,546	184,135,417
	<u>194,725,568</u>	<u>191,620,675</u>
<b>5 Other Non-Current Assets</b>		
Security Deposits	8,574,849	9,640,996
Other Non-Current Assets	2,810,202	2,810,202
	<u>11,385,051</u>	<u>12,451,198</u>
<b>6 Inventories</b>		
Raw Materials	15,080,909	15,969,589
Work-in-Progress	10,809,202	17,261,196
Finished Goods	15,538,122	19,698,331
Stores and Spares	44,150,376	44,214,353
	<u>85,578,609</u>	<u>97,143,469</u>
<b>7 Current Financial Assets</b>		
<b>7.1 Current Investments</b>		
Fixed Deposits with Bank	-	113,184,439
	<u>-</u>	<u>113,184,439</u>
<b>7.2 Current Trade Receivables</b>		
<b>Unsecured, Considered Good</b>		
Trade Receivables	3,591,743	37,320,151
	<u>3,591,743</u>	<u>37,320,151</u>

# Prag Bosimi Synthetics Limited

## Notes to and forming part of the Consolidated Financial Statement as on and for the year ended March 31, 2021 (Contd.)

Particulars	As on 31st March, 2021 ₹	As on 31st March, 2020 ₹
<b>7.3 Cash &amp; Cash Equivalent</b>		
Balances with Bank	2,455,973	5,017,755
Balances in Escrow Account	319,849	3,001,544
Cash on hand	367,348	514,896
Others - Margin Money Deposit	1,303,959	1,303,959
	<u>4,447,129</u>	<u>9,838,155</u>
<b>7.4 Current Loans and Advances</b>		
<b>Unsecured, Considered Good</b>		
Loans and Advances to Employees	3,333,276	3,286,916
Advances to Suppliers	16,822,214	28,796,103
Balance with Government Authorities	13,508,497	10,597,240
	<u>33,663,987</u>	<u>42,680,258</u>
<b>8 Other Current Assets</b>		
Income Accrued but not Due	-	3,930,283
Prepaid Expenses	183,632	347,396
Preliminary Expenses (to the extent not written off)	378,884	378,884
	<u>562,516</u>	<u>4,656,563</u>
<b>9.1 Equity Share Capital</b>		
<b>Authorised shares :</b>		
1. 12,00,00,000 Equity Shares of ₹ 10/- each with voting rights	1,200,000,000	1,200,000,000
2. 300,00,000 Equity Shares (Unclassified) of ₹ 10/- each with voting rights	300,000,000	300,000,000
3. 10,00,000 Redeemable Preference Shares of ₹ 100/- each	100,000,000	100,000,000
4. 90,00,000 Optionally Convertible Redeemable Preference Shares of ₹ 100/- each	900,000,000	900,000,000
	<u>2,500,000,000</u>	<u>2,500,000,000</u>
<b>Issued, subscribed and fully paid up capital :</b>		
Equity Shares of ₹ 10/- each with voting rights	772,875,870	772,875,870
Calls in Arrears	(3,123,800)	(3,123,800)
15,77,000 Optionally Convertible Redeemable Preference Shares of ₹ 100/- each	157,700,000	157,700,000
	<u>927,452,070</u>	<u>927,452,070</u>

## Notes to and forming part of the Consolidated Financial Statement as on and for the year ended March 31, 2021 (Contd.)

## Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting period

Particulars	As on 31st March, 2021		As on 31st March, 2020	
	Number	Amount	Number	Amount
At the beginning of the period	77,287,587	772,875,870	77,287,587	772,875,870
Add: Share issued during the period	-	-	-	-
Outstanding at the end of the period	<b>77,287,587</b>	<b>772,875,870</b>	<b>77,287,587</b>	<b>772,875,870</b>

## Details of shareholders holding more than 5% shares in the Company

Particulars	As on March 31, 2021		As on March 31, 2020	
	No. of Shares	% of holding	No. of Shares	% of holding
Assam Industrial Development Corporation Limited	18,377,980	23.78%	18,377,980	23.78%
Akhilesh Merchantile Private Limited	6,423,909	8.31%	6,423,909	8.31%
Devsai Investments and Finances Private Limited	4,250,000	5.50%	4,250,000	5.50%

## Terms / rights attached to equity shares

The company has only one Class of Equity Shares having a par value of ₹ 10/- per share. Each Holder of Equity Share is entitled to one vote per share. The shareholders are entitled to dividend in the proportion of their shareholding. In the event of Liquidation of the company the Holders of Equity Shares will be entitled to receive remaining assets of the Company, after payment of all external liabilities. The Distribution will be in proportionate to the number of Equity Shares.

