

# PARMESHWARI SILK MILLS LIMITED

Regd. Off: Village Bajra, Rahon Road, Ludhiana-141007, Ph no. : +91-161-2691873,

Email id: psmltex@gmail.com, Website:www.parmeshwarisilk.com

CIN-L17116PB1993PLC012917

Date: 28.09.2017

The Manager-Listing  
The Department of Corporate  
Services  
**BSE Limited**  
Phiroze Jeejeebhoy Towers  
Dalal Street, Fort  
Mumbai- 400001

The Manager  
Head- Listing & Compliance  
**The Calcutta Stock Exchange  
Limited**  
7-Lyon Range,  
Kolkata-700001

Security Code: 540467

**Sub: Submission of documents of Annual General Meeting as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir/Ma'am,

Please find attached herewith the following documents in respect of **Annual General Meeting** of the Company held on **Thursday, September 28, 2017 at 11:00 A.M.** at the **Registered office** of the Company situated at Village Bajra, Rahon Road, Ludhiana:

1. Summary of proceedings of Annual General Meeting as required under Clause 13 of Part-A of Schedule -III of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as **Annexure - I.**
2. Voting Results of Annual General Meeting as per the provisions of Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as **Annexure-II.**
3. Scrutinizer's Report obtained from the Scrutinizer of the Company pertaining to the voting for Annual General Meeting as **Annexure-III.**
4. Annual Report for the financial year 2016-17 as per Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as **Annexure - IV.**

Submitted for your information and records.

Yours Sincerely,  
**For Parmeshwari Silk Mills Ltd.**  
**For Parmeshwari Silk Mills Limited**

  
Director

**Jatinder Pal Singh**  
Whole Time Director  
DIN: 01661864

Place: Ludhiana

Add: Village Bajra, Rahon Road, Ludhiana

# PARMESHWARI SILK MILLS LIMITED

Regd. Off: Village Bajra, Rahon Road, Ludhiana-141007, Ph no. : +91-161-2691873,

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Annexure -I

Directors Present:	
Jatinder Pal Singh	Whole Time Director
Kuljeet Kaur	Whole Time Director
Simranjit Singh	Independent Director
Deshbir Singh	Independent Director

## Summary of Proceedings

The 24<sup>th</sup> Annual General Meeting of the Members of Parmeshwari Silk Mills Limited ('the Company') was held on **Thursday, September 28, 2017 at 11:00 A.M.** at the registered office of the company situated at Village Bajra, Rahon Road, Ludhiana. **Mr. Jatinder Pal Singh**, being Chairperson of the meeting, presided over the meeting. The requisite quorum being present, the Chairperson called the meeting to order. All the Directors of the Company attended the meeting. Then the speech was delivered by him. He also informed that the Company had provided to its Members the facility to cast their vote electronically, on all resolutions set forth in the Notice. Members who were present at the AGM and had not cast their votes electronically were provided an opportunity to cast their votes during the continuance of meeting. It was further informed that there would be no voting by show of hands. The Chairperson also apprised the members that notice of AGM was duly dispatched to all the members eligible as on the cut-off date. The notice was taken as read.

The Chairperson further apprised that the Board of Directors had appointed **Mr. Parminder Singh Bathla, Practicing Company Secretary**, as the Scrutinizer to scrutinize the e-voting and ballot process.

Accordingly the said AGM was held and given resolutions were deliberated. Then, Clarifications were also provided to the queries raised by members of the Company.

The scrutinizer had also submitted the "**Consolidated Scrutinizer Report**" dated 28.09.2017 to the Company, where the following items of business, as per the Notice of AGM dated 29.08.2017, were deliberated & transacted and following resolutions were passed by members with requisite majority:

1. Considered and adopted the audited financial Statements of the Company for the year ended on 31<sup>st</sup> March, 2017 together with the Report of the Directors' and Auditors' thereon.
2. Appointed **Mr. Jatinder Pal Singh (DIN: 01661864)**, as Director, who was liable to retire by rotation.
3. Appointed **M/s Anil K. Sareen, Chartered Accountants, (Firm Registration No. 019371N)**, as Statutory Auditor of the Company.
4. Approved issue of securities through preferential issue.
5. Adopted new set of Articles of Association.
6. Adopted new set of Memorandum of Association.

The Chairperson, declared the meeting to be duly called, held and convened and meeting was concluded with a thanks giving speech by the Chairperson.

For Parmeshwari Silk Mills Ltd.  
  
Director

The votes cast through e-voting as well as ballot at the meeting, were unblocked by the scrutinizer in presence of two witnesses and a **“Consolidated Scrutinizer Report”** was submitted thereafter, to the Chairperson on 28.09.2017. The results were also pasted at the notice board of the registered office of the Company.

Yours Sincerely, ~~For Parmeshwari Silk Mills Ltd.~~  
**For Parmeshwari Silk Mills Limited**

  
**Director**

**Jatinder Pal Singh**  
**Whole Time Director**  
**DIN: 01661864**

**Place: Ludhiana**

**Add: Village Bajra Rahon Road, Ludhiana**

## Annexure II

## (Pursuant to Regulation 44(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015}

## Details of Voting Results

Date of the AGM	September 28, 2017
Total number of Shareholders as on Cut-Off Date	758
<b>No. of Shareholders present in the meeting either in person or through proxy:</b>	
Promoters and Promoter Group	10
Public	20
<b>No. of Shareholders attended the meeting through Video Conferencing:</b>	
Promoters and Promoter Group	Nil
Public	Nil

Resolution No. 1-

Resolution required: (Ordinary/Special)			Ordinary Resolution					
Whether promoter/ promoter group are interested in the agenda/resolution			No					
Category	Mode of Voting	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes – in favour (4)	No. of Votes Against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	E Voting	1532695	Nil	Nil	Nil	Nil	Nil	Nil
	Poll		1230455	80.28	1230455	Nil	100	Nil
	Postal Ballot		Nil	Nil	Nil	Nil	Nil	Nil
Public Institutions	E Voting	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Poll		Nil	Nil	Nil	Nil	Nil	Nil
	Postal		Nil	Nil	Nil	Nil	Nil	Nil

For Parmeswari Silk Mills Ltd.  
  
 Director

	Ballot							
<b>Public Non-Institutions</b>	E Voting	1024405	Nil	Nil	Nil	Nil	Nil	Nil
	Poll		222500	21.72	222500	Nil	100	Nil
	Postal Ballot		Nil	Nil	Nil	Nil	Nil	Nil
<b>Total</b>		<b>2557100</b>	<b>1452955</b>	<b>56.82</b>	<b>1452955</b>	<b>Nil</b>	<b>100</b>	<b>Nil</b>

**Resolution No. 2-**

Resolution required: (Ordinary/Special)			<b>Ordinary Resolution</b>					
Whether promoter/ promoter group are interested in the agenda/resolution			No					
Category	Mode of Voting	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes – in favour (4)	No. of Votes Against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
<b>Promoter and Promoter Group</b>	E Voting	1532695	Nil	Nil	Nil	Nil	Nil	Nil
	Poll		1230455	80.28	1230455	Nil	100	Nil
	Postal Ballot		Nil	Nil	Nil	Nil	Nil	Nil
<b>Public Institutions</b>	E Voting	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Poll		Nil	Nil	Nil	Nil	Nil	Nil
	Postal Ballot		Nil	Nil	Nil	Nil	Nil	Nil
<b>Public Non-Institutions</b>	E Voting	1024405	Nil	Nil	Nil	Nil	Nil	Nil
	Poll		222500	21.72	222500	Nil	100	Nil
	Postal Ballot		Nil	Nil	Nil	Nil	Nil	Nil
<b>Total</b>		<b>2557100</b>	<b>1452955</b>	<b>56.82</b>	<b>1452955</b>	<b>Nil</b>	<b>100</b>	<b>Nil</b>

**Resolution No. 3-**

Resolution required: (Ordinary/Special)		<b>Ordinary Resolution</b>	
Whether promoter/ promoter group		No	

are interested in the agenda/resolution								
Category	Mode of Voting	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes – in favour (4)	No. of Votes Against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	E Voting	1532695	Nil	Nil	Nil	Nil	Nil	Nil
	Poll		1230455	80.28	1230455	Nil	100	Nil
	Postal Ballot		Nil	Nil	Nil	Nil	Nil	Nil
Public Institutions	E Voting	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Poll		Nil	Nil	Nil	Nil	Nil	Nil
	Postal Ballot		Nil	Nil	Nil	Nil	Nil	Nil
Public Non-Institutions	E Voting	1024405	Nil	Nil	Nil	Nil	Nil	Nil
	Poll		222500	21.72	222500	Nil	100	Nil
	Postal Ballot		Nil	Nil	Nil	Nil	Nil	Nil
<b>Total</b>		<b>2557100</b>	<b>1452955</b>	<b>56.82</b>	<b>1452955</b>	<b>Nil</b>	<b>100</b>	<b>Nil</b>

**Resolution No. 4-**

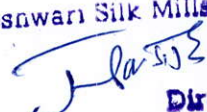
Resolution required: (Ordinary/Special)			Special Resolution					
Whether promoter/ promoter group are interested in the agenda/resolution			No					
Category	Mode of Voting	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes – in favour (4)	No. of Votes Against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	E Voting	1532695	Nil	Nil	Nil	Nil	Nil	Nil
	Poll		1230455	80.28	1230455	Nil	100	Nil
	Postal Ballot		Nil	Nil	Nil	Nil	Nil	Nil
Public	E	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Institutions	Voting							
	Poll							
	Postal Ballot							
Public Non-Institutions	E Voting	1024405	Nil	Nil	Nil	Nil	Nil	Nil
	Poll		222500	21.72	222500	Nil	100	Nil
	Postal Ballot		Nil	Nil	Nil	Nil	Nil	Nil
<b>Total</b>		<b>2557100</b>	<b>1452955</b>	<b>56.82</b>	<b>1452955</b>	<b>Nil</b>	<b>100</b>	<b>Nil</b>

**Resolution No. 5-**


Resolution required: (Ordinary/ Special)			Special Resolution					
Whether promoter/ promoter group are interested in the agenda/resolution			No					
Category	Mode of Voting	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes – in favour (4)	No. of Votes Against (5)	% of Votes in favour on votes polled (6)=[(4)/2]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	E Voting	1532695	Nil	Nil	Nil	Nil	Nil	Nil
	Poll		1230455	80.28	1230455	Nil	100	Nil
	Postal Ballot		Nil	Nil	Nil	Nil	Nil	Nil
Public Institutions	E Voting	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Poll		Nil	Nil	Nil	Nil	Nil	Nil
	Postal Ballot		Nil	Nil	Nil	Nil	Nil	Nil
Public Non-Institutions	E Voting	1024405	Nil	Nil	Nil	Nil	Nil	Nil
	Poll		222500	21.72	222500	Nil	100	Nil
	Postal Ballot		Nil	Nil	Nil	Nil	Nil	Nil
<b>Total</b>		<b>2557100</b>	<b>1452955</b>	<b>56.82</b>	<b>1452955</b>	<b>Nil</b>	<b>100</b>	<b>Nil</b>

**Resolution No. 6-**

For Parmeswari Silk Mills Ltd.  
  
 Director

Resolution required: (Ordinary/ Special)			Special Resolution					
Whether promoter/ promoter group are interested in the agenda/resolution			No					
Category	Mode of Voting	No. of shares held  (1)	No. of votes polled  (2)	% of Votes Polled on outstanding shares  (3)=[(2)/(1)]*100	No. of Votes – in favour  (4)	No. of Votes Against  (5)	% of Votes in favour on votes polled  (6)=[(4)/(2)]*100	% of Votes against on votes polled  (7)=[(5)/(2)]*100
Promoter and Promoter Group	E Voting	1532695	Nil	Nil	Nil	Nil	Nil	Nil
	Poll		1230455	80.28	1230455	Nil	100	Nil
	Postal Ballot		Nil	Nil	Nil	Nil	Nil	Nil
Public Institutions	E Voting	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Poll		Nil	Nil	Nil	Nil	Nil	Nil
	Postal Ballot		Nil	Nil	Nil	Nil	Nil	Nil
Public Non- Institutions	E Voting	1024405	Nil	Nil	Nil	Nil	Nil	Nil
	Poll		222500	21.72	222500	Nil	100	Nil
	Postal Ballot		Nil	Nil	Nil	Nil	Nil	Nil
<b>Total</b>		<b>2557100</b>	<b>1452955</b>	<b>56.82</b>	<b>1452955</b>	<b>Nil</b>	<b>100</b>	<b>Nil</b>

For Parmeshwari Silk Mills Ltd.  
Yours Sincerely, For Parmeshwari Silk Mills Limited

 Director

Jatinder Pal Singh  
Whole Time Director  
DIN: 01661864

Add: Village Bajra, Rahon Road, Ludhiana

Place: Ludhiana



**FORM No. MGT-13****Consolidated Report of Scrutinizer(s)**

[Pursuant to rule section 108 & 109 of the Companies Act, 2013 and rule 20 & 21 of the Companies (Management and Administration) Rules, 2014]

To,

Sh. Jatinder Pal Singh  
Director/Chairman  
Parmeshwari Silk Mills Limited  
Ludhiana.

**24<sup>th</sup> Annual General Meeting of the Equity Shareholders of Parmeshwari Silk Mills Limited Held on Thursday, the 28<sup>th</sup> September, 2017 at Village Bajra, Rahon Road, Ludhiana, Punjab-141007.**

Dear Sir,

I, P. S. Bathla, Company Secretary in practice, appointed as Scrutinizer for the purpose of the E-voting and physical voting on the below mentioned resolution(s), contained in the Notice of 24<sup>th</sup> Annual General Meeting of the Equity Shareholders of Parmeshwari Silk Mills Limited held on Thursday, the 28<sup>th</sup> September, 2017 at 11:00 A.M. at Village Bajra, Rahon Road, Ludhiana, Punjab-141007, submit our report as under:

1. The E-voting period commenced on 25<sup>th</sup> September, 2017 at 09.00 A.M. and ended on 27<sup>th</sup> September, 2017 at 05.00 P.M. After completion of the E-voting period, the votes were unblocked at 11:42 A.M. on 28<sup>th</sup> September, 2017 in the presence of Mr. Gurmail Singh and Mr. Aashank Sharma.

2. At the Meeting, Company offered physical voting to the Shareholders who have not opted for E-voting. After the time fixed for closing of the poll by the Chairman, ballot box kept for polling was locked in my/our presence with due identification marks placed by me/us.

3. The locked ballot box was subsequently opened in my/our presence and poll papers were diligently scrutinized. The poll papers were reconciled with the records maintained by the Company / Registrar and Transfer Agents of the Company and the authorizations / proxies lodged with the Company.

4. I/We did not find any poll papers invalid.

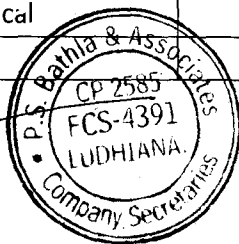
5. The result of the Poll is as under:

**(1) Resolution - To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2017 and the Reports of the Board of Directors and the Auditors thereon.**

**(Ordinary resolution)**

(i) Voted in favor of the resolution:

Particulars	Number of members	Number of votes cast by them	% of total number of valid votes cast
E-Voting	0	0	0.00
Physical	30	1452955	100
Total	30	1452955	100%



**(ii) Voted against the resolution:**

Particulars	Number of members	Number of votes cast by them	% of total number of valid votes cast
E-Voting	NIL	NIL	NIL
Physical	NIL	NIL	NIL
Total	NIL	NIL	NIL

**(iii) Invalid votes:**

Particulars	Number of members	Total number of votes cast by them
E-Voting	NIL	NIL
Physical	NIL	NIL
Total	NIL	NIL

**(2) Resolution – To Consider the Re-appointment of Mr. Jatinder Pal Singh (DIN: 01661864) as the Director of the Company who retire by rotation. (Ordinary resolution)**

**(i) Voted in favour of the resolution:**

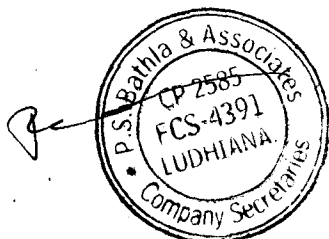
Particulars	Number of members	Number of votes cast by them	% of total number of valid votes cast
E-Voting	0	0	0.00
Physical	30	1452955	100
Total	30	1452955	100%

**(ii) Voted against the resolution:**

Particulars	Number of members	Number of votes cast by them	% of total number of valid votes
E-Voting	NIL	NIL	NIL
Physical	NIL	NIL	NIL
Total	NIL	NIL	NIL

**(iii) Invalid votes:**

Particulars	Number of members	Total number of votes
E-Voting	NIL	NIL
Physical	NIL	NIL
Total	NIL	NIL



**(3) Resolution - To appoint M/s. Anil K Sareen & Associates (Chartered Accountants) as new Statutory Auditors of the Company in place of M/s. Davinder Pal Singh & Co. (Chartered Accountants), retiring auditors.**

**(Ordinary Resolution)**

(i) Voted in favour of the resolution:

Particulars	Number of members	Number of votes cast by them	% of total number of valid votes cast
E-Voting	0	0	0.00
Physical	30	1452955	100
Total	30	1452955	100%

(ii) Voted against the resolution:

Particulars	Number of members	Number of votes cast by	% of total number of valid votes
E-Voting	NIL	NIL	NIL
Physical	NIL	NIL	NIL
Total	NIL	NIL	NIL

(iii) Invalid votes:

Particulars	Number of members	Total number of votes cast by them
E-Voting	NIL	NIL
Physical	NIL	NIL
Total	NIL	NIL

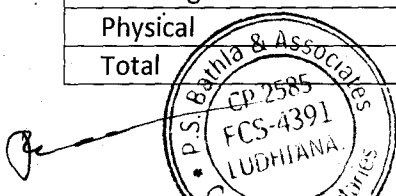
**(4) Resolution – To Consider the Issue of Equity Shares through Preferential Issue. (Special Resolution)**

(i) Voted in favour of the resolution:

Particulars	Number of members	Number of votes cast by them	% of total number of valid votes cast
E-Voting	0	0	0.00
Physical	30	1452955	100
Total	30	1452955	100%

(ii) Voted against the resolution:

Particulars	Number of members	Number of votes cast by them	% of total number of valid votes
E-Voting	NIL	NIL	NIL
Physical	NIL	NIL	NIL
Total	NIL	NIL	NIL



**(iii) Invalid votes:**

Particulars	Number of members	Total number of votes cast by them
E-Voting	NIL	NIL
Physical	NIL	NIL
Total	NIL	NIL

**(5) Resolution – To Consider the Adoption of new set of Article of Association. (Special Resolution)**

**(i) Voted in favour of the resolution:**

Particulars	Number of members	Number of votes cast by them	% of total number of valid votes cast
E-Voting	0	0	0.00
Physical	30	1452955	100
Total	30	1452955	100%

**(ii) Voted against the resolution:**

Particulars	Number of members	Number of votes cast by them	% of total number of valid votes
E-Voting	NIL	NIL	NIL
Physical	NIL	NIL	NIL
Total	NIL	NIL	NIL

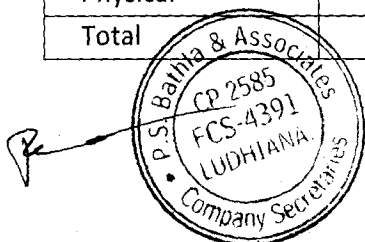
**(iii) Invalid votes:**

Particulars	Number of members	Total number of votes cast by them
E-Voting	NIL	NIL
Physical	NIL	NIL
Total	NIL	NIL

**(6) Resolution – To Consider the Adoption of new set of Memorandum of Association. (Special Resolution)**

**(i) Voted in favour of the resolution:**

Particulars	Number of members	Number of votes cast by them	% of total number of valid votes cast
E-Voting	0	0	0.00
Physical	30	1452955	100
Total	30	1452955	100%



(ii) Voted against the resolution:

Particulars	Number of members	Number of votes cast by them	% of total number of valid votes
E-Voting	NIL	NIL	NIL
Physical	NIL	NIL	NIL
Total	NIL	NIL	NIL

(iii) Invalid votes:

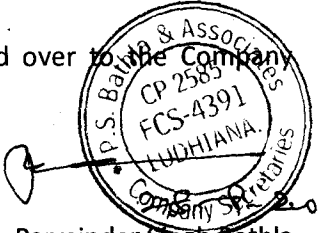
Particulars	Number of members	Total number of votes cast by them
E-Voting	NIL	NIL
Physical	NIL	NIL
Total	NIL	NIL

6. A Compact Disc/Drive containing a list of equity shareholders who voted "FOR", "AGAINST" and those whose votes were declared invalid for each resolution is enclosed.

7. The poll papers and all other relevant records were sealed and handed over to the Company Secretary / Director authorized by the Board for safe keeping.

Thanking you,  
Yours faithfully,

Place : Ludhiana  
Dated: 28.09.2017

  
Parminder Singh Bathla  
FCS: 4391  
COP: 2585

Name/s and Signature/s of the Scrutinizer/s

# Parmeshwari Silk Mills Limited

(CIN: L17116PB1993PLC012917)

24th ANNUAL REPORT

2016-17



**REFERENCE INFORMATION**

**BOARD OF DIRECTORS**

<b>Jatinder Pal Singh</b>	Whole Time Director
<b>Kuljeet Kaur</b>	Whole Time Director
<b>Deshbir Singh</b>	Independent Director
<b>Simranjit Singh</b>	Independent Director

**KEY MANAGERIAL PERSONNEL**

<b>Jatinder Pal Singh</b>	Whole Time Director
<b>Kuljeet Kaur</b>	Whole Time Director
<b>Sukhdev Singh</b>	Chief Financial Officer
<b>Sumit Bansal</b>	Company Secretary & Compliance Officer Up to 17.03.2017
<b>Abhishek Bhargav</b>	<b>Company Secretary &amp; Compliance Officer From 07.04.2017</b>

<b>SECRETARIAL AUDITOR</b>	<b>P.S. Bathla &amp; Associates, Company Secretaries</b> SCO-6, 3rd Floor, Feroze Gandhi Market, Ludhiana-141007, Punjab
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<b>STATUTORY AUDITOR</b>	<b>Davinder Pal Singh &amp; Co., Chartered Accountants</b> 524-L, Model Town, Ludhiana-141007, Punjab
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<b>REGISTRAR &amp; SHARE TRANSFER AGENT</b>	<b>Skyline Financial Services Private Limited</b> D-153A, First Floor, Okhla Industrial Area, Phase-I, New Delhi-110020
-------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------

<b>CIN :</b>	L17116PB1993PLC012917
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<b>REGISTERED OFFICE &amp; CORPORATE OFFICE</b>	Village Bajra, Rahon Road, Ludhiana-141007, Punjab
-----------------------------------------------------	----------------------------------------------------

<b>SHARES LISTED AT</b>	BSE Limited The Calcutta Stock Exchange Limited
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<b>BANKERS</b>	<b>Punjab National Bank</b> Miller Ganj, Ludhiana-141003
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<b>E-MAIL</b>	psmltex@gmail.com
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<b>WEBSITE</b>	<a href="http://www.parmeshwarisilk.com">www.parmeshwarisilk.com</a>
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**NOTICE**

**NOTICE** is hereby given that the 24<sup>th</sup> Annual General Meeting of the members of Parmeshwari Silk Mills Limited will be held on **Thursday, September 28, 2017 at 11:00 AM** at the Registered Office of the Company at **Village Bajra, Rahon Road, Ludhiana, Punjab -141007**, to transact the following businesses:

**ORDINARY BUSINESS:**

1. *Ordinary Resolution* to receive, consider and adopt the Audited Balance Sheet of the Company as at 31<sup>st</sup> March, 2017 and the Statement of Profit & Loss Account for the year ended on that date together with the report of Directors and Auditors' thereon.
2. *Ordinary Resolution* to appoint a Director in place of **Mr. Jatinder Pal Singh (DIN: 01661864)** who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for *re-appointment*.
3. *Ordinary Resolution* to appoint **M/s Anil K. Sareen & Associates, Chartered Accountants**, in place of retiring auditors of the Company **M/s Davinder Pal Singh & Co., Chartered Accountants**, whose term expires at the ensuing Annual General Meeting of the Company.

**“RESOLVED THAT** pursuant to provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, **M/s. Anil K. Sareen & Associates, Chartered Accountants, (Firm Registration No. 019371N)** be and are hereby appointed as the Statutory Auditors of the Company and shall hold the office from the conclusion of this Annual General Meeting till the conclusion of 29<sup>th</sup> Annual General Meeting to be held in the year **2022**, subject to ratification as to the said appointment at every Annual General Meeting, on such remuneration including out of pocket expenses and other expenses as may be mutually agreed by and between the Board of Directors and the Auditor.”

**SPECIAL BUSINESS:**

1. **ISSUE OF SECURITIES THROUGH PREFERENTIAL ISSUE**

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

**“RESOLVED THAT** pursuant to the provisions of Section 62 and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time (the “Companies Act”) read with the rules made thereunder, the Securities and Exchange Board of India including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “ICDR Regulations”) and the Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeovers) Regulations, 2011, as amended (the “Takeover Regulations”) and any other guidelines and clarifications issued by any other competent authority, from time to time, to the extent applicable including the enabling provisions of the Memorandum of Association and Articles of Association of the Company, Listing Agreements entered into by the Company with the Stock Exchanges where the equity shares of the Company are listed (the “Stock Exchanges”) and subject to the permissions, consents, sanctions and approval by any authority, as may be necessary, and subject to such conditions and modifications as might be prescribed while granting such approvals, consents, permissions and sanctions, and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include any Committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this Resolution) and subject to any other alterations, modifications, conditions, corrections, changes and variations that may be decided by the Board in its absolute discretion, the consent of the Company be and is hereby accorded to the Board to create, issue, offer, and allot, on a preferential basis, **44000 equity shares** of face value of **Rs. 10/- each** (the “Equity Shares”), at a price of **Rs. 53.51 (Rupees Fifty Three and Fifty One Paise only) each aggregating up to Rs. 2,37,58,440/- (Rupees Two Crore Thirty Seven Lakhs Fifty Eight Thousand Four Hundred Forty Only)**, at such time or times, in one or more tranches and on such terms and conditions and in such manner as the Board may think fit in its absolute discretion to the persons/investors as stated hereinunder.

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S. No.	Name of the proposed allottee	PAN	Category	No. of Equity Shares proposed to be allotted	Total Consideration Payable
1.	Jatinder Pal Singh	AQCPS3248J	Promoter	23000	12,30,730
2.	Kuljit Kaur	AIJPK7712J	Promoter	93000	49,76,430
3.	Dipneet Kaur	CACPK0588F	Promoter	82000	43,87,820
4.	Asees Singh	EVNPS0260J	Promoter	30000	16,05,300
5.	Jatinderpal Singh & Sons (HUF)	AADHJ5988F	Promoter	45000	24,07,950
6.	Asees Kaur	CBHPK7037D	Non- Promoter	113000	60,46,630
7.	Amanjit Kaur	CLMPK0203L	Non- Promoter	34000	18,19,340
8.	Charanpreet Kaur	BDDPR1257D	Non- Promoter	24000	12,84,240

**RESOLVED FURTHER THAT** in accordance with the provisions of Chapter VII of the ICDR Regulations, the “Relevant Date” for the purpose of calculating the floor price for the issue of Equity Shares is August 29, 2017, which is 30 days prior to the date of this General Meeting to be held on September 28, 2017.

**RESOLVED FURTHER THAT** the Equity Shares shall be issued and allotted by the Company to the Investors in dematerialized form within a period of 15 days from the date of passing of this resolution provided that where the allotment of the said Equity Shares is pending on account of pendency of any approval for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 days from the date of such approval.

**RESOLVED FURTHER THAT** the Equity Shares to be offered, issued and allotted shall be subject to lock-in as provided under the provisions of SEBI Regulations and the Equity Shares so offered, issued and allotted will be listed subject to the receipt of necessary regulatory permissions and approvals.

**RESOLVED FURTHER THAT** the Equity Shares to be issued and allotted in the manner aforesaid shall rank pari passu with the existing Equity Shares of the Company in all respects including the right as to dividend and shall be subject to the provisions of the Memorandum of Association and the Articles of Association of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable and expedient for such purpose, including without limitation, issuing clarifications, resolving all questions of doubt, effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the Issue) and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the shareholders of the Company and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Equity Shares and utilization of proceeds of the Equity Shares, take all other steps which may be incidental, consequential, relevant or ancillary in this connection and to effect any modification to the foregoing and the decision of the Board shall be final and conclusive.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) or Officer(s) of the Company and to generally do all such acts, deeds and things as may be required in connection with the aforesaid resolutions, including making necessary filings with the stock exchanges and regulatory authorities and execution of any documents on behalf of the Company and to represent the Company before any governmental authorities and to appoint any merchant bankers or other professional advisors, consultants and legal advisors to give effect to the aforesaid resolution.

**RESOLVED FURTHER THAT** all actions taken by the Board or Committee(s) duly constituted for this purpose

## Parmeshwari Silk Mills Limited

in connection with any matter(s) referred to or contemplated in the foregoing resolution be and are hereby approved, ratified and confirmed in all respects.

### 5. ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION

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

“**RESOLVED THAT** pursuant to the provisions of Sections 5, 14 and 15 of the Companies Act, 2013, together with Schedule I as enacted there under in the Act, to be read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and all other applicable provisions, if any, of the Companies Act 2013, a new set of Articles of Association, primarily based on Table F of Schedule I to the Companies Act 2013, be and is hereby approved and adopted as the new set of Articles of Association in place of the existing Articles of Association of the Company.”

### 6. ADOPTION OF NEW SET OF MEMORANDUM OF ASSOCIATION

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

“**RESOLVED THAT** pursuant to the provisions of Section 13, 15 and all other applicable provisions of the Companies Act, 2013 to be read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the draft clauses as contained in the Memorandum of Association which are submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the clauses as contained in the existing Memorandum of Association of the Company with immediate effect.”

**By order of the Board of Directors  
For Parmeshwari Silk Mills Limited**

Date: 29.08.2017  
Place: Ludhiana

Sd/-  
**(Jatinder Pal Singh)**  
Chairperson

### NOTES:

1. A statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business(s) to be transacted at the Meeting is annexed hereto.
2. **A MEMBER WHO IS ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ONLY AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. IN ORDER TO BE EFFECTIVE, PROXY FORMS DULY COMPLETED IN ALL RESPECTS SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.**  
A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person(s) or shareholder(s).
3. Corporate Members intending to send their authorized representative to attend the Meeting are requested to send a Certified True Copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. Relevant documents as referred to in the accompanying Notice along with the Statements are open for inspection by members at Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Annual General Meeting.
5. Brief details of Directors seeking re-appointment / appointment at the Annual General Meeting scheduled to be

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held on September 28, 2017 (Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) forms part of the notice.

6. The Register of Members and Share Transfer Books will remain closed from **Friday, September 22, 2017 to Thursday, September 28, 2017 (both days inclusive)**.
7. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease in portfolio management. Members may contact the Company or its Registrar & Share Transfer Agent (RTA), for assistance in this regard.
8.
  - a) The members who are holding shares in physical form are requested to intimate any change in their address with pin code immediately either to the Company or to its Registrar & Share Transfer Agent (RTA) promptly.
  - b) The members who are holding shares in demat form are requested to intimate any change in their address with pin code immediately to their Depository Participants.
9. The Ministry of Corporate Affairs, Government of India (vide its circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' by allowing paperless compliances and recognizing delivery of Notices / Documents / Annual Reports, etc., to the shareholders through electronic medium. In view of the above, the Company will send Notices / Documents / Annual Reports, etc., to the shareholders through email, wherever the email addresses are available; and through other modes of service where email addresses have not been registered. Accordingly, members are requested to support this initiative by registering their email addresses in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with the Company's Registrar and Transfer Agent, M/s. Skyline Financial Services Private Limited.
10. The shares of the Company are at presently listed on **BSE Limited and The Calcutta Stock Exchange Limited**.
11. Pursuant to the provisions under Section 108 of Companies Act, 2013 to be read with Rule 20 of Companies (Management and Administration) Rules, 2014, as amended from time to time along with Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its members, the facility to exercise their right to vote at the ensuing Annual General Meeting by Electronic Means. The business(s) proposed to be transacted as mentioned in the Annual General Meeting Notice may be transacted through voting by Electronic Means (Remote e-voting) as well. For this, Company is availing the services provided by Central Depository Services (India) Limited ("CDSL"). The facility for voting through Ballot Paper will also be made available at the meeting venue, for the members who have not cast their votes by remote e-voting. They shall also be able to exercise their voting rights at the AGM by voting through ballot paper. Members who have already cast their vote by remote e-voting process prior to the date of meeting shall be eligible to attend the Annual General Meeting but shall not be entitled to cast their votes again through ballot process.

***The instructions for e-voting by members are annexed to the Notice.***

12. The Board of Directors of the company have appointed **Mr. P. S. Bathla, Company Secretary (C. P. No. 2585)**, as Scrutinizer for conducting the e-voting process for the Annual General Meeting in a fair and transparent manner.
13. The Scrutinizer, after scrutinizing the votes cast at the meeting through Poll and through remote e-voting, shall, not later than three days of conclusion of the Meeting, make a "**Consolidated Scrutinizer's Report**" and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on website of the Company at [www.parmeshwarisilk.com](http://www.parmeshwarisilk.com) and on the website of Stock Exchange at [www.bseindia.com](http://www.bseindia.com) and [www.cse-india.com](http://www.cse-india.com). The Report shall simultaneously be placed on Notice Board of the Company at premises of the Registered Office.
14. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the General Meeting.
15. The login ID and password for remote e-voting along with Process, Manner and Instructions for remote e-voting is being sent to Members who have not registered their E-mail ID(s) with the Company / their respective Depository Participants along with physical copy of the Notice.

Those Members who have registered their e-mail IDs with the Company / their respective Depository Participants are being forwarded the login ID and password for remote e-voting along with Process, Manner and Instructions through E-mail.

## Parmeshwari Silk Mills Limited

16. Voting rights shall be reckoned on the Paid-up value of shares registered in the name of Member / Beneficial Owner (in case of shares in Dematerialized form) as on the **cut-off date** i.e. **September 22, 2017**.
17. 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 e-voting / Poll.  
*Note: A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.*
18. No gifts, gift coupons, or cash in lieu of gifts shall be distributed to Members at or in connection with the General Meeting.
19. The Instructions for shareholders voting electronically are as under:

<b>Date and Time of commencement of e-voting</b>	Monday, September 25, 2017 at 09:00 AM
<b>Date and Time of Conclusion of e-voting</b>	Wednesday, September 27, 2017 at 05:00 PM

- i. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date through remote E-voting would not be entitled to vote at the meeting venue through Poll.
- iii. The shareholders should log on to the e-voting website of CDSL "[www.evotingindia.com](http://www.evotingindia.com)."
- iv. Click on Shareholders.
- v. Now Enter your User ID
  - a) For Shareholders holding Demat Account with CDSL: **16 digits beneficiary ID**;
  - b) For Shareholders holding Demat Account with NSDL: **8 Character DP ID followed by 8 Digits Client ID**;
  - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
    - i. Next enter the Image Verification as displayed and Click on Login.
    - ii. If you are holding shares in demat form and had logged onto [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
    - iii. If you are a first time user then follow the steps given below:

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

- iv. After entering these details appropriately, click on "SUBMIT" tab.
- v. Members holding shares in physical form will then directly reach the Company Selection Screen. However, members holding shares in demat form will now reach 'Password Creation' menu where in they are required to mandatorily enter their login password in the new password field.

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Kindly note that this password is to be also used by demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform.

*Note: It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.*

- vi. For Members holding shares in physical form, the details can be used for remote e-voting on the resolutions contained in this Notice only.
- vii. Click on the EVSN **170821069** for the relevant resolution on which you choose to vote.
- viii. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same you will find an option “YES/NO” for voting. Select the option “YES” or “NO” as desired. The option “YES” implies that you “Assent to the Resolution” and option “NO” implies that you “Dissent to the Resolution”.
- ix. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution’s details.
- x. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xi. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xii. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xiii. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xiv. **Note for Non-Individual Shareholders and Custodians:-**
  - ✓ Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - ✓ A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - ✓ After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - ✓ The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - ✓ A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xv. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- xvi. To address issues/grievances of shareholders relating to the ensuing AGM, including e-voting, the following official has been designated:

Name of Official	Abhishek Bhargav
Designation	Company Secretary & Compliance Officer
Address	Village Bajra, Rahon Road, Ludhiana, Punjab
Contact	0161- 2691873
E-mail	<a href="mailto:psmltex@gmail.com">psmltex@gmail.com</a>

## Parmeshwari Silk Mills Limited

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014

#### ISSUE OF SECURITIES THROUGH PREFERENTIAL ISSUE

Your Company's business is growing and the funds are required by the Company for meeting its working capital & capital expenditure requirements. It is proposed to raise funds by issue of equity shares through preferential allotment subject to statutory approvals and compliances as may be required to be obtained and complied with under applicable laws in India. The Board at its meeting held on 29th August, 2017 approved the proposed issue of up to 444000 (Four Lakh Forty Four Thousand) equity shares of face value Rs. 10/- each, on preferential basis at a price of Rs. 53.51 (Rupees Fifty Three and Fifty One Paise Only) per equity Share aggregating up to Rs. 2,37,58,440/- (Rupees Two Crore Thirty Seven Lakh Fifty Eight Thousand Four Hundred Forty Only) to the below mentioned proposed promoters and non –promoter allottees in accordance with the provisions of the SEBI (ICDR) Regulations, 2009 on such terms and conditions and in such manner, as the Board may, in its discretion, think fit ("Preferential Issue").