Particulars	As on	As on
	31st March, 2021	31st March, 2020
	₹	₹

## 9.2 Other Equity

## 9.2 Reserves &amp; Surplus

Capital Reserve	16,700,000	16,700,000
Capital Redemption Reserve	814,625,000	814,625,000
General Reserve	1,439,773,824	1,439,773,824
Retained Earnings	<b>(2,633,933,678)</b>	<b>(2,512,034,385)</b>
	<b><u>(362,834,854)</u></b>	<b><u>(240,935,561)</u></b>

## 10 Non-Current Financial Liabilities

## 10.1 Non-Current Borrowings

## Unsecured Debentures

Optionally Cumulative Convertible Debentures (OCCD)	543,700,000	543,700,000
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## Unsecured Loans

From Government	28,000,000	28,000,000
From Related Parties	<b>1,003,277,562</b>	<b>1,038,977,562</b>
	<b><u>1,574,977,562</u></b>	<b><u>1,610,677,562</u></b>

## 10.2 Non-Current Trade Payables

- total outstanding dues of micro enterprises and small enterprises	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	<b>76,081,915</b>	<b>61,461,333</b>
	<b><u>76,081,915</u></b>	<b><u>61,461,333</u></b>



# Prag Bosimi Synthetics Limited

## Notes to and forming part of the Consolidated Financial Statement as on and for the year ended March 31, 2021 (Contd.)

Particulars	As on 31st March, 2021 ₹	As on 31st March, 2020 ₹
<b>11 Non-Current Provisions</b>		
<b>Provisions for Employee Benefits</b>		
(i) Gratuity	11,332,063	12,188,069
(ii) Leave Encashment	8,530,780	7,567,958
(iii) Leave Travel Allowance	1,038,087	1,034,078
(iv) Other Defined Benefit Plan - Insurance	164,024	164,024
	<u>21,064,954</u>	<u>20,954,129</u>
<b>12 Other Non-Current Liabilities</b>		
Interest Accrued on Borrowings	86,992,000	43,496,000
Deferred Income - Government Grant	120,000,000	120,000,000
Advances from Customers	3,716,918	3,660,491
Salary Payable	6,852,637	7,221,359
Other Expenses Payable	2,264,441	2,264,441
Security Deposits	50,610	50,610
Unpaid Dividend	27,547,813	14,931,813
Statutory Liabilities	3,536,181	5,078,321
	<u>250,960,600</u>	<u>196,703,035</u>
<b>13 Financial Liabilities</b>		
<b>13.1 Current Borrowings</b>		
<b>Unsecured - Others</b>		
Bank Overdraft	-	99,004,302
	<u>-</u>	<u>99,004,302</u>
<b>13.2 Current Trade Payables</b>		
- total outstanding dues of micro enterprises and small enterprises	-	
- total outstanding dues of creditors other than micro enterprises and small enterprises	28,783,634	34,125,824
	<u>28,783,634</u>	<u>34,125,824</u>
<b>14 Current Provisions</b>		
<b>Provisions for Employee Benefits</b>		
(i) Gratuity	5,075,996	3,293,969
(ii) Leave Encashment	238,186	1,840,137
Provision for Expenses	6,783,700	7,807,610
	<u>12,097,882</u>	<u>12,941,716</u>
<b>15 Current Liabilities</b>		
Earnest Money Deposit	100,000	100,000
Mobilization Advance	5,521,716	5,521,716
Retention Money	6,506,809	6,028,061
Advance received against shares	111,755	111,755
Advances from Customers	811,661	54,683
Salary Payable	4,488,631	6,364,332
Statutory Liabilities	773,560	1,093,444
	<u>18,314,132</u>	<u>19,273,991</u>

## Notes to and forming part of the Consolidated Financial Statement as on and for the year ended March 31, 2021 (Contd.)