S. No.	Name of the proposed allottee	PAN	Category	No. of Equity Shares proposed to be allotted	Total Consideration Payable
1.	Jatinder Pal Singh	AQCPS3248J	Promoter	23000	12,30,730
2.	Kuljit Kaur	AIJPK7712J	Promoter	93000	49,76,430
3.	Dipneet Kaur	CACPK0588F	Promoter	82000	43,87,820
4.	Asees Singh	EVNPS0260J	Promoter	30000	16,05,300
5.	Jatinderpal Singh & Sons (HUF)	AADHJ5988F	Promoter	45000	24,07,950
6.	Asees Kaur	CBHPK7037D	Non- Promoter	113000	60,46,630
7.	Amanjit Kaur	CLMPK0203L	Non- Promoter	34000	18,19,340
8.	Charanpreet Kaur	BDDPR1257D	Non- Promoter	24000	12,84,240

The proposed issue and allotment of the Shares will inter-alia be governed by the Companies Act, 2013 read with the rules framed there under (including any statutory modification or re-enactment thereof for the time being in force), the articles of association of the Company, the listing agreement entered into between the Company and BSE Limited where the equity shares of the Company are listed, the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009 ("SEBI ICDR Regulations") as amended from time to time and the terms of the Investment Agreement.

The issuance of the Shares to the Investors on a preferential basis will be subject to customary conditions including applicable governmental and regulatory approvals and other third party approvals. The satisfaction of these conditions is not necessarily within the control of the Company. The Shares allotted to the Investor shall rank pari-passu with all other equity shares of the Company in respect of all rights including dividend.

The Company submits the following information in terms of Regulation 73 of (Issue of Capital and Disclosure Requirement) Regulations, 2009, for taking appropriate decision for approval of the proposed resolution set out in Item No. 4 of the Notice of the meeting by way of **Special Resolution**:

a. The objects of the above preferential issue	The Company's business is growing and the funds are required by the Company for meeting its working capital & Capital Expenditure requirements and permissible business investments as allowed under applicable laws.
b. The proposal of the promoters, directors or key managerial personnel to subscribe to the offer	Promoters & Promoter Directors of the Company are also Subscribers to the issue. No Non-Promoter Key Managerial personnel is participating in the preferential issue of equity shares.
c. The shareholding pattern of the issuer before and after the preferential issue	Detailed out below:

## Parmeshwari Silk Mills Limited

Category	Pre Preferential Issue		Post Preferential Issue	
	No. of Shares Held	% of Shareholding	No. of Shares Held	% of Shareholding
Promoter (A)	1532695	59.94	1805695	60.17
Public (B)	1024405	40.06	1195405	39.83
Total (A+B)	2557100	100	3001100	100
Custodian (C)	0	-	0	-
Grand Total (A+B+C)	2557100	100	3001100	100

d. The time within which the preferential issue shall be completed	The issue and allotments under preferential issue process is to be completed within the statutory time limits prescribed by the regulatory authorities from the date of this meeting subject to all the necessary approvals being in place.
e. The identity of (the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control) the proposed allottees, the percentage of post preferential issue capital that may be held by them and change in control, if any, in the issuer consequent to the preferential issue	The allotment would not result in any change in the control or management of the affairs of the Company
f. An undertaking that the issuer shall re-compute the price of the specified securities in terms of the provisions of these regulations where it is required to do so	As the shares of the Company are listed with the BSE Limited and in the past no allotment of preferential issue of equity shares was done by the company. Shares of company are not frequently traded, So the same is not applicable to the Company. Also the issue is not under regulation 76B of the Regulations.
g. An undertaking that if the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked in till the time such amount is paid by the allottees.	As the shares of the Company are listed with the BSE Limited and in the past no allotment of preferential issue of equity shares was done by the company. Shares of company are not frequently traded, So the same is not applicable to the Company. Also the issue is not under regulation 76B of the Regulations.
h. Relevant Date	The Relevant Date shall be August 29, 2017 which is 30 days prior to the date of Shareholders' Meeting for approval of the preferential allotment.
i. Pricing of the issue	The equity shares shall be priced at Rs. 53.51 per equity share as per the provisions of Chapter VII of the SEBI ICDR Regulations, 2009.
j. Payment and conversion terms	Full consideration shall be paid by the allottees before the time of allotment of equity shares.
k. Auditor's Certificate	A copy of the Auditor's certificate certifying the compliance with SEBI (ICDR) Regulations, 2009 will be placed before the shareholders at the meeting and will also be open for inspection at the Registered Office of the Company from 12.00 P.M. to 5.00 P.M. on any working days up to the date of the meeting.
l. Lock In	The shares to be allotted on preferential basis shall be under locked-in as prescribed under the provisions of Chapter VII of the SEBI ICDR Regulations.



## Parmeshwari Silk Mills Limited

m. The total number of shares or other securities to be issued	444000 Equity Shares
n. The change in control, if any, in the company that would occur consequent to the preferential offer	There will be No change in control of management consequent to the preferential offer of equity shares.
o. The allotment of Shares would not result in any change in the control or management of the affairs of the Company.	Not Applicable
p. The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer	Not Applicable
q. The class or classes of persons to whom the allotment is proposed to be made	Promoters & Non- Promoters

The consent of the members is now being sought under Section 42 and 62 of the Companies Act, 2013 read with rules framed there under, Chapter VII of the SEBI ICDR Regulations, and provisions of the listing agreement executed by the Company with the Stock Exchange(s) where the equity shares of the Company are listed.

None of the Directors and Key Managerial Personnel along with their relatives may be deemed to be concerned or interested in the aforesaid resolution except to the extent of their shareholding in the company, if any.

The Board of Directors of the Company believes that the aforesaid preferential issue is in the best interest of the Company and hence, recommends the special resolution for the approval of the shareholders.

***The Board recommends passing of the resolution as set out at Item No. 04 as a Special Resolution.***

### **ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION**

The Companies Act, 2013 is now largely in force. On September 12, 2013, the Ministry of Corporate Affairs (“MCA”) had notified 98 Sections for implementation. Subsequently, on March 26, 2014, MCA notified most of the remaining Sections. Importantly, the substantive Sections of the Companies Act, 2013 which deal with the general working of companies stand notified. The existing Articles of Association (“AOA”) of the Company are based on the Companies Act, 1956. Not only do several regulations in the existing AOA contain references to the specific Sections of the Companies Act, 1956, but some regulations in the existing AOA are no longer in conformity with the Companies Act, 2013. With the coming into force of the Companies Act, 2013 several regulations of the existing AOA of the Company require alteration or deletion. It is therefore, considered expedient to replace the existing AOA with an entirely new set of AOA. The substitution of the existing AOA with the new AOA is proposed to align the AOA of the Company with the provisions of the Companies Act, 2013. The proposed new draft of AOA is kept available for inspection during office hours at registered office of the Company up to the date of ensuing General Meeting.

None of the following persons is/are interested in the aforesaid resolution, financially or otherwise:-

- (i) Any Director(s) or Manager,
- (ii) Any Other Key Managerial Personnel(s),
- (iii) Relatives of the persons mentioned in sub clauses (i) and (ii) above.

***The Board recommends passing of the resolution as set out at Item No. 05 as a Special Resolution.***

### **ADOPTION OF NEW SET OF MEMORANDUM OF ASSOCIATION**

The existing Memorandum of Association (“MOA”) of the Company, is based on Companies Act, 1956 (“1956 Act”) and is no longer in conformity with the Companies Act, 2013 (“2013 Act”). With the enactment of 2013 Act, several clauses of MOA require alteration/deletion. Given this position, it is considered expedient to adopt the new set of Memorandum of Association (primarily based on Table A as set out under Schedule I to the Act) in place of existing MOA, instead of amending it by alteration/incorporation of provisions of 2013 Act. In terms of Section 13 of 2013 Act, consent of Members by way of a **Special Resolution** is required for adoption of a new set of Memorandum of Association.

## Parmeshwari Silk Mills Limited

None of the following persons are interested in the aforesaid resolution, financially or otherwise:-

- (i) Any Director(s) or Manager,
- (ii) Any Other Key Managerial Personnel(s),
- (iii) Relatives of the persons mentioned in sub clauses (i) and (ii) above.

***The Board recommends passing of the resolution set out at Item No. 06 as a Special Resolution.***

<b>PROFILE OF PROPOSED DIRECTOR</b>	
<b>Name</b>	Jatinder Pal Singh
<b>Director Identification Number (DIN)</b>	01661864
<b>D.O.B.</b>	22/11/1957
<b>Qualification</b>	Graduate
<b>Expertise in specific area</b>	Production and Administration
<b>Date of First appointment on the Board of the Company</b>	08/01/1993
<b>List of Directorship held in other companies</b>	Satnam Fabrics Private Limited
<b>Names of Listed Entities in which the person holds membership of Committees of the Board</b>	NIL
<b>Relationship between Directors Inter-se</b>	Spouse of Ms. Kuljeet Kaur

**DIRECTORS' REPORT**

To

**The Members,**

Your Directors are pleased to present to the valued stakeholders, the 24th Annual Report together with the Audited Financial Statements for the financial year ended March 31, 2017.

**FINANCIAL HIGHLIGHTS- AT A GLANCE**

➤ **Overall Performance of your Company**

- The Financial Year 2016-17 had been fortunate for the Company as your Company has shown a tremendous performance during the year under review. The net Profits of your Company had gone up from 93.87 Lacs (2015-16) to 108.98 Lacs (2016-17).
- The financial summary, performance highlights operations/state of affair of your Company for the year are summarized below:

Amount (In Lacs)

<b>PARTICULARS</b>	<b>2016-17</b>	<b>2015-16</b>
Income from Business Operations	9361.62	8297.50
Other Income	12.45	19.01
<b>Total Income</b>	<b>9374.07</b>	<b>8316.51</b>
Less: Expenditure except Depreciation & Finance Cost	8601.96	7513.07
Profit/Loss before Interest, Depreciation and Tax	772.11	803.44
Less: Interest and other Financial Charge(s)	485.96	509.09
<b>Profit/Loss before Depreciation and Tax</b>	<b>286.15</b>	<b>294.35</b>
Less: Depreciation	141.50	134.13
<b>Profit/Loss before Tax &amp; Extra-Ordinary Item</b>	<b>144.65</b>	<b>160.22</b>
Less: Loss of Flood & Fire Stock	-	24.87
Add: Insurance Claim	21.11	-
<b>Profit/Loss before Tax</b>	<b>165.76</b>	<b>135.35</b>
Less: Tax	56.76	41.48
<b>Net Profit/Loss after Tax</b>	<b>109.00</b>	<b>93.87</b>
Earnings per share:		
Basic	4.26	2.97
Diluted		

**DIVIDEND**

To conserve the financial resources, the company has not recommended any dividend in the financial year 2016-17.

**RESERVE**

The Board proposes no amount to transfer to the reserves and an amount of Rs 10,898,437.67 is proposed to be retained in surplus.

**DEPOSITS**

During the year under review, the Company has not accepted any deposits in terms of section 73 of the Companies Act, 2013 to be read with the Companies (Acceptance of Deposits) Rule, 2014 as amended from time to time, and also no amount was outstanding on account of principal or interest thereon, as on the date of the Balance Sheet.

# Parmeshwari Silk Mills Limited

## **SUBSIDIARY / ASSOCIATE/ JOINT VENTURES COMPANIES OF THE COMPANY**

The Company is not having any Subsidiary Company/ Joint Venture/ Associate Company during the financial year 2016-2017. AOC-1 has also been attached herewith as Annexure D.

## **MANAGEMENT DISCUSSION & ANALYSIS REPORT**

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate section of this Annual Report

## **STATE OF COMPANY AFFAIRS**

Company lays emphasis on being customer-centric and further strives on a well organised management team of skilled and trained professionals to deliver quality services to its customers. Company is involved in manufacturing and supplying of Suiting Fabric, Shirting Fabric, Embroidery Shirting, Suiting and Clothing. We design and manufacture all our products using premium raw material and latest technology to assure perfect quality.

This year company established client base outside country also and made exports and look forward to enhance its client base outside India.

## **NUMBER OF MEETING OF THE BOARD**

During the year under review, 12 Board Meetings, Five Audit Committee Meetings, One Nomination & Remuneration Committee Meeting, Four Stakeholders' Relationship Committee Meetings and One Internal Compliant Committee Meeting were convened and held. All the Meetings including Committee Meetings were duly held and convened and the intervening gap between two consecutive meetings was within the period prescribed under the Companies Act, 2013 to be read with the SEBI (Listing Obligations & Disclosure Requirements), Regulations 2015.

## **Audit Committee**

The Audit Committee of the Company is constituted in line with the provisions of section 177 of the Companies Act, 2013 to be read with Regulation 18 of the SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015. The Composition of Audit Committee is given below:

<b>S. No.</b>	<b>Name</b>	<b>Category</b>	<b>Category (Whether Executive / Non Executive/ Independent Director)</b>
1.	SIMRANJIT SINGH	Chairman	Non Executive Independent Director
2.	JATINDER PAL SINGH	Member	Executive Director
3.	DESHBIR SINGH	Member	Non Executive Independent Director

## **NOMINATION AND REMUNERATION COMMITTEE**

The Nomination & Remuneration Committee of the Company is constituted in line with the provisions of section 178 of the Companies Act, 2013 to be read with Regulation 19 of the SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015. The Composition of the Committee is given below:

<b>S. No.</b>	<b>Name</b>	<b>Category</b>	<b>Category (Whether Executive / Non Executive/ Independent Director)</b>
1.	SIMRANJIT SINGH	Chairman	Non Executive Independent Director
2.	KULJEET KAUR	Member	Executive Director
3.	DESHBIR SINGH	Member	Non Executive Independent Director

# Parmeshwari Silk Mills Limited

## **STAKEHOLDERS' RELATIONSHIP COMMITTEE**

The Stakeholders' Relationship Committee of the Company is constituted in line with the provisions of section 178 of the Companies Act, 2013 to be read with Regulation 20 of the SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015. The Composition of the Committee is given below:

<b>S. No.</b>	<b>Name</b>	<b>Category</b>	<b>Category (Whether Executive / Non Executive/ Independent Director)</b>
1	SIMRANJIT SINGH	Chairman	Non Executive Independent Director
2	JATINDER PAL SINGH	Member	Executive Director
3	KULJEET KAUR	Member	Executive Director
4	DESHBIR SINGH	Member	Non Executive Independent Director

## **EXTRAT OF ANNUAL RETURN**

The details forming part of extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure A".

## **BOARD EVALUATION**

The provisions section 134(3)(p) of the Companies Act, 2013 to be read with SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 mandate that a Formal Annual Evaluation is to be made by Board of its own performance and that of its Committee and individual Directors. Schedule IV of the Companies Act, 2013 states that performance evaluation of the Independent Director shall be done by Directors excluding the Director being evaluated. The Board carried out a formal annual performance evaluation as per the criteria/framework laid down by the Nomination & Remuneration Committee of the company and adopted by the Board. The evaluation was carried out through a structured evaluation process to judge the performance of individual Directors including the Chairman of the Board. They were evaluated on parameters such as their education, knowledge, experience, expertise, skills, behaviour, leadership qualities, level of engagement & contribution, independence of judgment, decision making ability for safeguarding the interest of the Company, stakeholders and its shareholders.

The performance evaluation of the Independent Directors was carried out by the entire Board except the participation of concerned Independent Director whose evaluation was to be done. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Board was satisfied with the evaluation process and approved the evaluation results thereof.

## **STATUTORY AUDITOR & SECRETARIAL AUDITOR WITH THEIR QUALIFICATION, RESERVATION OR ADVERSE REMARKS ALONG WITH THE EXPLANATION OR COMMENTS BY THE DIRECTORS**

### **A. STATUTORY AUDITOR:**

M/s Davinder Pal Singh & Co., Chartered Accountants were appointed as Statutory Auditor of the Company to audit the financial statements for the financial year 2016-17. Their term of office shall expire at the ensuing Annual General Meeting. Therefore, the Board recommends appointment of M/s Anil K. Sareen & Associates, Chartered Accountants as Statutory Auditor of the Company to hold office for a period of 5 years till the conclusion of 29th Annual General Meeting of the Company to be held in the year 2022, subject to ratification as to the said appointment at every Annual General Meeting, on such remuneration including out of pocket expenses and other expenses as may be mutually agreed by and between the Board of Directors and the Auditor.

The Board has also received a written consent/certificate regarding eligibility for their appointment as Statutory Auditors in accordance with the Rule 4 of the Companies (Audit and Auditors) Rule, 2014 read with the provisions of section 139(2) of the Companies Act, 2013

The Board on the recommendation of the Audit Committee has proposed the appointment of **M/s Anil K. Sareen & Associates, Chartered Accountants**, as the Statutory Auditors of the Company for the financial Year 2017-18.

## **Qualification(s) and Directors' comments on the report of Statutory Auditor:**

The Notes on Accounts and observations of the Auditors in their Report on the Accounts of the Company are self-explanatory and in the opinion of the Directors, do not call for any further clarification(s). Also, the report submitted by the Auditor is unqualified.

## **B. SECRETARIAL AUDITOR:**

Pursuant to provision of section 204 of the Companies act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014, the Company has appointed **M/s P.S. Bathla & Associates** to undertake Secretarial Audit of the Company.

The Secretarial Audit was conducted by Mr. P.S. Bathla, Practicing Company Secretary, and the report thereon is annexed herewith as "Annexure- B".

## **Qualification(s) and Directors' comments on the report of Secretarial Auditor:**

No adverse observation(s) have been recorded by the Secretarial Auditor for the year under review in its report.

## **INTERNAL AUDITOR**

The Company had appointed Internal Auditor for the period 2016-2017 to carry out the Internal Audit Functions. The Internal Auditor submits a "Quarterly Report" to the Audit Committee.

## **DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITOR**

There were no instances of fraud, those have been observed by the Statutory Auditor during audit of the financial statements for the financial year 2016-17, which are required to be disclosed by the company in its Board Report under Section 143 (12) of the Companies Act, 2013.

## **PARTICULAR OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

The Company has not given any loan(s) or guarantee(s) and has not made any investment covered under the provision of the section 186 of the Companies Act, 2013 during the year under review.

## **PARTICULAR OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SECTION 188 OF THE COMPANIES ACT, 2013**

All contracts/arrangements/transactions entered into during the financial year with the related parties were on arm's length basis and were in the ordinary course of business. There were no loans and advances from / to the Holding / associate Company or to the firms/companies in which the Directors are interested. There are no materially significant related party transactions with the promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Form AOC-2 is also attached herewith for further details as Annexure C.

## **MATERIAL CHANGES AND COMMITMENTS, IF ANY**

Company made huge investment in Plant & Machinery to increase its production capacity and sales. This year company purchased machine worth Rs. 10/- Crore for reducing operating cost, work cost and outsourcing.

Also, the shares of the Company are now listed on the BSE Limited alongwith Calcutta Stock Exchange vide its letter 20170420/24.

## **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

To the best of the Management's knowledge, no significant and material order(s) were passed by any regulator(s) or courts or tribunals which could impact the going concern status and company's operation in future.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUT-GO**

The requisite information with regard to conservation of energy, technology absorption and foreign exchange earnings and outgo, in terms of the Section 134(3)(m) of the Companies Act, 2013, read with Companies (Accounts) Rules, 2014

are mentioned below:

## **A) Conservation of Energy:**

- i. The steps taken or impact on conservation of energy: The Company has obtained better machinery to reduce its usage of energy and increase its production capacity.
- ii. The steps taken by the Company for utilising alternate sources of energy: The Company hasn't taken any step towards tapping the alternate sources of energy however the management is in talks to employ other sources of energy too like solar energy.
- iii. The capital investment on energy conservation equipments: The Company hasn't made any investment as such on energy conservation equipments however the prospects of such investment are likely in the near future.

## **B) Technology Absorption:**

- i. The efforts made towards technology absorption: The Company has purchased new machinery for better production.
- ii. The benefits derived like product improvement, cost reduction, product development or import substitution: The purchase of new machinery has resulted in better production, cost reduction and increased efficiency of the existing plant.
- iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
  - (a) The details of technology imported: Machinery for production unit
  - (b) The year of import: 2016-17
  - (c) Whether the technology been fully absorbed: Yes
  - (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; Not Applicable

## **C) Foreign Exchange Earnings and Outgo:**

- (a) The foreign exchange earned in terms of actual inflows during the year: Nil
- (b) The foreign exchange outgo during the year in terms of actual outflow: 1,47,44,228/-

## **RISK MANAGEMENT**

The provisions of SEBI Regulations for formation of Risk Management Committee are not applicable to the Company. However, as per section 134 (3) (n) of Companies Act 2013, the company regularly maintains a proper check in normal course of its business regarding risk management. Currently, the company does not identify any element of risk which may threaten the existence of the company.

## **CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

As per Section 135 of the Companies Act, 2013, the company does not full fill the criteria of the net worth, turnover and profit for Corporate Social Responsibility (CSR), hence the same is not applicable to the company.

## **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

As per Regulation 22 of the SEBI Regulations, 2015, in order to ensure that the activities of the Company & its employees are conducted in a fair & transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behavior, the company has adopted a vigil mechanism policy. This policy is explained in "Corporate Governance Report" and is also posted on website of the company.

## **CHANGE IN CAPITAL STRUCTURE AND LISTING OF SHARES**

Companies Paid up Share Capital has reduced from Rs. 2,74,00,000 to Rs. 2,55,71,000 in financial year 2016-17 due to the Forfeiture of Shares in the board meeting held on 26th August, 2016. But other side Reserve and Surplus has increased from Rs. 83840979.09 to Rs. 97755416.76.

## **Parmeshwari Silk Mills Limited**

The Company has made Forfeiture of 603200 Equity Shares each amounting of Rs. 10/- for a total sum of Rs. 30,16,000/- , which were allotted originally on 20-4-1996 of which, call money and allotment money was due for payment, for which final notice was given to shareholders. Shareholders from whom call money was not received, the company forfeited shares of those shareholders who did not pay the call money.

The Company had applied to BSE Limited for Listing of securities and received trading approval on April 24, 2017 for the same.

### **PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE**

As per the requirement of “The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013” and Rules made there under, your Company has constituted Internal Complaints Committee (ICC) at its workplaces. During the year, no complaints were filed with the Company.

### **CORPORATE GOVERNANCE REPORT**

As per Reg. 34 of SEBI Regulation, 2015 to be read with Part A of Schedule V of the said regulations, a separate section on corporate governance practices followed by the company, together with the certificate from the company's Statutory Auditors confirming compliance forms an integral part of this Report.

### **HUMAN RESOURCES**

The relationship with employees continues to be cordial. The company always considers its human resources as its most valuable assets. Imparting adequate and specialized training to its employees is ongoing exercise in the company.

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has a robust and comprehensive Internal Financial Control system commensurate with the size, scale and complexity of its operation. The system encompasses the major processes to ensure reliability of financial reporting, compliance with policies, procedures, laws, and regulations, safeguarding of assets and economical and efficient use of resources.

The Company has performed an evaluation and made an assessment of the adequacy and the effectiveness of the Company's Internal Financial Control System. The Statutory Auditors of the Company have also reviewed the Internal Financial Control system implemented by the Company on the financial reporting and in their opinion, the Company has, in all material respects, adequate Internal Financial Control system over Financial Reporting and such Controls over Financial Reporting were operating effectively as on 31st March, 2017 based on the internal control over financial reporting criteria established by the Company.

The policies and procedures adopted by the Company ensures the orderly and efficient conduct of its business and adherence to the company's policies, prevention and detection of frauds and errors, accuracy & completeness of the records and the timely preparation of reliable financial information.

The Internal auditors continuously monitor the efficacy of internal controls with the objective of providing to the Audit Committee and the Board, an independent, objective and reasonable assurance on the adequacy and effectiveness of the organization's risk management with regard to the internal control framework.

Audit committee meets regularly to review reports submitted by the Internal Auditors. The Audit Committee also meet the Company's Statutory Auditors to ascertain their views on the financial statements, including the financial reporting system and compliance to accounting policies and procedures followed by the Company.

### **LISTING AGREEMENT**

The shares of the Company are presently listed at **The Calcutta Stock Exchange Limited & BSE Limited**.

All statutory dues including Annual Listing Fees for the Financial Year 2017-18 has been paid by the Company

### **PERSONNEL RELATIONS**

Your directors hereby place on record their appreciation for the services rendered by the executives, staff and workers of the Company for their hard work, dedication and commitment. During the year under review, relations between the employees and the management continued to remain cordial.



**CODE OF CONDUCT**

The Board of Directors has laid down the code of conduct for all Board Members and members of the Senior Management of the Company. Additionally, all Independent Directors of the company shall be bound by duties of Independent Directors as set out in Companies Act, 2013 to be read with SEBI Listing Regulations, 2015.

All Board Members, Key Managerial Personnel and Senior Management Personnel have affirmed compliance with the Code of Conduct.

**PARTICULARS OF EMPLOYEES**

Details as required under section 197(12) read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 is annexed as "Annexure-E"

A statement showing the names of employees drawing remuneration in excess of the limits as set out in section 192(12) of the Companies Act, 2013 read with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 is also annexed in the same annexure.

**DIRECTOR'S RESPONSIBILITY STATEMENT**

In the terms of Section 134(5) of the Companies Act 2013 the directors would like to state that:

(a) In the preparation of the annual accounts, the applicable accounting standard has been followed along with proper explanation relating to material departures;

(b) the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affair of the company at the end of the financial year and of the profit and loss of the company for that period ;

(c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of this act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) The director had prepared the annual accounts on a going concern basis;

(e) The director had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;

(f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**ACKNOWLEDGEMENT**

Your Directors would like to express their sincere appreciation for assistance and co-operation received from the various stake holders including Financial Institutions, Banks, Governmental authorities and other business associates who have extended their valuable support and encouragement during the year under review.

Your Directors take the opportunity to place on record their deep appreciation of the committed services rendered by the employees at all levels of the Company, who have contributed significantly towards Company's performance and for enhancing its inherent strength. Your Directors also acknowledge with gratitude the encouragement and support extended by our valued stakeholders.

**By Order of the Board of Directors  
For Parmeshwari Silk Mills Limited**

**Date: 19.07.2017  
Place: Ludhiana**

**Sd/-  
Kuljeet Kaur  
Whole Time Director  
DIN: 01661755**

**Sd/-  
Jatinder Pal Singh  
Whole Time Director  
DIN: 01661864**

# Parmeshwari Silk Mills Limited

## FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2017

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

<b>I. REGISTRATION &amp; OTHER DETAILS:</b>		
1	CIN	L17116PB1993PLC012917
2	Registration Date	08.01.1993
3	Name of the Company	PARMESHWARI SILK MILLS LIMITED
4	Category of the Company	Company Limited by Shares
5	Sub-category of the Company	Indian Non-Government Company
6	Address of the Registered office & contact details”	Village- Bajra, Rahon Road, Ludhiana-141007, , Punjab Tel. No. +91-161-2691873
7	Whether listed company	Yes-BSE Limited & The Calcutta Stock Exchange Limited
8	Name, Address & contact details of the Registrar & Transfer Agent, if any.	“Name: Skyline Financial Services Pvt Ltd Add:D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi - 110 020 Ph.: +91 11 64732681-88”

<b>II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b> (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)			
S. No.	Name and Description of main products / services	NIC Code of theProduct/service	% to total turnover of the company
1	Manufacture of knitted and crocheted fabrics	1391	100

<b>III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES</b>					
S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	“% of shares held	Applicable Section
Nil					

# Parmeshwari Silk Mills Limited

## IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of Total Equity)

### (i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2016]*				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	12,92,695	-	12,92,695	40.90%	12,92,695	-	12,92,695	50.55%	0.00%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	2,40,000	-	2,40,000	7.59%	2,40,000	-	2,40,000	9.39%	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub Total (A) (1)</b>	<b>15,32,695</b>	<b>-</b>	<b>15,32,695</b>	<b>48.50%</b>	<b>15,32,695</b>	<b>-</b>	<b>15,32,695</b>	<b>59.94%</b>	<b>0.00%</b>
<b>(2) Foreign</b>									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub Total (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>
<b>TOTAL (A)</b>	<b>15,32,695</b>	<b>-</b>	<b>15,32,695</b>	<b>48.50%</b>	<b>15,32,695</b>	<b>-</b>	<b>15,32,695</b>	<b>59.94%</b>	<b>0.00%</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub-total (B)(1):-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	-	-	-	0.00%	0	0	-	0.00%	0.00%
ii) Overseas	-	-	-	0.00%	0	0	-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	2,980	3,90,885	3,93,865	12.46%	2980	173585	1,76,565	6.90%	-55.17%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	5,00,300	7,32,340	12,32,640	39.00%	346440	500300	8,46,740	33.11%	-31.31%
c) Others (specify)									
Resident Indians(HUF)	-	1,100	1,100	0.03%	-	1100	1,100	0.04%	0.00%
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
Clearing Members	-	-	-	0.00%	-	-	-	0.00%	0.00%
Trusts	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Bodies - D R	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub-total (B)(2):-</b>	<b>5,03,280</b>	<b>11,24,325</b>	<b>16,27,605</b>	<b>51.50%</b>	<b>3,49,420</b>	<b>6,74,985</b>	<b>10,24,405</b>	<b>40.06%</b>	<b>-37.06%</b>
<b>Total Public (B)</b>	<b>5,03,280</b>	<b>11,24,325</b>	<b>16,27,605</b>	<b>51.50%</b>	<b>3,49,420</b>	<b>6,74,985</b>	<b>10,24,405</b>	<b>40.06%</b>	<b>-37.06%</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>			-	<b>0.00%</b>				<b>0.00%</b>	<b>0.00%</b>
<b>Grand Total (A+B+C)</b>	<b>20,35,975</b>	<b>11,24,325</b>	<b>31,60,300</b>	<b>100.00%</b>	<b>18,82,115</b>	<b>6,74,985</b>	<b>25,57,100</b>	<b>100.00%</b>	<b>-37.06%</b>

## Parmeshwari Silk Mills Limited

### (ii) Shareholding of Promoter

S. Shareholder's Name	Shareholding at the Beginning of the year [As on 31 March, 2016]			Shareholding at the end of the year [As on 31 March, 2016]			% change in shareholding during the year
	No. of shares	% of total shares of the company	% of Shares pledged/ to total shares	No. of Shares	% of total shares of the company	% of Shares pledged/ to total shares	
1 Jatinder Pal Singh	3,93,067	12.44%	-	3,93,067	15.37%	-	0.00%
2 Maan Silk Mills Pvt. Ltd.	2,40,000	7.59%	-	2,40,000	9.39%	-	0.00%
3 Prabhpreet Kaur	1,61,113	5.10%	-	1,61,113	6.30%	-	0.00%
4 Asees Kaur	1,55,000	4.90%	-	1,55,000	6.06%	-	0.00%
5 Dipneet Kaur	1,19,230	3.77%	-	1,19,230	4.66%	-	0.00%
6 Ravinder Singh	90,000	2.85%	-	90,000	3.52%	-	0.00%
7 Kuljit Kaur	86,240	2.73%	-	86,240	3.37%	-	0.00%
8 Ajinder Pal Singh & Sons HUF	51,580	1.63%	-	51,580	2.02%	-	0.00%
9 Kanwardeep Kaur	44,160	1.40%	-	44,160	1.73%	-	0.00%
10 Ajinder Pal Singh	1,39,255	4.41%	-	1,39,255	5.45%	-	0.00%
11 Mandeep Singh	25,590	0.81%	-	25,590	1.00%	-	0.00%
12 Savinder Pal Singh	16,800	0.53%	-	16,800	0.66%	-	0.00%
13 Jatinder Pal Singh & Sons	10,660	0.34%	-	10,660	0.42%	-	0.00%
<b>Total</b>	<b>15,32,695</b>	<b>48.50%</b>	<b>0</b>	<b>15,32,695</b>	<b>59.94%</b>		<b>0.00%</b>

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

S. No.	Particulars	Date	Reason	Shareholding at the beginning of the year [As on 31-March-2016]"		Cumulative Shareholding during the year [As on 31-March-2017]"	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year						
	"Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer /bonus/ sweat equity etc)"						
	At the End of the Year						

NO CHANGE

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

Sr. No	For each of the Top 10 shareholders	Shareholding at the beginning of the year [As on 31-March-2016]		Cumulative Shareholding during the year [As on 31-March-2017]"	
		No. of shares	% of total shares	No. of shares	% of total shares
1	Sanjeev Singh				
	At the beginning of the year	1,98,900	6.29%	1,98,900	6.29%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc) Sale on 01-07-2016	1,98,900	6.29%	(1,98,900)	6.29%
	At the end of the year (or on the date of separation, if separated during the year)	1,98,900	6.29%	-	0.00%

## Parmeshwari Silk Mills Limited

Sr. No	For each of the Top 10 shareholders	Shareholding at the beginning of the year [As on 31-March-2016]		Cumulative Shareholding during the year [As on 31-March-2017]"	
		No. of shares	% of total shares	No. of shares	% of total shares
2	<b>Parvinder Pal Kaur</b>				
	At the beginning of the year	1,25,325	3.97%	1,25,325	3.97%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc)	-	0.00%	-	0.00%
	At the end of the year (or on the date of separation, if separated during the year)	1,25,325	3.97%	1,25,325	4.90%
3	<b>Charanpreet Kaur Rajpal</b>				
	At the beginning of the year	1,24,325	3.93%	1,24,325	3.93%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc)	-	0.00%	-	0.00%
	At the end of the year (or on the date of separation, if separated during the year)	1,24,325	3.93%	1,24,325	4.86%
4	<b>Charanjeet Singh</b>				
	At the beginning of the year	63,200	2.00%	63,200	2.00%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc)	-	0.00%	-	0.00%
	At the end of the year (or on the date of separation, if separated during the year)	63,200	2.00%	63,200	2.47%
5	<b>Montek Singh</b>				
	At the beginning of the year	63,100	2.00%	63,100	2.00%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc)	-	0.00%	-	0.00%
	At the end of the year (or on the date of separation, if separated during the year)	63,100	2.00%	63,100	2.47%
6	<b>Manpreet Kaur</b>				
	At the beginning of the year	40,153	1.27%	40,153	1.27%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc)	-	0.00%	-	0.00%
	At the end of the year (or on the date of separation, if separated during the year)	40,153	1.27%	40,153	1.57%
7	<b>Balwinder Singh Padda</b>				
	At the beginning of the year	50,000	1.58%	50,000	1.58%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc)	-	0.00%	-	0.00%
	At the end of the year (or on the date of separation, if separated during the year)	50,000	1.58%	50,000	1.96%
8	<b>Gursharan Kaur</b>				
	At the beginning of the year	49,700	1.57%	49,700	1.57%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc)	-	0.00%	-	0.00%
	At the end of the year (or on the date of separation, if separated during the year)	49,700	1.57%	49,700	1.94%

## Parmeshwari Silk Mills Limited

Sr. No	For each of the Top 10 shareholders	Shareholding at the beginning of the year [As on 31-March-2016]		Cumulative Shareholding during the year [As on 31-March-2017]"	
		No. of shares	% of total shares	No. of shares	% of total shares
9	<b>Ramnil Gupta</b>				
	At the beginning of the year	47,700	1.51%	47,700	1.51%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc)	-	0.00%	(47,700)	1.51%
	At the end of the year (or on the date of separation, if separated during the year)	47,700	1.51%	-	0.00%
10	<b>Lakshay Garg</b>				
	At the beginning of the year	39,800	1.26%	39,800	1.26%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc) Sale on 01-07-2016"	-	0.00%	(39,800)	1.26%
	At the end of the year (or on the date of separation, if separated during the year)	39,800	1.26%	-	0.00%
11	<b>Harjit Kaur</b>				
	At the beginning of the year	32,080	1.02%	32,080	1.02%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc)	-	0.00%	-	0.00%
	At the end of the year (or on the date of separation, if separated during the year)	32,080	1.02%	32,080	1.25%
12	<b>Harvinder Kaur</b>				
	At the beginning of the year	32,080	1.02%	32,080	1.02%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc)	-	0.00%	-	0.00%
	At the end of the year (or on the date of separation, if separated during the year)	32,080	1.02%	32,080	1.25%
13	<b>Harmohan Singh</b>				
	At the beginning of the year	31,085	0.98%	31,085	0.98%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc)	-	0.00%	-	0.00%
	At the end of the year (or on the date of separation, if separated during the year)	31,085	0.98%	31,085	1.22%

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sr. No	Key Managerial Personnel	Shareholding at the beginning of the year [As on 31-March-2016]		Cumulative Shareholding during the year [As on 31-March-2017]	
		No. of shares	% of total shares	No. of shares	% of total shares
1	<b>Jatinder Pal Singh</b>				
	At the beginning of the year	3,93,067	12.44%	3,93,067	12.44%
	Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc)	-	0.00%	-	0.00%
	At the end of the year	3,93,067	12.44%	3,93,067	15.37%
2	<b>Kuljeet Kaur</b>				
	At the beginning of the year	86,240	2.73%	86,240	2.73%
	Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc)	-	0.00%	-	0.00%
	At the end of the year	86,240	2.73%	86,240	3.37%