Particulars	Year ended 31st March, 2021 ₹	Year ended 31st March, 2020 ₹
<b>16 Revenue from Operations</b>		
Sale of Products (Net of Sales Return)	11,288,985	149,484,097
Other Operating Revenue		
- Sale of Scrap	-	1,433,104
- Brokerage and Commission	5,005,275	26,266,934
	<u>16,294,260</u>	<u>177,184,135</u>
<b>17 Other Income</b>		
Interest Income	8,699,809	7,068,880
Other Non-operating Income	2,941,272	2,962,122
	<u>11,641,081</u>	<u>10,031,002</u>
<b>18.1 Cost of Materials Consumed</b>		
Raw Materials at the Beginning of the year	15,969,589	21,398,752
Add: Purchases	2,398,586	116,701,486
	<u>18,368,175</u>	<u>138,100,238</u>
Less: Raw Materials at the End of the year	15,080,909	15,969,589
Total Cost of Materials Consumed	<u>3,287,266</u>	<u>122,130,649</u>
<b>18.2 Purchases of Stock in Trade</b>		
Readymade Garments (Net of Purchase Return)	(27,444)	(652,936)
	<u>(27,444)</u>	<u>(652,936)</u>
<b>18.3 Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade</b>		
<b><u>Inventories at the End of the Year</u></b>		
Finished Goods	15,538,122	19,698,331
Work-in-Progress	10,809,202	17,261,196
	<u>26,347,324</u>	<u>36,959,527</u>
<b><u>Inventories at the Beginning of the Year</u></b>		
Finished Goods	19,698,331	24,254,320
Work-in-Progress	17,261,196	21,784,791
	<u>36,959,527</u>	<u>46,039,111</u>
	<u>10,612,203</u>	<u>9,079,584</u>
<b>18.4 Employee Benefits Expense</b>		
Salaries, Wages and Bonus	10,844,065	49,336,862
Contributions to Provident and Other Funds	182,489	315,827
Staff Welfare Expenses	326,585	545,974
	<u>11,353,139</u>	<u>50,198,663</u>

# Prag Bosimi Synthetics Limited

## Notes to and forming part of the Consolidated Financial Statement as on and for the year ended March 31, 2021 (Contd.)

Particulars	Year ended 31st March, 2021 ₹	Year ended 31st March, 2020 ₹
<b>18.5 Finance Cost</b>		
Interest Expenses	60,627,577	62,681,868
	<u>60,627,577</u>	<u>62,681,868</u>
<b>18.6 Depreciation and Amortisation expenses</b>		
Depreciation on Plant, Property and Equipment	44,474,936	44,156,883
Amortiation of Intangible Assets	19,992	19,992
	<u>44,494,928</u>	<u>44,176,875</u>
<b>18.7 Other Expenses</b>		
Consumption of Stores and Spares	650	1,218,695
Power and fuel	4,650,689	18,589,257
Labour Charges	(508,438)	5,919,790
Freight and forwarding	286,973	3,962,237
Advertisement expenses	79,958	81,569
Rent including lease rentals	4,027,713	3,968,100
Repairs and maintenance - Buildings	-	6,012
Repairs and maintenance - Machinery	-	207,102
Repairs and maintenance - Others	340,756	521,403
Insurance Expenses	1,342,469	1,886,075
Interest on delayed payment	55,928	14,332
Rates and taxes	58,572	66,672
Communication	124,643	1,296,175
Vehicle Expenses	31,073	1,810,940
Travelling and conveyance	978,838	4,129,509
Printing and stationery	188,366	1,031,824
Commission Expenses	-	56,068
Donations and contributions	14,210	67,910
Legal and professional	2,414,349	2,103,644
Auditors' Remuneration (See details below)	249,200	365,750
Prior Priod Expenses	2,096,278	5,221,124
Miscellaneous expenses	3,054,739	4,576,871
	<u>19,486,967</u>	<u>57,101,058</u>
<b>Payments made to Auditors</b>		
Statutory Audit Fees	199,200	315,750
Tax Audit Fees	50,000	50,000
	<u>249,200</u>	<u>365,750</u>