## Parmeshwari Silk Mills Limited

Sr. No	Key Managerial Personnel	Shareholding at the beginning of the year [As on 31-March-2016]		Cumulative Shareholding during the year [As on 31-March-2017]	
		No. of shares	% of total shares	No. of shares	% of total shares
3	<b>Simranjit Singh</b>				
	At the beginning of the year	-	0.00%	-	0.00%
	Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc)"	-	0.00%	-	0.00%
	At the end of the year	-	0.00%	-	0.00%
4	<b>Deshbir Singh</b>				
	At the beginning of the year	-	0.00%	-	0.00%
	Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc)"	-	0.00%	-	0.00%
	At the end of the year	-	0.00%	-	0.00%
5	<b>Sukhdev Singh</b>				
	At the beginning of the year	-	0.00%	-	0.00%
	Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc)"	-	0.00%	-	0.00%
	At the end of the year	-	0.00%	-	0.00%
6	<b>Sumit Bansal</b>				
	At the beginning of the year	-	0.00%	-	0.00%
	Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc)"	-	0.00%	-	0.00%
	At the end of the year	-	0.00%	-	0.00%

### V. INDEBTEDNESS

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

(Amt. Rupees)

Particulars	Secured Loans	Unsecured Loans excluding deposits	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	28,18,29,503.97	10,31,27,888.67	-	38,49,57,392.64
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>28,18,29,503.97</b>	<b>10,31,27,888.67</b>	<b>-</b>	<b>38,49,57,392.64</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	10,07,20,434.58	7,02,32,708.00	-	17,09,53,142.58
* Reduction	(15,06,370.10)	(1,17,78,451.57)	-	(1,32,84,821.67)
<b>Net Change</b>	<b>9,92,14,064.48</b>	<b>5,84,54,256.43</b>	<b>-</b>	<b>15,76,68,320.91</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	38,10,43,568.48	16,15,82,145.10	-	54,26,25,713.58
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>38,10,43,568.48</b>	<b>16,15,82,145.10</b>	<b>-</b>	<b>54,26,25,713.58</b>

# Parmeshwari Silk Mills Limited

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		"Total Amount (Rupees)"
		Jatinder Pal Singh	Kuljeet Kaur	
	<b>Name</b>			
	<b>Designation</b>	<b>Whole Time Director</b>	<b>Whole Time Director</b>	
1	Gross salary	24,00,000	21,00,000	45,00,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	-as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	Total (A)	24,00,000	21,00,000	45,00,000
	Ceiling as per the Act			

### B. Remuneration to other Director

S. No.	Particulars of Remuneration	Name of Directors			Total Amount (Rupees)
		Simranjit Singh	Deshbir Singh		
1	Independent Directors				
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration	-	-	-	-
	Overall Ceiling as per the Act				

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

S. No.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (Rupees)"
		CEO	Sukhdev Singh CFO	Sumit Bansal CS	
	<b>Name</b>		Sukhdev Singh	Sumit Bansal	
	<b>Designation</b>	CEO	CFO	CS	
1	Gross salary		5,30,188.00	3,12,205.00	8,42,393.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-



## Parmeshwari Silk Mills Limited

2 Stock Option	-	-	-	-
3 Sweat Equity	-	-	-	-
4 Commission	-	-	-	-
-as % of profit	-	-	-	-
- others, specify	-	-	-	-
5 Others, please specify	-	-	-	-
<b>Total</b>	-	5,30,188.00	3,12,205.00	8,42,393.00

### VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES :

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

**On Behalf of the Board of Directors  
For Parmeshwari Silk Mills Limited**

**Sd/-  
Jatinder Pal Singh  
Whole Time Director  
DIN:01661864  
Add:Vill- Bajra, Rahon Road,  
Ludhiana-141007**

**Sd/-  
Kuljeet Kaur  
Whole Time Director  
DIN:01661755  
Add:Vill- Bajra, Rahon Road,  
Ludhiana-141007**

**Date: 19.07.2017  
Place: Ludhiana**

# Parmeshwari Silk Mills Limited

Form No. MR-3

## SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDING 31ST MARCH, 2017

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

To  
The Members,  
Parmeshwari Silk Mills Limited  
Village Bajra, Rahon Road,  
Ludhiana, Punjab

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Parmeshwari Silk Mills Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit. I hereby report that in my opinion, the company has during the audit period covering the **financial year 1st April, 2016 to 31st March, 2017** 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:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s Parmeshwari Silk Mills Limited** ("The Company") for the financial year ended on 31st March, 2017 according to the provisions of:
  - I. The Companies Act, 2013 (**the Act**) and the rules made thereunder;
  - II. The Securities Contracts (**Regulation**) Act, 1956 (**'SCRA'**) and the rules made thereunder;
  - III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - V. The following Regulations 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, 2015;
    - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (**Not Applicable as the Company has not issued further capital during the financial year under review**)
    - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (**Not Applicable as the Company has not made any such scheme during the Audit Period under review**)
    - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (**Not**

## Parmeshwari Silk Mills Limited

**Applicable as the Company has not issued Debt Securities during the Audit Period under review)**

- (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; ***(Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial Year under review);***
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; ***(Not applicable as the Company has not delisted/propose to delist its equity shares from any stock exchange during the financial year under review).***
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;***(Not applicable as the Company has not bought back/propose to buy-back any of its securities during the financial year under review.)***
- (VI) Textiles (Development and Regulation) Order, 2001

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

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

I Report that during the period under review, the Company has complied with the provisions of The Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

### **2. I further report that**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Independent Directors. There has been no Non-Executive Director in the Company. There has been no change in the composition of the Board of Directors during the period under review.
- Adequate notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days 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 have been carried out unanimously as recorded in the minutes of the meetings of Board of Directors and Committee of the Board, as case may be.

I further report that based on the information received and records maintained 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.

**For P S Bathla & Associates**

Sd/-  
Parminder Singh Bathla  
**Company Secretary**  
FCS No. 4391  
C.P No. 2585  
SCO-6, Feroze  
Gandhi Market  
Ludhiana

Place: Ludhiana

Date: 19/07/2017

**Note: This Report is to be read with my Letter of even date which is annexed as Annexure A and forms an integral part of this report.**

To  
The Members,  
Parmeshwari Silk Mills Limited  
Village Bajra, Rahon Road,  
Ludhiana, Punjab

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process 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. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I 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. My examination was limited to the verification of procedure 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.

Place: Ludhiana  
Date: 19/07/2017

**For P S Bathla & Associates**

Sd/-

Parminder Singh Bathla  
**Company Secretary**

FCS No. 4391

C.P No. 2585

SCO-6, Feroze Gandhi Market  
Ludhiana

# Parmeshwari Silk Mills Limited

## FORM NO. AOC.2

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

**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 arms length transactions under third proviso thereto**

<b>1 Details of contracts or arrangements or transactions not at Arm's Length basis</b>		
a)	Name(s) of the related party and nature of relationship	Not Applicable
b)	Nature of contracts/arrangements/ transactions	Not Applicable
c)	Duration of the contracts/ arrangements/ transactions	Not Applicable
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Not Applicable
e)	Justification for entering into such contracts or arrangements or transactions.	Not Applicable
f)	Date(s) of approval by the Board	Not Applicable
g)	Amount paid as advances, if any	Not Applicable
h)	Date on which the special resolution was passed in General Meeting as required under first proviso to section 188.	Not Applicable

<b>2 Detail of material contracts or arrangement or transactions at Arm's Length basis</b>		
a)	Name(s) of the related party and nature of relationship	As per Annexure
b)	Nature of contracts/arrangements /transactions	As per Annexure
c)	Duration of the contracts/arrangements/ transactions	As per Annexure
d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	As per Annexure
e)	Date(s) of approval by the Board, if any	As per Annexure
f)	Amount paid as advances, if any	As per Annexure

On behalf of the Board of Directors  
For Parmeshwari Silk Mills Limited

Date: 19.07.2017  
Place: Ludhiana

Sd/-  
Jatinder Pal Singh  
Whole Time Director  
DIN: 01661864

Sd/-  
Kuljeet Kaur  
Whole Time Director  
DIN: 01661755

# Parmeshwari Silk Mills Limited

## List of Related Parties

S.No.	Particulars	Details
(i)	Name of related party and nature of relationship	<ol style="list-style-type: none"> <li>1. Mr. Jatinder Pal Singh (Whole Time Director)</li> <li>2. Ms. Kuljeet Kaur (Whole Time Director)</li> <li>3. Mr. Sukhdev Singh (Chief Financial Officer)</li> <li>4. Mr. Sumit Bansal (Company Secretary)</li> <li>5. Ms. Dipneet Kaur</li> <li>6. Mr. Darshan Singh</li> <li>7. Mr. Asees Singh</li> <li>8. Mr. Ajeet Pal Singh</li> <li>9. M/s Satnam Fabrics pvt. Ltd.</li> <li>10. M/s Ramtex Export</li> <li>11. M/s Shirting Shop</li> <li>12. M/s Ramtex India</li> <li>13. M/s Jaimal Singh Satnam Singh</li> <li>14. M/S R.T. Creation</li> <li>15. Mr. Maninder Singh</li> <li>16. M/s Jatinder Pal Singh &amp; Sons (HUF)</li> <li>17. Mr. Maninder Singh Ajitpal Singh</li> <li>18. M/s Ramtex</li> <li>19. M/S Classic Collection</li> <li>20. M/S Asees Textile</li> <li>21. M/S Maan Silk Mills</li> </ol>
(ii)	Nature of contracts / arrangements / transaction	
	<b>Key Managerial Personnel</b>	<b>Transactions</b>
	Mr. Jatinder Pal Singh	Remuneration Paid Loan Taken Loan Repaid
	Ms. Kuljeet Kaur	Remuneration Paid Loan Taken
	Mr. Sukhdev Singh	Remuneration Paid
	Mr. Sumit Bansal	Remuneration Paid
	<b>Related Parties</b>	<b>Transactions</b>
	Ms. Dipneet Kaur	Remuneration Loan Taken Interest
	Mr. Maninder Singh Ajitpal Singh Mr. Asees Singh	Sale Remuneration Interest Paid Loan Taken
	Mr. Ajitpal Singh M/s Satnam Fabrics pvt. Ltd	Loan Taken Interest Paid

## Parmeshwari Silk Mills Limited

	M/s Ramtex Export	Interest Paid Job Work Loan Taken Rent Rec. Sale	
	M/s Shirting Shop M/s Ramtex India	Interest Paid Rent Rec. Sale	
	M/s Jaimal Singh Satnam Singh	Sale Purchase	
	Mr. Maninder Singh	Loan Taken Salary Interest	
	Mr. R.T. Creation M/s Classic Collections	Sale Sales Purchase	
	M/s Asees Textiles M/s Ramtex	Sales Sales Loan Taken Interest	
	M/S Maan Silk Mills M/S Jatinder Pal Sing And Sons Mr. Darshan Singh	Sale Sale Loan Taken	
(iii).	<b>Duration of the contracts/arrangements/transaction</b>	<b>Running</b>	
(iv)	Salient terms of the contracts or arrangements or transaction including the value, if any		
	<b>Key Managerial Personnel</b>	<b>Transactions</b>	<b>Amount (Rs.)</b>
	Mr. Jatinder Pal Singh	Remuneration Paid Loan Taken	2400000.00 4380995.00
	Ms. Kuljeet Kaur	Remuneration Paid Loan Taken	2100000.00 3487000.00
	Mr. Sukhdev Singh Mr. Sumit Bansal	Remuneration Paid Remuneration Paid	530188.00 312205.00
	Related Parties Ms. Dipneet Kaur	Remuneration Loan Taken Interest	1500000.00 1884500.00 242177.00
	Mr. Ajit Pal Singh Mr. Asees Singh	Loan Taken Remuneration Interest Paid Loan Taken	864800.00 600000.00 122184.00 442500.00
	Mr. Darshan Singh M/s Satnam Fabrics pvt. Ltd M/s Ramtex Export	Loan Taken Interest Paid Interest Paid Job Work	1000000.00 1186034.00 1019166.00 6004065.00

## Parmeshwari Silk Mills Limited

	Loan Taken	3744950.00
	Rent Rec.	3744950.00
	Sale	2558798.00
M/s Shirting Shop	Interest Paid	486645.00
M/s Ramtex India	Rent Rec.	120000.00
	Sale	68212173.00
M/s Jaimal Singh Satnam Singh	Sale	2057728.00
	Purchase	2000578.00
Mr. Maninder Singh	Loan Taken	2262824.00
	Salary	4125000.00
	Interest	170237.00
M/S Jatinder Pal Singh And Sons	Loan Taken	2300000.00
M/s Classic Collections	Sales	75275998.00
	Purchase	64268.00
M/s Asees Textiles	Sales	97301479.00
M/s Ramtex	Sales	16503255.00
	Loan Taken	11100000.00
	Interest	668416.00
Maninder Singh Ajitpal Singh	Sale	8707914.00
M/S Maan Silk Mills	Sale	123039.00
M/S R.T. Creation	Sale	20587620.00
<b>(v)</b>	<b>Date of approval by the Board</b>	<b>19th July, 2017</b>
<b>(vi)</b>	<b>Amount paid as advances, if any</b>	<b>NIL</b>

Form shall be signed by the people who have signed the Board's Report.

**FOR AND ON BEHALF OF THE BAORD OF DIRECTORS**

**PLACE: LUDHIANA**  
**DATE: 19.07.2017**

**Sd/-**  
**JATINDER PAL SINGH**  
**DIRECTOR**  
**DIN: 01661864**

**Sd/-**  
**KULJEET KAUR**  
**DIRECTOR**  
**DIN: 01661755**



# Parmeshwari Silk Mills Limited

## Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
**Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures**

### Part "A": Subsidiaries

*(Information in respect of each subsidiary to be presented with amounts in Rupees)*

S. No.	Particulars	Details
	Name of the subsidiary	<b>None</b>
	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable
	Share capital	Not Applicable
	Reserves & surplus	Not Applicable
	Total assets	Not Applicable
	Total Liabilities	Not Applicable
	Investments	Not Applicable
	Turnover	Not Applicable
	Profit before taxation	Not Applicable
	Provision for taxation	Not Applicable
	Profit after taxation	Not Applicable
	Proposed Dividend	Not Applicable
	% of shareholding	Not Applicable

Names of subsidiaries which are yet to commence operations **None**

Names of subsidiaries which have been liquidated or sold during the year **None**

### Part "B": Associates and Joint Ventures

**Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

	Name of Associate/Joint Venture	<b>None</b>
	Latest audited Balance Sheet Date	Not Applicable
	Shares of Associate/Joint Venture held by the company on the year end	Not Applicable
	No.	Not Applicable
	Amount of Investment in Associate/Joint Venture	Not Applicable
	Extend of Holding%	Not Applicable

## Parmeshwari Silk Mills Limited

	Description of how there is significant influence	Not Applicable
	Reason why the associate/joint venture is not consolidated	Not Applicable
	Net worth attributable to shareholding as per latest audited Balance Sheet	Not Applicable
	Profit/Loss for the year	Not Applicable
	Considered in Consolidation	Not Applicable
	Not Considered in Consolidation	Not Applicable

Names of Associate Companies/Joint Ventures which are yet to commence operations **None**

Names of Associate Companies/Joint Ventures which have been liquidated or sold during the year **None**

**On behalf of the Board of Directors  
For Parmeshwari Silk Mills Limited**

**Sd/-  
Jatinder Pal Singh  
Whole Time Director  
DIN: 01661864**

**Sd/-  
Kuljeet Kaur  
Whole Time Director  
DIN: 01661755**

**Date: 19.07.2017**

**Place: Ludhiana**

**Sd/-  
Deshbir Singh  
Chief Financial Officer**

**Sd/-  
Abhishek Bhargav  
Company Secretary**

***\*Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified***

**Details as required under section 197(12) of Companies Act, 2013 read with rule 5(1) of Companies (Appointment and remuneration of managerial personnel) Rules, 2014**

1. Ratio of remuneration of each director to median remuneration of employees, percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year ended March 31, 2017:

S No.	Name of Director & KMP	Remuneration of Director and KMP for the financial year ended March 31, 2017 (In Rs.)	Ratio of remuneration of each director to median remuneration of employees	% increase in remuneration for the financial year ended March 31, 2017 provided for the purpose of Section 197(12) of the Act
1.	<b>Jatinder Pal Singh</b> (Whole Time Director)	24,00,000	5.85:1	54.84
2.	<b>Kuljeet Kaur</b> (Executive Director)	21,00,000	5.12:1	42.37
3.	<b>Simranjit Singh</b> (Independent Director)	Nil	Not Applicable	Not Applicable
4.	<b>Deshbir Singh</b> (Independent Director)	Nil	Not Applicable	Not Applicable
5.	<b>Sukhdev Singh</b> (Chief Financial Officer)	5,30,188	1.29:1	Nil
6.	<b>Sumit Bansal</b> (Company Secretary)	3,12,205	0.76:1	Nil

2. Particulars of employees employed for the financial year under report and in receipt of remuneration for that year which in the aggregate was not less than Rs. One crore and two lakhs (Rs. 10,200,000/) per annum.

*No Such employee employed during the year.*

3. Particulars of employees employed for the part of the financial year under report and in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Rupees eight lacs and fifty thousand (850,000) per month:

*No Such employee employed during the year.*

# Parmeshwari Silk Mills Limited

## COMPLIANCE REPORT ON CORPORATE GOVERNANCE

### I. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Your Company is committed to practice good Corporate Governance in all its activities and processes. The Directors' endeavor is to create an environment of fairness, equity and transparency with the underlying objective of securing long-term shareholder value, while, at the same time, respecting the rights of all stakeholders.

The Company adheres to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as SEBI (LODR) Regulations, 2015 or SEBI Regulations) and your management is taking all possible steps to fulfill its commitment in a judicious, fair and transparent manner.

### II. BOARD OF DIRECTORS

The Board is entrusted with the ultimate responsibility of management, general affairs, direction and performance of the Company and had been vested with the requisite powers, authorities and duties.

#### A. *Composition and Category of the Board of Directors*

As on 31<sup>st</sup> March 2017, there were 4 Directors comprising of 2 Executive Directors who are Whole Time Directors and 2 Non-Executive Independent Directors.

As on 31<sup>st</sup> March, 2017, the composition of Board of Directors is in conformity with Regulation 17 of SEBI Regulations, 2015 and the provisions of Companies Act, 2013. *None of the Non-Executive Directors are responsible for the day to day affairs of the Company.*

Category and attendance of each of the Directors at the Board Meetings held during 2016 -17 and the last Annual General Meeting is given below:

S. No.	Name	Category	Number of Board Meetings held during the year 2016-2017		Whether attended last AGM held on 29 <sup>th</sup> September, 2016	No. of Membership/ Chairpersonship in Mandatory Committees	
			Held	Attended		Chairpersonship	Membership
1	Jatinder Pal Singh	Executive Director	12	12	Yes	0	2
2	Kuljeet Kaur	Executive Director	12	12	Yes	0	2
3	Simranjit Singh	Non- Executive Director	12	12	Yes	3	0
4	Deshbir Singh	Non- Executive Director	12	12	Yes	0	3

Mr. Jatinder Pal Singh & Ms. Kuljeet Kaur are relatives to each other as defined in Section 2 (77) of Companies Act, 2013 and Rule 4 of the companies (Specification of definitions details) Rules, 2014.

During the period, the Board of Directors of your Company met **twelve (12) times**. The dates on which the meetings were held are **30<sup>th</sup> May, 2016, 24<sup>th</sup> June, 2016, 1<sup>st</sup> July, 2016, 26<sup>th</sup> July, 2016, 30<sup>th</sup> July, 2016, 11<sup>th</sup> August, 2016, 30<sup>th</sup> August, 2016, 26<sup>th</sup> October, 2016, 11<sup>th</sup> November, 2016, 13<sup>th</sup> January, 2017, 11<sup>th</sup> February, 2017 and 17<sup>th</sup> March, 2017** and the gap requirement of 120 days between two meetings have been complied with. The necessary quorum was present for all the meetings.

The Company issued formal letters of appointment to Independent Directors in the manner as provided in the Companies Act, 2013.

The Company has also formulated a policy to familiarize the Independent Directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various programmes.

**B. Code of Conduct**

The Board has approved the code of conduct for all Board members and senior management personnel of the Company. All Board members and senior management personnel have affirmed compliance with the Code of Conduct.

**C. Non-Executive Directors Compensation and Disclosures**

The Company does not have any pecuniary relationship with any Non-Executive Directors. No remuneration was given to any of the Non-Executive Director during the financial year 2016-17.

**III. COMMITTEES OF THE BOARD**

The terms of reference of Board Committees are determined by the Board from time to time. Presently the Company has 4 committees i.e. **Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Internal Complaint Committee**. All the decisions pertaining to the constitution of the Committees, appointment of members and fixing of terms of reference for committee members are taken by the Board of Directors. Details on the role and composition of these committees, including the number of meetings held during the financial year and the related attendance, are provided below:

**A. Audit Committee**

- i The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Regulations, 2015 read with Section 177 of Companies Act, 2013.
- ii The term of reference of the Audit Committee is as per Part C of Schedule II of the SEBI (LODR) Regulations, 2015 and provisions of Companies Act 2013.
- iii The Audit Committee invites such of the executives, as it considers appropriate (particularly the head of the finance function), representatives of the statutory auditors and representatives of the internal auditors to be present at its meetings.
- iv The previous Annual General Meeting (AGM) of the Company was held on **September 29, 2016** and was attended by **Simranjit Singh, Chairperson** of the Audit Committee.
- v The composition of the Audit Committee and the details of meetings attended by its members are given below:

S. No.	Name	Category	No. of Committee Meetings held	No. of Committee Meetings Attended
1	Simranjit Singh	Chairperson	5	5
2	Deshbir Singh	Member	5	5
3	Jatinder Pal Singh	Member	5	5

- vi Five (5) Audit Committee meetings were held during the year 2016-17 on **30<sup>th</sup> May, 2016, 26<sup>th</sup> July, 2016, 11<sup>th</sup> August, 2016, 11<sup>th</sup> November, 2016 and 11<sup>th</sup> February, 2017**.
- vii The necessary quorum was present for all the meetings.
- viii The role of the **audit committee includes the following**:
  1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
  2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
  3. Approval of payment to statutory auditors for any other services rendered by the statutory auditor;
  4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
    - a. matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

## Parmeshwari Silk Mills Limited

- b. changes, if any, in accounting policies and practices and reasons for the same;
  - c. major accounting entries involving estimates based on the exercise of judgment by management;
  - d. significant adjustments made in the financial statements arising out of audit findings;
  - e. compliance with listing and other legal requirements relating to financial statements;
  - f. disclosure of any related party transactions;
  - g. modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
  6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the board to take up steps in this matter;
  7. Reviewing and monitoring the auditor's independence & performance, and effectiveness of audit process;
  8. Approval or any subsequent modification of transactions of the listed entity with related parties;
  9. Scrutiny of inter-corporate loans and investments;
  10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
  11. Evaluation of internal financial controls and risk management systems;
  12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  14. Discussion with internal auditors of any significant findings and follow up thereon;
  15. Reviewing the findings of any internal investigation by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
  16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  18. To review the functioning of the whistle blower mechanism;
  19. Approval of appointment of chief financial officer after assessing the qualification, experience and background, etc. of the candidate;
  20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- ix** The audit committee shall **mandatorily** review the following information:
1. Management discussion and analysis of financial condition and results of operations;
  2. Statement of significant related party transactions (as defined by the audit committee), submitted by the management;
  3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
  4. Internal audit reports relating to internal control weaknesses; and
  5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
  6. Statement of deviations:
    - a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted

## Parmeshwari Silk Mills Limited

to stock exchange(s) in terms of Regulation 32(1).

- b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

**x. Audit & other duties**

1. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
2. Discussion with internal auditors of any significant findings and follow up there on.
3. Review and recommend to the Board the appointment/re-appointment of the Statutory Auditors and Internal Auditors considering their independence and effectiveness and their replacement and removal.
4. To recommend to the Board the remuneration of the Statutory Auditors and internal auditors.
5. To grant approval for related party transactions which are in the ordinary course of business and on an arm's length pricing basis and to review and approve such transactions subject to the approval of the Board.

**B. Stakeholders Relationship Committee (erstwhile Shareholders Grievance Committee)**

- i Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI LODR Regulations, 2015, the Board has constituted Stakeholders Relationship Committee to specifically look into the mechanism of redressal of grievances of shareholders and other security holders headed by **Simranjit Singh, Chairperson** of the Committee.
- ii The composition of the Stakeholders Relationship Committee and the details of meetings attended by its members are given below:

S. No.	Name of the Member	Category	No. of Committee Meetings held	No. of Committee Meetings Attended
1	Simranjit Singh	Chairperson	4	4
2	Jatinder Pal Singh	Member	4	4
3	Deshbir Singh	Member	4	4
4	Kuljeet Kaur	Member	4	4

- iii **Four** Stakeholder's Relationship Committee meetings were held during the year 2016-17 on **30<sup>th</sup> May, 2016, 11<sup>th</sup> August, 2016, 11<sup>th</sup> November, 2016 and 11<sup>th</sup> February, 2017**.. The necessary quorum was present for the meetings.

**iv Functions and Terms of Reference:**

The Committee considers and resolves the grievances of the security holders of the listed entity including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends.

The functioning and broad terms of reference of the Stakeholders' Relationship Committee of the Company are as under:

- a) To consider and resolve the grievance of security holders of the Company.
- b) To review important circulars issued by SEBI /Stock Exchanges.
- c) To take note of compliance of Corporate Governance during the quarter/year.
- d) To approve request for share transfer and transmissions.
- e) To approve request pertaining to demat of shares/sub-division/consolidation/issue of renewed/duplicate share certificate etc.

## Parmeshwari Silk Mills Limited

**v. Name, designation and address of Compliance Officer:**

Name : Mr. Abhishek Bhargav  
 Designation : Company Secretary & Compliance Officer  
 Address : Village Bajra, Rahon Road, Ludhiana, Punjab- 141007

**vi. Details of investor complaints received and redressed during the year 2016-17 are as follows:**

No. of Complaints pending as on 1 <sup>st</sup> April, 2016	No. of Complaints received during the year 2016-17	No. of Complaints resolved during the year	No. of Complaints not resolved during the year to the satisfaction of shareholders	No. of Complaints pending as on 31 <sup>st</sup> March, 2017
Nil	Nil	Nil	Nil	Nil

**C. Nomination & Remuneration Committee**

i. Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015, the Board has duly constituted the Nomination & Remuneration Committee, with all members being Non-Executive Directors and Independent Director as Chairperson.

ii. The terms of reference of the committee are as follows:

- a) Formulation of the criteria for determining qualification, positive attributes and independence of a director and to recommend to the Board of Directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- b) Formulation of criteria for evaluation of performance of independent directors and the Board of Directors;
- c) Devising a policy on diversity of Board of Directors;
- d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal.
- e) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

The remuneration policy as adopted by the Company envisages the payment of remuneration according to qualification, experience and performance at different levels of the organization. The workers at the factory as well as those rendering clerical, administrative and professional services are suitably remunerated according to the industry norms.

The committee meeting was held on **11<sup>th</sup> August, 2016**. The committee meeting was chaired during the year by **Mr. Simranjit Singh** who has been appointed as chairperson. The details of meeting held during the year 2016-17 and attended by each Member/Chairperson are as under:

S. No.	Name of the Member	Category	No. of Meetings held	No. of Meetings Attended
1	Simranjit Singh	Chairperson	1	1
2	Deshbir Singh	Member	1	1
3	Kuljeet Kaur	Member	1	1



## Parmeshwari Silk Mills Limited

### iii Performance Evaluation Criteria For Independent Directors:

Performance Evaluation Criteria of Board members including Independent Directors as approved by the Board provides:

- a) Each of the director(s) are required to assign the rating on different parameters for the evaluation of Board, Independent Director(s) and committees of the Board of Directors and has to submit the same to the Nomination & Remuneration Committee.
- b) The rating is to be assigned on a scale of five for the purpose of evaluation of performance as under:

Rating Scale	Scale Performance
5	Exceptionally Good
4	Good
3	Satisfactory
2	Needs Improvement
1	Unacceptable

- c) The Nomination & Remuneration Committee shall receive the Evaluation Forms in sealed cover and summarize the results. The Chairperson of the Nomination & Remuneration Committee may have discussions with individual director where clarification or interpretation is required.
- d) The Chairperson of the NRC shall develop a report on the basis of evaluation rating received. The Committee shall review the result and submit its recommendation for the consideration of Board.
- e) The Board shall review the recommendations of the Nomination & Remuneration Committee and issue necessary directions.

### iv Remuneration of Directors

The remuneration payable to all Directors including Managing Director is decided by the shareholders in the General Meeting. As per the Companies Act, 2013, the Board of Directors of the Company is empowered to determine the sitting fee payable to Independent Directors within the ceiling prescribed under the Companies Act, 2013.

None of the Independent Directors were paid any sitting fees during the financial year 2016-17.

#### Remuneration of Executive Directors for the financial year 2016-17

(Amount in lakhs)

S. No.	Name of Director	Designation	Salary	Benefits	Performance Related Pay (PRP) for the year 2016-17	Total	
1	Jatinder Pal Singh	Whole Time Director	24.00	Nil	Nil	24.00	
2	Kuljeet Kaur	Whole Time Director	21.00	Nil	Nil	21.00	

The Company had not given any stock options during the year 2016-17.

Except as mentioned above, there was no pecuniary relationship or transaction with Non-Executive Directors vis-a-vis the Company during the financial year 2016-17.

Criteria of making payment to non-executive directors are available on the website of the company at [www.parmeshwarisilk.com](http://www.parmeshwarisilk.com).

## IV. WHISTLE BLOWER POLICY

The Company has a well defined Whistle Blower Policy for reporting the instances of unethical/ improper conduct and taking suitable steps to investigate and take remedial action. No personnel have been denied access to the Audit Committee. In addition to this, a policy to prevent frauds has also been adopted by the Company for reporting on frauds or suspected frauds, involving employees as well as representatives of vendors, suppliers, contractors, consultants, service providers or any other party doing any type of business with the Company. All reports on frauds or suspected frauds are investigated with utmost speed. The mechanism for prevention of frauds is also included in the policy.

During the year 2016-17, no complaint(s) have been reported under Whistle Blower Policy.

## V VIGIL MECHANISM

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the Regulation 22 of Listing Regulations, 2015. Protected disclosures can be made by a whistle blower through an e-mail, or dedicated telephone line or letter to the Chairman of the Audit Committee. The Policy on vigil mechanism and whistle blower policy may be accessed on the Company's website at <https://www.parmeshwarisilk.com>.

The vigil mechanism has provided for adequate safeguards against victimization of director(s) or employee(s) or any other person who avail the mechanism and also provide for direct access to the chairperson of the audit committee in appropriate or exceptional cases.

## VI RISK MANAGEMENT

As per Regulation 21 of SEBI Regulations, 2015, the Company is not required to constitute Risk Management Committee.

## VII INDEPENDENT DIRECTORS' MEETING

During the year under review, the Independent Directors met on **14<sup>th</sup> November, 2016**, inter alia to discuss the following matters:

- i Review the performance of Non-Independent Directors and the Board as a whole;
- ii Review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- iii Assess the quality, quantity and timelines of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

## VIII FORMULATION OF POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination & Remuneration Committee discussed and thereafter decided upon the policy for selection & appointment of Directors and their remuneration. The highlights of this policy are as follows:

- A. Criteria of selection of Non-Executive Directors
  - i 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 manufacturing, marketing, finance, taxation, law, governance and general management.
  - ii In case of appointment of Independent Directors, the 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.
  - iii The 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.
  - iv The Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.
- B. Qualification, expertise and experience of Directors in their respective fields;
- C. Personal, Professional or business standing;
- D. Diversity of the Board.

E. 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.

### **IX REMUNERATION POLICY FOR THE SENIOR MANAGEMENT EMPLOYEES**

I In determining the remuneration of Senior Management Employees, the Committee shall ensure / consider the following:

- a) the relationship of remuneration and performance benchmark is clear;
- b) the balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;
- c) the remuneration is divided into two components viz. fixed component comprising salaries, perquisites and retirement benefits and a variable component comprising performance bonus;
- d) the remuneration including annual increment and performance bonus is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, individuals performance and current compensation trends in the market.

II The Independent Director will carry out the individual performance review based on the standard appraisal matrix and shall take into account the appraisal score card and other factors and thereafter shall recommend the annual increment and performance incentive to the Committee for its review and approval.

### **X SUBSIDIARY COMPANIES**

The Company does not have any Subsidiary Company during the financial year under review.

### **XI RELATED PARTY TRANSACTIONS:**

During the financial year 2016-17, the Company has entered into some material transaction(s) with the related parties. All the contracts/arrangements/transactions entered into with related parties were on the arm's length basis, which were intended to further Company's Interest. Accordingly, the disclosure of Related Party Transactions as required under section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is attached with the Directors' Report.

### **XII PREVENTION OF INSIDER TRADING**

Pursuant to SEBI Regulations, 2015 the Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company.

#### **Disclosures**

The Company has always ensured fair code of conduct and maintained transparency. There were no instances of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years which has a bearing on the going concern status of the Company.

In accordance with requirement of Companies Act as well as SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a vigil mechanism has been adopted by the Board of Directors and accordingly a whistle blower policy has been formulated with a view to provide a mechanism for employees of the Company to approach Internal Auditor or Chairperson of the Audit Committee of the Company to report any grievance. A link to such policy is also provided in the website of the Company.

Compliance, rules & regulations as laid down by various statutory authorities have always been observed by the Company both in letter as well as in spirit.

The Board has obtained certificates/disclosures from key management personnel confirming that they do not have any material, financial or commercial interest in transactions with the Company at large.

#### **Compliance with Accounting Standards**

In the preparation of financial statements, the Company has followed Accounting Standards notified pursuant to Companies (Accounting Standards) Amendment Rules, 2016 (as amended) and relevant provision of the Companies Act, 2013. The significant accounting policies which are consistently applied have been set out in the Notes to Financial Statements.

## Parmeshwari Silk Mills Limited

### XIII GENERAL BODY MEETING

#### a) Annual General Meeting

The details of last three Annual General Meetings (AGM) of shareholders held were as under:

Financial Year	Day and Date	Location	Time	Any Special Resolution passed
2013-14	Tuesday, September 30, 2014	Village Bajra, Rahon Road, Ludhiana- 141007	11:30 AM	NO
2014-15	Saturday, September 26, 2015	Village Bajra, Rahon Road, Ludhiana- 141007	02:00 P.M.	YES
2015-16	Thursday, September 29, 2016	Village Bajra, Rahon Road, Ludhiana- 141007	01:30 PM	YES

b) No Extraordinary General Meeting of Members was held during the year 2016-17.

c) No Postal Ballot was conducted during the year 2016-17.

### XIV MEANS OF COMMUNICATION

The Company's quarterly financial results in the format prescribed under the SEBI Regulations, 2015, were approved and taken on record by the Board within the prescribed period under the Regulations and were sent to all Stock Exchanges on which the Company's shares are listed.

The quarterly, half-yearly and annual results of the Company are normally published both in vernacular (Punjabi) and English National newspapers. The results are also displayed on the Company's website at [www.parmeshwarisilk.com](http://www.parmeshwarisilk.com).

The Company has not displayed any official news release in any media.

### XV DETAILS OF EQUITY SHARES OF THE COMPANY HELD BY THE NON-EXECUTIVE DIRECTORS AS ON MARCH 31, 2016 ARE GIVEN BELOW:

S. No.	Name	No. of Share held	Percentage
1	Deshbir Singh	Nil	Nil
2	Simranjit Singh	Nil	Nil

### XVI GENERAL SHAREHOLDER INFORMATION

S. No.	Particulars	Information
1	Annual General Meeting:	
	- Day & Date	Thursday, 28 <sup>th</sup> September, 2017 at 11:00 AM
	Venue	Village Bajra, Rahon Road, Ludhiana- 141007
2	Financial year	2016-17
3	Book Closure	22 <sup>nd</sup> September, 2017 to 28 <sup>th</sup> September, 2017 (Both days inclusive)
4	Listed on	BSE Limited and The Calcutta Stock Exchange Limited
5	Dividend payment date	The Company has not recommended or paid any dividend during the financial year 2016-17

## XVII ANNUAL LISTING FEES

The Company has paid all dues of the Stock Exchange(s) where the shares of the Company are listed including Annual Listing Fees for the financial year 2017-18.

## XVIII STATUTORY COMPLIANCE, PENALTIES AND STRICTURES

The Company has continued to comply with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to the capital market during the last three years. There were no cases of penalties or strictures imposed on the Company by any Stock Exchange or SEBI or any other statutory authorities for any violation related to the Capital market during the last three years which has a bearing on the going concern status of the Company.

## XIX Listing Regulations Compliance

The Company complies with the mandatory requirements of the SEBI (LODR) Regulations, 2015.

## XX The disclosure of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46:

According to the criteria laid down in Regulation 15(2) of the SEBI (LODR) Regulations, 2015, as on the last date of closure of financial year 2016-17, the paid up share capital of the Company was **Rs. 25,571,000/- (i.e. below the stipulated limit of Rs. 10 crores) and net worth was Rs. 123,326,416.76/- (i.e. below the stipulated limit of Rs. 25 crores)**. Accordingly, the Company is not under an obligation to adhere to the requirements of Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI (LODR) Regulations, 2015.

However, in order to follow best practices of corporate governance, the Company has complied with and is committed regularly towards complying with the requirements of the following:

1. The composition of the Board of Directors of the Company is in accordance with the requirements of Regulation 17;
2. The Audit Committee has been constituted in accordance with Regulation 18 with role as mentioned therein read with Part C of Schedule II;
3. Nomination & Remuneration Committee has been constituted in accordance with Regulation 19 read with Part D of Schedule II;
4. Stakeholders Relationship Committee has been constituted to specifically look into the mechanism of redressal of grievances of shareholders, debenture holders and other security holders with role as mentioned in Part D of Schedule II;
5. Vigil Mechanism has been adopted by the Company pursuant to Regulation 22 of the Listing Regulations, 2015.