**Notes to and forming part of the Consolidated Financial Statement as on and for the year ended March 31, 2021 (Contd.)****19. Contingent Liability not Provided for in the Financial Statements:**

Sr. No.	Particulars	As on March 31, 2021 ₹	As on March 31, 2020 ₹
a)	Counter Guarantees for Sales tax	5,000	5,000
b)	Claims against the Group not acknowledged as debts	29,32,81,000	29,32,81,000
c)	Letter of undertaking executed in favor of Joint Director General of foreign trade under Duty Exemption Entitlement Scheme (Advance License Scheme) for custom duty	1,30,40,682	1,30,40,682
d)	Letters of credit and Bank Guarantees given by bankers on behalf of the Company.	52,50,000	52,50,000

20. The Company in the Financial Year 2018 - 2019 had received an order from Company Law Board Kolkata Bench for transferring of 30,00,000 Preference Shares in the Name of 3A Capital Services Limited, against which the company has preferred an Appeal in Bombay High Court. **There is no update in the said matter during the year.**

21. The Board is contemplating taking steps for recovering the calls-in-arrears from defaulting applicants, including forfeiture of the shares as a last resort after exhausting all other avenues for recovery in a spirit of maintaining shareholder friendly environment. The Board therefore considers it prudent not to provide for the interest on calls-in-arrears.

22. Loans and Advances include ₹ 85,74,849/- (Previous Year ₹ 96,40,996/-) overdue from various parties on account of accommodation deposits, security deposits, ex-employees, etc.

23. In the opinion of the Board of Directors, in the ordinary course of business the value on realization of current assets, loans and advances, including security Deposits are at least equal to the amount at which they are stated in the Balance Sheet.

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

25. Prag Bosimi Synthetics Limited (Holding Company) has two subsidiary companies i.e. Prag Bosimi Texurising Private Limited and Prag Bosimi Packaging Private Limited which are non-operating and non-revenue generating. Therefore, operating expenditure's incurred by the companies are absorbed by the holding Company. The same is authorized by the Board Resolution dated: 14/08/2014.

26. The Manufacturing Activities of the company was closed during almost entire year due to non-availability of power, due to natural calamities such as cyclone Amphan and also due to Lockdown restrictions imposed by the state government on account of Covid-19 Pandemic. This led to temporary stoppage of production. In view of the above our Managing Director Mr. Hemant B. Vyas had decided not to take Salary for the whole year and hence no Provision has been made in the Accounts.

27. Capital Work in Progress of Prag Jyoti Textile Park Private Limited: The Company is setting up new Textile Park. Expenses are related to area and road development, boundary wall and Gate, common facility building including labor rest room, construction of packing, dyeing and bleaching unit, standard design factory, Pre engineering building fabrication/erection and warehousing etc. All the expense are Capitalized as Capital Work in Progress.

28. Disclosure under IND AS – 108 – Segment Report: Operating Segments:

- Packaging – Corrugated Box
- Garment – Readymade Garments
- Knitted Fabrics – Knitted Fabrics
- Others – Fabrics, Yarn and Others

The chief operational decision maker (CODM) monitors the operating results of its business for the purpose of making decisions about resource allocation and performance assessment. Operating segments have been identified on the basis of the nature of products. Revenue and Expenses directly attributable to segments are reported under each reportable segment. Expenses which

# Prag Bosimi Synthetics Limited

## Notes to and forming part of the Consolidated Financial Statement as on and for the year ended March 31, 2021 (Contd.)

are not directly identifiable to each reporting segment have been allocated on the basis of associated revenue of the segment. All other expenses which are not attributable or allocable to segments have been disclosed as un-allocable expenses. Assets & Liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets & Liabilities are disclosed as un-allocable.