## XXI Outstanding DRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:

As on date, there are no outstanding warrants /bonds/ other instruments having an impact on equity.

## XXII Disclosure of commodity price risks, foreign exchange risks and hedging activities:

The Company is not exposed to any foreign exchange risk or commodity price risks and therefore, is not involved in commodity hedging activities.

## XXIII STOCK EXCHANGE CODE

Stock Exchange	Scrip Code/Symbol
BSE Limited	540467
The Calcutta Stock Exchange Limited	26501

## Parmeshwari Silk Mills Limited

### XXIV Market price data- high, low during each month in last financial year and performance in comparison to broad-based indices:

The shares of the Company are not being traded currently. Therefore, market price data is not available for the financial year 2016-17.

### XXV REGISTRAR & SHARE TRANSFER AGENT

The details of Registrar & Share Transfer Agent of the Company are as follows:

**Skyline Financial Services (P) Limited**  
**D-153 A, 1<sup>st</sup> Floor, Okhla Industrial Area,**  
**Phase-I, New Delhi- 110020**

### XXVI SHARE TRANSFER SYSTEM

The share transfer system consists of activities like receipt of shares along with transfer deed from transferees, its verification, preparation of Memorandum of Transfers, etc. Share transfers are approved/ratified by the Stakeholders' Relationship Committee. Share transfer activities are being carried out by **M/s Skyline Financial Services (P) Limited**, being Share Transfer Agent of the Company.

Pursuant to Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate on half yearly basis from Practicing Company Secretary confirming due compliance of share transfer formalities by the Company through its share transfer agent have been submitted to stock exchange(s) within the one month from the end of half financial year.

### XXVII DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2017:

Shareholding of Nominal value of Rs. 10/-	No. of Shareholders	% of Shareholders	No. of Shares held	Amount	% to total Amount
Up to 5000	415	80.90	48400	484000	1.89
5001-10000	37	7.21	36660	366600	1.44
10001-20000	12	2.34	19205	192050	0.75
20001-30000	0	0	0	0	0
30001-40000	7	1.37	28000	280000	1.09
40001-50000	8	1.56	39400	394000	1.54
50001-100000	1	0.19	6000	60000	0.24
100001 & above	33	6.43	2379435	23794350	93.05
<b>Total</b>	<b>513</b>	<b>100</b>	<b>2557100</b>	<b>25571000</b>	<b>100</b>

### Categories of Equity shareholders as on March 31, 2017

Category	No. of Shares	% of Holding
<b>1. Promoters Holding</b>		
Promoters		
- Indian Promoters	1532695	59.94
- Body Corporate	-	-
- Foreign Promoters	0	0
- Persons acting in concert	0	0
<b>Sub Total</b>	<b>1532695</b>	<b>59.94</b>

## Parmeshwari Silk Mills Limited

<b>2. Non Promoters Holding</b>			
Institutional Investor		0	0
Mutual Fund and UTI		0	0
Banks, Financial Institutions, Insurance Companies (Central/ State Govt. Institutions/ Non Govt. Institutions)		0	0
i. FII's		0	0
<b>Sub Total</b>		<b>0</b>	<b>0</b>
<b>3. Others</b>			
Corporate Bodies		0	0
Indian Public		1023305	40.02
NRI's/OCB's		0	0
Any Other (HUF/Firm/Foreign Companies) Clearing Member		1100	0.04
<b>Sub Total</b>		<b>1024405</b>	<b>40.06</b>
<b>Grand Total</b>		<b>2557100</b>	<b>100</b>

### XXVIII DEMATERIALIZATION OF SHARES AND LIQUIDITY

The shares of the Company are in the compulsory dematerialized segment and are available for trading with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The Share Capital Audit Report regarding reconciliation of the total issued, listed and capital held by depositories in a dematerialized form with respect to the Equity Share Capital of the Company was obtained from the Practicing Company Secretary for each quarter during the year and submitted to the Stock Exchanges within the stipulated time.

Number of shares held in dematerialized and physical mode as on 31<sup>st</sup> March 2017.

Particulars	Total Shares	% to Equity
Shares in dematerialized form with NSDL	0	0
Shares in dematerialized form with CDSL	2035975	79.62
Physical	521125	20.38
<b>Total</b>	<b>2557100</b>	<b>100</b>

**ISIN of the Company : INE808R01012**

The names and addresses of the depositories are as under:

**1. National Securities Depository Limited**

Trade World, A-Wing, 4<sup>th</sup> & 5<sup>th</sup> Floors,  
Kamala Mills Compound,  
Senapati Bapat Marg,  
Lower Parel, Mumbai - 400 013

**2. Central Depository Services (India) Limited**

Phiroze Jeejeebhoy Towers,  
17<sup>th</sup> Floor, Dalal Street, Fort, Mumbai - 400 001

## Parmeshwari Silk Mills Limited

- XXIX Policy for determining material subsidiaries is available on the website of the Company.**
- XXX Policy on dealing with Related Party Transactions is available on the website of the Company.**
- XXXI Company Details:**

<b>Registered Office</b>	:	<b>Village Bajra, Rahon Road, Ludhiana- 141007</b>
<b>Plant Location</b>	:	<b>Village Bajra, Rahon Road, Ludhiana- 141007</b>
<b>Address for communication</b>	:	<b>Village Bajra, Rahon Road, Ludhiana- 141007</b>

The phone numbers and e-mail addresses for communication are given below:

<b>Particulars</b>	<b>Telephone Number</b>	<b>Fax No.</b>
Registered Office: <b>Village Bajra, Rahon Road, Ludhiana- 141007</b>	+91-161-2691873	-
Corporate Office: <b>Village Bajra, Rahon Road, Ludhiana- 141007</b>	+91-161-2691873	-

As per Circular of the Securities & Exchange Board of India dated 22.01.2007, exclusive e-mail address for redressal of Investor Complaints is [psmltex@gmail.com](mailto:psmltex@gmail.com).

**On behalf of Board of Directors  
For Parmeshwari Silk Mills Limited**

**Sd/-**

**Date: 19.07.2017  
Place: Ludhiana**

**Jatinder Pal Singh  
(Whole Time Director)  
DIN: 01661864  
Add: Village Bajra, Rahon  
Road, Ludhiana-141007**



# Parmeshwari Silk Mills Limited

## **COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**

*(In terms of Regulation 34(3) and Schedule V (E) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,  
The Members,  
**Parmeshwari Silk Mills Limited**

We have examined the report of Corporate Governance presented by the Board of Directors of Parmeshwari Silk Mills Limited for the year ended **31<sup>st</sup> March, 2017** as stipulated in Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V of the same.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the company for ensuring 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 according to the information and explanation given to us, the Company has taken required steps to comply with the conditions of corporate governance, to the extent applicable and as stipulated in the aforesaid SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We state that no investor grievance is pending for the period exceeding one month against the Company as per records maintained by the Stakeholders' Relationship Committee together with the status of Investor Grievance as on SEBI SCORES Portal.

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

**Date: 19.07.2017**

**Place: Ludhiana**

**For Davinder Pal Singh & Co.**  
**(Chartered Accountant)**  
**FRN No. 007601N**

**Sd/-**  
**(Inderjit Kaur)**  
**Partner**  
**M. No. 500143**

# Parmeshwari Silk Mills Limited

## CEO/CFO CERTIFICATION

I, **Sukhdev Singh, being CFO, of Parmeshwari Silk Mills Limited** do hereby confirm and certify that:

1. I have reviewed the financial statements and the cash flow statement for the financial year and that to the best of my knowledge and belief:
  - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b. these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. there are, to the best of my knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
3. I accept responsibility for establishing and maintaining internal control for financial reporting and have evaluated the effectiveness of internal control system of the listed entity pertaining to financial reporting and have disclosed to the auditor along with the audit committee, deficiencies in the design or operation of such internal control(s), if any, of which I am aware and the steps I have taken or proposed to take to rectify these deficiencies.
4. during the year under reference:
  - a. there were no significant changes in internal control system over financial reporting;
  - b. there were no significant changes in accounting policies and that the same have been disclosed in the notes to the financial statements; and
  - c. there were no instance(s) of significant fraud involved therein, if any, of which the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

**For Parmeshwari Silk Mills Limited**

**Sd/-  
(Sukhdev Singh)  
Chief Financial Officer**

## COMPLIANCE WITH CODE OF CONDUCT

I, **Jatinder Pal Singh, Whole Time Director** of the Company, hereby certify that all the Directors and Senior Management Personnel have affirmed compliance with the code of the conduct of the company for the financial year ended on March 31, 2017.

**Date: 19.07.2017  
Place: Ludhiana**

**Sd/-  
Jatinder Pal Singh  
Whole Time Director**

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

We submit herewith the “Management Discussion and Analysis Report” on the business of the Company as applicable to the extent relevant.

### **TEXTILE INDUSTRY IN INDIA- STRUCTURE AND DEVELOPMENT**

India's textile sector is one of the oldest industries in Indian economy dating back several centuries. Even today, textiles sector is one of the largest contributors to India's exports. The textile industry is also labor intensive and is one of the largest employer. The textile industry has two broad segments. First, the unorganized sector consists of handloom, handicrafts and sericulture, which are operated on a small scale and through traditional tools and methods. The second is the organized sector consisting of spinning, apparel and garments segment which apply modern machinery and techniques such as economies of scale.

India was the largest producer of cotton in 2016-17. India accounts for good percentage of the world's production of textile fibres & yarns (largest producer of jute, 2<sup>nd</sup> largest producer of silk & cotton & 3<sup>rd</sup> largest in cellulosic fibre). Fabric production in the country rose to millions in FY 2017. The industry is the second largest employer after agriculture, providing employment to over millions of people directly and indirectly. The Indian Textile Industry contributes a good percentage to India's Gross Domestic Product (GDP), and overall Index of Industrial Production (IIP).

The Indian Textiles Industry has an overwhelming presence in the economic life of the country. Apart from providing one of the basic necessities of life, the textiles industry also plays a vital role through its contribution to industrial output, employment generation, and the export earnings of the Country.

### **OPPORTUNITIES**

The most significant change in the Indian textile industry has been the advent of man-made fibres (MMF). India has successfully placed its innovative range of MMF textiles in almost all the countries across the globe. The future outlook for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade.

Opportunities available to the Company in the present scenario, which can be seized for the benefit of the Company and ultimately to the stakeholders, can be summarized as under:

1. As of November 2016, the government has extended the duty drawback facility on all textile products & increased the rates in some cases for 1 year to boost exports in the sector.
2. In the Union budget, a good amount has been allocated to the Ministry of Textiles in order to support various schemes covering the textile industry.
3. India's home textile industry is expected to expand at a Compound Annual Growth Rate (CAGR) Indian home textile industry (USD billion) of 8.3 per cent during 2014–21 to USD 8.2 billion in 2021 from USD 4.7 billion in 2014.
4. Capacity built over years has led to low cost of production per unit in India's textile industry; this has lent a strong competitive advantage to the country's textile exporters relative to key global peers.
5. India's growing population has been a key driver of textile consumption growth in the country.
6. The Indian textile industry is set for strong growth, buoyed by both strong domestic consumption as well as export demand
7. The sector is expected to reach USD 226 billion by FY-2023
8. Population is expected to reach to 1.34 billion by FY-2019
9. Urbanization is expected to support higher growth due to change in fashion & trends.

*Some of initiatives taken by government to further promote the industry are as under:*

1. Subsidies on machinery and infrastructure:
  - a) The Revised Restructured Technology Upgradation Fund Scheme (RRTUFS) covers manufacturing of major machinery for technical textiles for 5 per cent interest reimbursement and 10 per cent capital subsidy in addition to 5 per cent interest reimbursement also provided to the specified technical textile machinery under RRTUFS.
  - b) Under the Scheme for Integrated Textile Parks (SITP), the Government of India provides assistance for creation of infrastructure in the parks to the extent of 40 per cent with a limit up to Rs 40 crore (US\$ 6 million). Under this scheme the technical textile units can also avail its benefits.
  - c) The major machinery for production of technical textiles receives a concessional customs duty list of 5 per cent.

## THREATS

Based on review of the textile market situation and level of rivalry present in the domestic market, following threats might be present in the market, which can hinder growth of the revenue of the Company:

1. Intense competition between established brands and private label brands.
2. 100 per cent FDI (automatic route) is allowed in the Indian textile sector.
3. Low cost substitute products from countries like Pakistan and Bangladesh.
4. Significant presence of small suppliers has reduced the bargaining power.
5. Major clothing brands have better bargaining power over textile manufacturers, as the product differentiation is low and numbers of players are high and fragmented.

## DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The financial statements have been prepared in accordance with the requirements of the Companies Act, 2013 and applicable accounting standards issued by the Institute of Chartered Accountants of India. The details of the financial performance of the Company are appearing in the Balance Sheet, Profit & Loss Accounts and other financial statements forming part of this annual report.

## INTERNAL CONTROL SYSTEM

Given the magnitude and nature of its business, the Company has maintained sound and commercial practice with an effective internal control system. The system ensures that all transactions are authorized, recorded and reported correctly to safeguard the assets of the Company and protect them from any loss due to unauthorized use or disposition. The adequate internal information system is in place to ensure proper information flow for the decision-making process. The Company also has well-established processes and clearly defined roles and responsibilities for people at various levels. The control mechanism also involves well documented policies, authorization guidelines commensurate with the level of responsibility and standard operating procedures specific to the respective businesses, adherence to which is strictly ensured. Internal audit is carried out frequently to create awareness and to take corrective actions on the respective units or areas, which need rectification. These reports are then reviewed by the management team and the Audit Committee for follow-up action.

## HUMAN RESOURCE DEVELOPMENT

The Company regards its human resources as amongst its most valuable assets and proactively reviews policies and processes by creating a work environment that encourages initiative, provides challenges and opportunities and recognizes the performance and potential of its employees attracting and retaining the best manpower available by providing high degree of motivation.

Your Company believes in trust, transparency & teamwork to improve employees productivity at all levels.

## CAUTIONARY STATEMENT

The management discussion and analysis report containing your Company's objectives, projections, estimates and expectation may constitute certain statements, which are forward looking within the meaning of applicable laws and regulations. The statements in this management discussion and analysis report could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operation include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in the governmental regulations, tax regimes, forex markets, economic developments within India and the countries with which the Company conducts business and other incidental factors

**On behalf of the Board of Directors  
For Parmeshwari Silk Mills Limited**

**Date: 19.07.2017**

**Place: Ludhiana**

**Sd/-  
(Jatinder Pal Singh)  
Whole Time Director  
DIN: 01661864**

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF PARMESHWARI SILK MILLS LIMITED

#### Report on the Financial Statements

We have audited the accompanying financial statements of PARMESHWARI SILK MILLS LIMITED ("the company"), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017.
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

#### Report on other Legal and Regulatory Requirements

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 appears from our examination of those books (and proper returns adequate for the purposes of our audit have been received from the branches not visited by us)

## Parmeshwari Silk Mills Limited

c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.

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 written representations received from the directors as on 31 March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017, from being appointed as a director in terms of Section 164(2) of the Act.

h) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.

iii. There were no amounts which required to be transferred, to the Investor Education and Protection Fund by the Company.

FOR DAVINDER PAL SINGH & CO

Chartered Accountants

Firm Reg. No. 007601N

Sd/-

(INDERJIT KAUR)

PARTNER

Membership No. 500143

Place: Ludhiana

Dated: 30.05.2017

# Parmeshwari Silk Mills Limited

## Annexure to the Auditors' Report

The Annexure referred to in our report to the members of PARMESHWARI SILK MILLS LIMITED, the Company') for the year Ended on 31<sup>st</sup> March, 2017. We report that:

S.No.	Particulars	Auditors Remark
(i)	(a) whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;	Yes
	b) whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;	Yes
	(c) whether the title deeds of immovable properties are held in the name of the company. If not, provide the details thereof;	Yes
(ii)	whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, whether they have been properly dealt with in the books of account;	Yes
(iii)	whether the company has 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. If so,	No
	(a) whether the terms and conditions of the grant of such loans are not prejudicial to the company's interest;	-
	(b) whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular;	-
	(c) if the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest;	-
(iv)	in respect of loans, investments, guarantees, and security whether provisions of section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provide the details thereof.	Yes

## Parmeshwari Silk Mills Limited

(v)	in case, the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable, have been complied with? If not, the nature of such contraventions be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?	No
(vi)	Whether maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and whether such accounts and records have been so made and maintained.	No
(vii)	(a) whether the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated;	Yes
	(b) where dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not be treated as a dispute).	N.A
(viii)	whether the company has defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders? If yes, the period and the amount of default to be reported (in case of defaults to banks, financial institutions, and Government, lender wise details to be provided).	No
(ix)	Whether moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised. If not, the details together with delays or default and subsequent rectification, if any, as may be applicable, be reported;	Yes
(x)	whether any fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year; If yes, the nature and the amount involved is to be indicated;	No
(xi)	Whether managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act? If not, state the amount involved and steps taken by the company for securing refund of the same;	Yes



## Parmeshwari Silk Mills Limited

(xii)	whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1: 20 to meet out the liability and whether the Nidhi Company is maintaining ten per cent unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability;	N.A
(xiii)	whether all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;	Yes
(xiv)	Whether the company has made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised. If not, provide the details in respect of the amount involved and nature of non-compliance;	No
(xv)	Whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act, 2013 have been complied with	No
(xvi)	Whether the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained.	N.A

For Davinder Pal Singh & Co.  
Chartered Accountants  
Firm Registration No. 007601N

Sd/-  
INDERJIT KAUR  
Partner

Membership No: 500143

Date: 30-05-2017

Place: Ludhiana

# Parmeshwari Silk Mills Limited

## BALANCE SHEET AS ON 31.03.2017

	Particulars	Refer Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
	1	2	3	4
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>1 Shareholders' funds</b>			
	(a) Share capital	1	2,55,71,000.00	2,74,00,000.00
	(b) Reserves and surplus	2	9,77,55,416.76	8,38,40,979.09
	(c) Money received against share warrants	-	-	-
<b>2</b>	<b>Share application money pending allotment</b>			
<b>3</b>	<b>Non-current liabilities</b>			
	(a) Long-term borrowings	3	25,49,21,805.41	15,15,09,955.36
	(b) Deferred tax liabilities (Net)	-	1,34,99,892.14	1,12,80,603.00
	(c) Other Long term liabilities	4	-	-
	(d) Long-term provisions	5	-	-
<b>4</b>	<b>Current liabilities</b>			
	(a) Short-term borrowings	6	28,77,03,908.17	23,34,47,437.28
	(b) Trade payables	7	12,45,54,713.18	14,63,42,446.35
	(c) Other current liabilities	8	3,73,15,326.42	2,29,46,160.19
	(d) Short-term provisions	9	1,58,97,504.36	1,47,21,892.06
	<b>TOTAL</b>		<b>85,72,19,566.44</b>	<b>69,14,89,473.33</b>
<b>II.</b>	<b>ASSETS</b>			
	<b>Non-current assets</b>			
<b>1</b>	(a) Fixed assets			
	(i) Tangible assets	10	28,32,11,687.65	17,16,75,159.29
	(ii) Intangible assets		-	-
	(iii) Capital work-in-progress		-	-
	(iv) Intangible assets under development		-	-
	(b) Non-current investments	11		
	(c) Deferred tax assets (net)			
	(d) Long-term loans and advances	12	33,47,449.00	28,09,576.00
	(e) Other non-current assets	13	-	-
<b>2</b>	<b>Current assets</b>			
	(a) Current investments	14		
	(b) Inventories	15	26,57,08,901.00	27,35,71,175.00
	(c) Trade receivables	16	25,82,94,014.71	22,81,68,634.96
	(d) Cash and cash equivalents	17	1,81,24,370.60	88,71,488.60
	(e) Short-term loans and advances	18	1,16,37,400.00	52,51,882.00
	(f) Other current assets	19	1,68,95,743.48	11,41,557.48
	<b>TOTAL</b>		<b>85,72,19,566.44</b>	<b>69,14,89,473.33</b>