(Amount in '000)

Particulars	Yarn	Packaging	Garment / Fabrics	Knitted Fabrics	Others	Total
REVENUE	2,959	842	-	7,488	16,646	<b>27,935</b>
Previous Year	99,019	21,516	(2,940)	31,889	37,731	<b>1,87,215</b>
RESULT	(14,761)	(53)	(108)	(921)	(934)	<b>(16,777)</b>
Previous Year	(63,195)	(5,527)	(5,622)	1,554	33,822	<b>(38,968)</b>
Finance Cost						<b>60,628</b>
Previous Year						<b>62,682</b>
Unallocable Expenses (Net of Unallocable Income)						<b>44,495</b>
Previous Year						<b>63,308</b>
Net Profit						<b>(1,21,899)</b>
Previous Year						<b>(1,64,958)</b>

29. **Related Party Disclosures:** As per Indian Accounting Standard 24 "Related Party Transactions" as prescribed by the Companies (Indian Accounting Standards) Rules, 2015 the Company's Related Parties, Transactions during the year and their Closing Balances (if Any) are disclosed below:

### A. RELATIONSHIPS

Sr. No.	Relation	Name
1.	Other Related Parties	
	a. Key Managerial Personnel	1. Mr. Hemant B. Vyas (MD) – Expired on 01/01/2021
		2. Mr. Ramesh C. Pokhriyal (CEO)
		3. Mr. Raktim Kumar Das (CFO)
		4. Mrs. Madhu Dharewa (CS)
	b. Directors	1. Ms. Deepali Pathak
		2. Mr. Mukund Trivedi
		3. Mr. Devang H. Vyas
		4. Mr. Rohit Doshi
		5. Mr. Girindra M. Das
		6. Mr. Prasanta Bora
	c. Entities with Common Directors	1. Ayodhya Vintrade Private Limited
		2. Interlink Suppliers Private Limited
		3. Karmaland & Infrastructure Development Company Private Limited
		4. Gateway Advisors Private Limited
		5. Gateway Commsales Private Limited

## Notes to and forming part of the Consolidated Financial Statement as on and for the year ended March 31, 2021 (Contd.)

**B. DETAILS OF TRANSACTION CARRIED OUT WITH RELATED PARTIES:**

Sr. No	Name	Nature of Transaction	For the year ended 31.03.2021	For the year ended 31.03.2020
1.	Mr. Hemant B. Vyas	Remuneration Paid to Key Managerial Personnel	-	7,81,230
2.	Mr. Ramesh C. Pokhriyal	Remuneration Paid to Key Managerial Personnel	6,02,100	21,00,000
3.	Mr. Raktimdas Das	Remuneration Paid to Key Managerial Personnel	6,60,000	15,60,000
4.	Mrs. Madhu Dharewa	Remuneration Paid to Key Managerial Personnel	4,04,200	6,00,000
5.	Ms. Deepali Pathak	Directors Sitting Fees	-	5,000
6.	Mr. Mukund Trivedi	Directors Sitting Fees	25,000	20,000
7.	Mr. Devang H. Vyas	Directors Sitting Fees	25,000	20,000
8.	Mr. Rohit Doshi	Directors Sitting Fees	25,000	20,000
9.	Mr. Girindra M. Das	Directors Sitting Fees	20,000	15,000
10.	Mr. Prasanta Bora	Directors Sitting Fees	10,000	-
11.	Mrs. Beena Advani	Directors Sitting Fees	25,000	10,000
12.	Mr. Hemant B. Vyas	Loans Received – Net	(39,35,25,000)	4,65,35,000
13.	Interlink Suppliers Private Limited	Loans Received	34,44,25,000	-
14.	Gateway Advisors Private Limited	Loans Received	1,00,00,000	-
15.	Gateway Commsales Private Limited	Loans Received	34,00,000	-
17.	Karma Land and Infrastructure Company Private Limited	Repayment of Unsecured Loans	-	1,07,95,456

**C. RECEIVABLES/PAYABLES AS ON 31.03.2020:**

Sr. No	Particulars	Amount as on 31.03.2021	Amount as on 31.03.2020
1.	Remuneration Payable to Key Managerial Personnel		
	a. Mr. Hemant B. Vyas	56,54,232	58,83,792
	b. Mr. Ramesh C. Pokhriyal	3,30,000	3,30,000
	c. Mr. Raktimkumar Das	(1,65,100)	2,34,900
	d. Mrs. Madhu Dharewa	30,000	49,800
2.	Unsecured Loans Payable		
	a. Mr. Hemant B. Vyas	45,19,61,614	84,54,86,614
	b. Ayodhya Vintrade Private Limited	7,99,50,000	7,99,50,000
	c. Interlink Suppliers Private Limited	43,36,75,000	8,92,50,000
	d. Karmaland & Infrastructure Development Company Private Limited	1,25,00,000	1,25,00,000
	e. Gateway Advisors Private Limited	1,00,00,000	-
	f. Gateway Advisors Private Limited	34,00,000	-

# Prag Bosimi Synthetics Limited

## Notes to and forming part of the Consolidated Financial Statement as on and for the year ended March 31, 2021 (Contd.)

### 30. Due to Micro and Small Enterprises:

Under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, which came into force from 02nd October, 2006, the following disclosures are made for the amounts due to Micro and Small Enterprises:

Sr. No	Particulars	Amount as on 31.03.2021	Amount as on 31.03.2020
1.	The amounts remaining unpaid to any supplier as at the end of the year		
	a) Principal	NIL	NIL
	b) Interest	NIL	NIL
2.	Amount of Interest paid by the company in terms of Section 16 of MSMED Act, 2006, along with the amount of Payment made to the supplier beyond the appointed day during each accounting year	NIL	NIL
3.	Amount of Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the accounting year) but without adding the interest specified under the MSMED Act, 2006	NIL	NIL
4.	The amount of interest accrued and remaining unpaid at the end of the accounting year	NIL	NIL
5.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of MSMED Act, 2006	NIL	NIL

### 31. Earnings Per Share:

Computation of Number of Shares for Calculating Diluted Earnings per Share

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Number of Shares outstanding	7,72,87,587	7,72,87,587
Number of Shares considered as Weighted average shares outstanding	7,72,87,587	7,72,87,587
Net Profit after Taxation attributable to Equity Shares	(121,899,293)	(16,49,57,935)
Net Profit after Taxation for Diluted earnings per Shares	(121,899,293)	(16,49,57,935)
Earnings Per Share		
- Basic	(0.16)	(2.13)
- Diluted	(0.16)	(2.13)

32. Preliminary Expenses will be written off from the year of Commencement of Commercial Activities in case of Group companies

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

The accompanying notes are integral part of these financial statements

**For M.H. Dalal & Associates**  
Chartered Accountants  
Firm Registration No: 112449W

**For AMD & Associates**  
Chartered Accountants  
Firm Registration No: 318191E

**For and on behalf of Board of Directors of Prag Bosimi Synthetics Limited**  
CIN: L17124AS1987PLC002758

**Devang M. Dalal**  
Partner  
Membership No. 109049

**Debashish Bordoloi**  
Partner  
Membership No. 068018

**Devang H. Vyas**  
Non Executive Director  
DIN: 00076459

**Mukund P. Trivedi**  
Director  
DIN: 07179964

**Bina Advani**  
Director  
DIN: 08534761

**Rohit Doshi**  
Director  
DIN: 00424996

Place: Mumbai  
June 30, 2021

**G. M. Das**  
Director  
DIN: 00144978

**Ramesh Pokhriyal**  
Chief Executive Officer

**Raktim Kumar Das**  
Chief Financial Officer

**Madhu Dharewa**  
Company Secretary

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

	Unit	For the twelve months period ended 31.03.2021		For the twelve months period ended 31.03.2020	
		Quantity	Amount ₹	Quantity	Amount ₹
a. Opening Stock					
Yarn	MT	62.30	8147729	105.36	12,638,997
Readymade Garment	Pcs	1994	519000	8027	2,981,780
Knitted Fabric	MT	26.54	5240499	4.29	497,400
Others					
b. Purchases					
Knitted Fabric	MT			112.13	16,210,161
c. Actual Production/Processed					
Yarn (net of captive consumption)	MT			733.20	
Knitted Fabric Transfer from WIP		43.58		99.55	
d. Sales					
Yarn	MT	15.03	2,958,813	754.68	99,019,394
Readymade Garment	Pcs	-	-	6033	448,280
Knitted Fabric	MT	45.71	7,480,910	189.43	31,889,398
Others					18,127,025
Transfer to Raw Material	MT			21.58	2,297,116
e. Closing Stock					
Yarn	MT	47.27	4,960,719	62.30	8,147,729
Readymade Garment	Pcs	1994	519,000	1994	519,000
Knitted Fabric	MT	24.41	3,541,348	26.54	5,240,499
<b>B. (i) Details of Raw Materials/WIP Consumed</b>					
Yarn	MT			767.46	69,678,224
Knitted Fabric WIP	MT	42.24	3,259,822	221.58	22,600,849
Others					29,851,577
<b>Total</b>			<b>3,259,822</b>		<b>122,130,649</b>



## Prag Bosimi Synthetics Limited

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

	For the twelve months period ended 31.03.2021		For the twelve months period ended 31.03.2020	
	%	Amount ₹	%	Amount ₹
- imported	-	-	-	-
- indigenous	100	3,259,822	100	121,477,713
	100	3,259,822	100	121,477,713
Others				
- imported				
- indigenous	100	-	100	-
	100	-	100	-

### C. Auditors' remuneration includes:

Audit Fees	199,200	315,750
Certification Fees	50,000	50,000
Other Matters		
	249,200	365,750

### D. Licenced & installed Capacity (as certified by the Management)

	Licenced		As at 31-Mar-21 Installed	
	Units	Capacity	Units	Capacity
Polyester Filament Yarn	TPA	25,000	TPA	36,000
Draw Texturising Machines	Nos		Nos	7
Cone Winding Machines	Nos		Nos	6
Dyeing Machines	Nos		Nos	5
TFO Machines	Nos		Nos	5
Doubler Machines	Nos		Nos	11

	For the twelve months period ended 31.03.2021		For the twelve months period ended 31.03.2020	
<b>E. Expenditure in Foreign Currency</b> (On actual payment basis)				
i) Technical Services		-		-
ii) Other matters		-		1,464,897

**ANNEXURE-II****BALANCE SHEET ABSTRACT & COMPANY'S GENERAL BUSINESS PROFILE**

## i. Registration Details

Registration No	2758	State Code	02
Balance Sheet Date	31-Mar-21		

## ii. Capital raised during the year(Amount in rupees thousands)

Public issue	Nil	Rights issue	
Bonus issue	Nil	Private Placement	

## iii. Position of Mobilisation and Deployment of Funds (Amount in rupees thousands)

Total liabilities	2,546,897,895	Total assets	2,546,897,895
Sources of funds			
Paid up Capital	927,452,070	Reserves & Surplus	(362,834,854)
Non-current liabilities	1,923,085,031	Current liabilities	59,195,648
Application of Funds:			
Net Fixed Assets&CWIP	2,189,708,092		
Non-Current Investments	-	Current Investments	-
Non-current assets	229,345,819	Current assets	127,843,984

## iv. Performance of Company (Amount in rupees thousands)

Turnover (including other income)	27,935,342	Total Expenditure	149,834,635
Profit/(Loss) Before Tax	(121,899,293)	Profit/(Loss)After Tax	(121,899,293)

## v. Generic Name of the Principal Products of the Company

	Earning Per Share	(0.16)	
Item Code No.(ITC Code)	5402.42		
Product Description	Polyester Filament Yarn (PFY)		Polyester Filament Yarn (PFY)

# Prag Bosimi Synthetics Limited

## PRAG BOSIMI SYNTHETICS LIMITED

CIN: L17124AS1987PLC002758

House No. 19, Ambikagiri Nagar, Milan Path, R.G. Barua Road, Guwahati - 781024, Assam

Tel : +91 22 22660300/301, Email : secretarial@bosimi.com; Website : www.pragbosimi.com

Dear Shareholder(s),

This is to inform you that the company is in process of updation of records of the shareholders in order to reduce the physical documentation as far as possible.

With new BSE listing agreement, it is mandatory for all the investors including transferors to complete their KYC information. Hence, we have to update your PAN No., Phone no. and E-mail id in our records. We would also like to update your current signature records in our system to have better services in future.

To achieve this we solicit your co-operation in providing the following details to us:

1. If you are holding the shares in dematerialized form you may update all your records with your Depository Participant (DP).
2. If you are holding shares in physical form, you may provide the following:

Folio No.	:	
PAN No.	:	
E-mail ID	:	
Telephone Nos. with STD Code	:	+91
Name and Signatures		1.
		2.
		3.

Thanking you,

For **Prag Bosimi Synthetics Limited**

**Madhu P. Dharewa**

Company Secretary & Compliance Officer