**For Parmeshwari Silk Mills Limited**

This is the balance sheet subject to our report of even date

Sd/-  
Jatinder Pal Singh  
Whole Time Director  
DIN: 01661864

Sd/-  
Kuljeet Kaur  
Whole Time Director  
DIN: 01661755

For Davinder Pal Singh & Co.  
Chartered Accountants

Sd/-  
Deshbir Singh  
Chief Financial Officer

Sd/-  
Abhishek Bhargav  
Company Secretary

Sd/-  
INDERJIT KAUR  
(Partner)  
M.NO 500143  
FRN NO 007601N

Place Ludhiana  
Date 30.05.2017

# Parmeshwari Silk Mills Limited

## Statement of Profit & Loss for the Year Ending 31.03.2017

	Particulars	Refer Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I.	Revenue from operations	20	93,61,62,089.00	82,97,50,470.00
II.	Other income	21	11,95,227.08	19,01,291.86
	Profit on sale of Asset		50,000.00	-
III.	<b>Total Revenue (I + II)</b>		93,74,07,316.08	83,16,51,761.86
IV.	Expenses:			
	Cost of materials consumed	22	44,57,86,649.03	40,51,09,637.94
	Purchases of Stock-in-Trade			
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade		1,42,92,138.00	(79,72,119.00)
	Employee benefits expense	23	3,32,70,705.00	2,63,73,882.00
	Manufacturing expenses	24	30,98,48,111.00	27,77,66,059.50
	Finance costs	25	4,85,96,784.90	5,09,09,110.22
	Depreciation and amortization expense		1,41,50,219.62	1,34,13,570.37
	Repair & Maintainance	26	1,36,39,420.64	1,39,83,307.00
	Office & Administration Expenses	27	1,82,78,204.96	1,44,40,525.28
	Selling & Distribution Expenses	28	2,48,70,477.79	2,15,20,993.49
	<u>Other expenses</u>			
	Loss on Sale of Assets		2,10,953.33	84,272.00
	Total expenses		92,29,43,664.27	81,56,29,238.80
V.	<b>Profit before exceptional and extraordinary items and tax (III-IV)</b>		1,44,63,651.81	1,60,22,523.06
VI.	Exceptional items			
VII.	<b>Profit before extraordinary items and tax (V - VI)</b>		1,44,63,651.81	1,60,22,523.06
VIII.	Extraordinary Items			
	Insurance Claim		21,10,866.00	-
	Loss Of Flood and Fire Stock		-	24,87,386.00
IX.	<b>Profit before tax (VII- VIII)</b>		1,65,74,517.81	1,35,35,137.06
X	Tax expense:			
	(1) Current tax		33,79,354.00	27,57,580.00
	(2) Prior Period Tax		77,437.00	81,800.00
	(3) Current year Defferred Tax Liability		22,19,289.14	13,08,631.97
XI	<b>Profit (Loss) for the period from continuing operations (VII-VIII)</b>		1,08,98,437.67	93,87,125.09
XII	Profit/(loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	<b>Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>		1,08,98,437.67	93,87,125.09
XV	<b>Profit (Loss) for the period (XI + XIV)</b>		1,08,98,437.67	93,87,125.09
XVI	Earnings per equity share:			
	(1) Basic		4.26	2.97
	(2) Diluted			

**For Parmeshwari Silk Mills Limited**

This is the balance sheet subject to our report of even date

Sd/-  
Jatinder Pal Singh  
Whole Time Director  
DIN: 01661864

Sd/-  
Kuljeet Kaur  
Whole Time Director  
DIN: 01661755

Sd/-  
Deshbir Singh  
Chief Financial Officer

Sd/-  
Abhishek Bhargav  
Company Secretary

For Davinder Pal Singh & Co.  
Chartered Accountants

Sd/-  
INDERJIT KAUR  
(Partner)  
M.NO 500143  
FRN NO 007601N

Place Ludhiana  
Date 30.05.2017

# Parmeshwari Silk Mills Limited

## CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2017

	As at 31.03.2017	As at 31.03.2016
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and extra ordinary items	1,44,63,651.81	1,60,22,523.06
Adjustment for :		
Depreciation	1,41,50,219.62	1,34,13,570.37
Hire income	-	-
Profit/loss on sale of assets	1,60,953.33	84,272.00
Brokerage	-	-
Interest received	(5,54,934.00)	(30,867.00)
Balance w/off	-	-
Interest paid	4,85,96,784.90	4,99,18,150.99
<b>Operating profit before working capital changes</b>	<u>7,68,16,675.66</u>	<u>7,94,07,649.42</u>
<b>Adjustment for Working Capital :</b>		
Increase / Reduction in inventory	78,62,274.00	(1,91,17,472.00)
(Increase) / Reduction Trade receivables	(5,01,54,217.75)	2,55,74,158.02
Increase / (Reduction) Trade payables	(62,42,954.64)	1,19,15,689.66
Cash flow before extra ordinary items	<u>2,82,81,777.27</u>	<u>9,77,80,025.10</u>
Provision Tax	34,56,791.00	28,39,380.00
<b>Net cash flow from operating activities</b>	<u>2,48,24,986.27</u>	<u>9,49,40,645.10</u>
<b>B. CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Intt received	5,54,934.00	30,867.00
Hire income	-	-
Brokerage	-	-
Sale of Fixed Assets	5,28,312.00	12,59,500.00
Purchase of Fixed Assets	(12,63,76,013.31)	(2,13,07,381.37)
Call in Arrears	-	-
Purchase of Current Investment	-	-
Sale proceeds of Investment	-	-
Net cash flow from investing activities	<u>(12,52,92,767.31)</u>	<u>(2,00,17,014.37)</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase/(Repayment) Loan of Financial Institutions	10,34,11,850.05	17,53,201.50
Income / (Repayment) of Short Term Advances	5,42,56,470.89	(1,79,25,462.20)
Increase/ Reduction of other creditors	-	-
Increase/ Reduction of Long Term Advances	(5,37,873.00)	(7,10,895.00)
Interest paid to Financial Institutions	(4,85,96,784.90)	(4,99,18,150.99)
Call money received	11,87,000.00	4,500.00
<b>Net cash flow from financing activities</b>	<u>10,97,20,663.04</u>	<u>(6,67,96,806.69)</u>
Net Increase/(decrease) in cash and cash equivalents (A+B+C)	92,52,882.00	81,26,824.04
Opening Cash and cash equivalents	<u>88,71,488.60</u>	<u>7,44,664.56</u>
<b>Closing Cash and cash equivalents</b>	<u>1,81,24,370.60</u>	<u>88,71,488.60</u>

**For Parmeshwari Silk Mills Limited**

Sd/-  
Jatinder Pal Singh  
Whole Time Director  
DIN: 01661864

Sd/-  
Kuljeet Kaur  
Whole Time Director  
DIN: 01661755

Sd/-  
Deshbir Singh  
Chief Financial Officer

Sd/-  
Abhishek Bhargav  
Company Secretary

Place Ludhiana  
Date 30.05.2017

This is the balance sheet subject to our report of even date

For Davinder Pal Singh & Co.  
Chartered Accountants

Sd/-  
INDERJIT KAUR  
(Partner)  
M.NO 500143  
FRN NO 007601N

# Parmeshwari Silk Mills Limited

**Note 1 Disclosure regarding Share Capital**

**Note (1) Disclosure pursuant to Note no. 6(A)(a,b & c) of Part I of Schedule VI to the Companies Act, 2013**

<u>Share Capital</u>	As at 31.03.2017		As at 31.03.2016	
	Number	Amount	Number	Amount
<b>Authorised</b>				
3500000 Equity Shares of Rs. 10 each	35,00,000	3,50,00,000.00	35,00,000	3,50,00,000.00
<b>Issued</b>				
Equity Shares of Rs. 10 each				
<b>Subscribed &amp; Paid up</b>				
Equity Shares of Rs. 10 each Fully paid up	2557100.00	2,55,71,000.00	23,19,700	2,31,97,000.00
<b>Subscribed but not fully Paid up</b>				
Equity Shares of Rs. 5 each		-	8,40,600	42,03,000.00
<b>Total</b>	25,57,100	2,55,71,000.00	31,60,300	2,74,00,000.00

**Note (ii) Disclosure pursuant to Note no. 6(A)(d) of Part I of Schedule VI to the Companies Act, 2013**

(Figures in ` and Numbers)

<u>Particular</u>	Equity Share		Preference Share	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	25,57,100	2,55,71,000.00	-	-
Shares Issued during the year	-	-		
Shares bought back during the year	-	-		
Shares outstanding at the end of the year	25,57,100	2,55,71,000.00	-	-

**Note (iii)** As there is no right, preferences or restrictions attaching to any class of shares including restrictions on the distribution of dividend and the repayment of capital, the disclosure to Note no.6(A)(e) of Part I of Schedule VI to the Companies Act, 2013 is not required.

**Note (iv)** As there is no shares held by any company, disclosure pursuant to Note no. 6(A)(f) of Part I of

**Note (v)** Schedule VI to the Companies Act, 2013 is not required.

Disclosure pursuant to Note no. 6(A)(g) of Part I of Schedule VI to the Companies Act, 2013

<u>Particular</u>	As at 31.03.2017		As at 31.03.2016	
	No. of Shares Held	% of holding	No. of Shares Held	% of holding
Jatinder Pal Singh	3,93,067	15.37	3,93,067	12.44
Prabhpreet Kaur	1,61,113	6.30	1,61,113	5.10
Asees Singh	1,55,000	6.30	1,55,000	4.90
Ajinder Pal Singh	1,39,255	5.45	1,39,255	4.40
Maan Silk Mills Pvt. Ltd	2,40,000	9.39	2,40,000	7.59
Sanjeev Singh	-	-	1,98,900	6.29

**Note(iv)** As there are no rights reserved for issue under options and contracts/commitments for the sale of shares/disinvestment, including the terms and amounts, no disclosure to Note no. 6(A)(h) is required.

“Disclosure pursuant to Note no. 6(A)(i) of Part I of Schedule VI to the Companies Act, 2013 “

## Parmeshwari Silk Mills Limited

**Note (vii)** As there are no rights reserved for issue under options and contracts/commitments for the sale of shares/disinvestment, including the terms and amounts, no disclosure to Note no. 6(A)(h) is required.

“Disclosure pursuant to Note no. 6(A)(i) of Part I of Schedule VI to the Companies Act, 2013”

<b>Particulars</b>	<b>Year (Aggregate No. of Shares)</b>				
	<b>2016-17</b>	<b>2014-15</b>	<b>2013-14</b>	<b>2012-13</b>	<b>2011-12</b>
Equity Shares :					
Fully paid up pursuant to contract(s) without payment being received in cash	N.A	N.A	N.A	N.A	N.A
Fully paid up by way of bonus shares	N.A	N.A	N.A	N.A	N.A
Shares bought back	N.A	N.A	N.A	N.A	N.A

**Note (viii)** As there is are no terms of any securities convertible into equity/preference shares issued along with the earliest date of conversion in descending order

**Note (ix)** Disclosure pursuant to Note no. 6(A)(k) of Part I of Schedule VI to the Companies Act, 2013

### **Unpaid Calls**

### **Amt (Rs)**

By Directors

-

By Officers

-

**Note (ix)** 603200 shares with Rs 5 paid up were forfeited

### **Note 2 Disclosure regarding Reserve and Surplus**

**Note (i)** Disclosure pursuant to Note no. 6(B) of Part I of Schedule VI to the Companies Act, 2013

<b>Reserves &amp; Surplus</b>	<b>As at 31.03.2017</b> ₹	<b>As at 31.03.2016</b> ₹
<b>a. Capital Reserves</b>		
Opening Balance	-	-
(+) Current Year Transfer		
Share forfeiture Reserve	30,16,000.00	-
(-) Written Back in Current Year		
Closing Balance	30,16,000.00	-
<b>b. Capital Redemption Reserve</b>		
Opening Balance	-	-
(+) Current Year Transfer		
(-) Written Back in Current Year		
Closing Balance	-	-
<b>c. Securities Premium Account</b>		
Opening Balance	-	-
Add : Securities premium credited on Share issue		
Less : Premium Utilised for various reasons		
Premium on Redemption of Debentures		
For Issuing Bonus Shares		
Closing Balance	-	-
<b>d. Debenture Redemption Reserve</b>		
Opening Balance	-	-
(+) Current Year Transfer		
(-) Written Back in Current Year		

## Parmeshwari Silk Mills Limited

	Closing Balance	-	-
<b>e.</b>	<b>Revaluation Reserve</b>		
	Opening Balance	-	
	(+) Current Year Transfer		
	(-) Written Back in Current Year		
	Closing Balance	-	-
<b>f.</b>	<b>Share Options Outstanding Account</b>		
	Opening Balance	-	
	(+) Current Year Transfer		
	(-) Written Back in Current Year		
	Closing Balance	-	-
<b>g.</b>	<b>Depreciation Reserves</b>		
	Opening Balance		
	(+) Current Year Transfer		
	(-) Written Back in Current Year		
	Closing Balance	-	-
<b>h.</b>	<b>Subsidy Reserve</b>	40,36,700.00	40,36,700.00
<b>i.</b>	<b>Surplus</b>		
	Opening Balance	7,98,04,279.09	7,04,17,154.00
	(+) Net Profit/(Net Loss) For the current year	1,08,98,437.67	93,87,125.09
	(+) Transfer from Reserves		
	(-) Proposed Dividends		
	(-) Interim Dividends		
	(-) Transfer to Reserves	-	-
	Closing Balance	9,07,02,716.76	7,98,04,279.09
	<b>Total</b>	<b>9,77,55,416.76</b>	<b>8,38,40,979.09</b>

## Parmeshwari Silk Mills Limited

Note 3 Disclosure regarding Long Term Borrowings

Note (i) Disclosure pursuant to Note no. 6(C) of Part I of Schedule VI to the Companies Act, 2013

<b>Long Term Borrowings</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>
<u>Secured</u>		
(a) Bonds/debentures		
(b) Term loans (List-A)		
From banks	10,54,69,312.53	4,36,46,325.16
From other parties	-	-
(c) Deferred payment liabilities	-	-
(d) Deposits	-	-
(e) Loans and advances from related parties	-	-
(f) Long term maturities of finance lease obligations	-	-
(g) Other loans and advances (specify nature)	-	-
HDFC Bank	9,82,035.35	-
Volkswagent Finance Pvt. Ltd	21,60,149.43	28,16,992.53
KOTAK MAHINDRA BANK	1,17,930.00	5,18,800.00
P.N.B.NG 725	2,77,658.00	7,26,315.00
ICICI BANK	9,86,825.00	6,73,634.00
Axis bank	13,25,000.00	
less Repayable within 1 year to be classified as current liability	58,49,597.78	
	19,63,440.00	
	38,86,157.78	
<b>Total Secured Loan</b>	<b>10,93,55,470.31</b>	<b>4,83,82,066.69</b>
<u>Unsecured</u>		
(a) Bonds/debentures	-	-
(b) Term loans		
From banks & Financial Institutons (List-B)	36,29,935.63	1,54,08,387.20
From other parties (List-B)	6,87,81,589.00	4,22,51,516.00
(c) Deferred payment liabilities	-	-
(d) Deposits	-	-
(e) Loans and advances from related parties ( List B)	7,31,54,810.47	4,54,67,985.47
(f) Long term maturities of finance lease obligations	-	-
(g) Other loans and advances (specify nature)	-	-
Total Unsecured Loan	14,55,66,335.10	10,31,27,888.67
<b>Total</b>	<b>25,49,21,805.41</b>	<b>15,15,09,955.36</b>

Note 6 Disclosures regarding Short Term Borrowings

Note (i) Disclosure pursuant to Note no. 6(F) of Part I of Schedule VI to the Companies Act, 2013

<b>Short Term Borrowings</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>
<u>Secured</u>		
(a) Loans repayable on demand		
From banks		
a) Cash Credit With PNB Millerganj Ludhiana (Hypothecation OF Stock & Book Debts)	259218203.17	233447437.28



## Parmeshwari Silk Mills Limited

<b>Short Term Borrowings</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>
b) Current Instalment of long term loan	12469895.00	
From other parties	-	-
(b) Loans and advances from related parties	-	-
(c) Deposits	-	-
(d) Other loans and advances (specify nature)	-	-
	<b>27,16,88,098.17</b>	<b>23,34,47,437.28</b>
<b>Unsecured</b>		
(a) Loans repayable on demand		
From banks	1,40,52,370.00	-
From other parties	-	-\
(b) Loans and advances from related parties	-	-
(c) Deposits	-	-
(d) Other loans and advances (specify nature)	-	-
Instalment of long term loans due within 1 year as specified below	19,63,440.00	1,60,15,810.00
<b>Total</b>	<b>28,77,03,908.17</b>	<b>23,34,47,437.28</b>

<b>Note 7 Disclosures regarding Trade Payables ( as per list C)</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>
Trade Payable	12,45,54,713.18	12,19,78,897.18
<b>Total</b>	<b>12,45,54,713.18</b>	<b>12,19,78,897.18</b>

### Note 8 Disclosures regarding Other Current Liabilities

#### Note (i) Disclosure pursuant to Note no. 6(G) of Part I of Schedule VI to the Companies Act, 2013

<b>Other Current Liabilities</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>
A.K.M. ENTERPRISES PVT. LTD., LDH.	284457.25	0.00
AMANJEET KAUR	24504.00	149373.00
ASEES KAUR	12150.00	248472.00
ASEES SINGH	16955.00	3990.00
AMARJEET TRADING CO. JAL.	824020.00	792306.00
BEEKAY AGENCIES	0.00	489731.00
BEEKAY SYNTHETICS PVT.LTD.	0.00	546473.00
BISHAN KAUR & SONS	0.00	345696.00
CENTRAL DEPOSITORY SERVICES (INDIA) LTD.	0.00	3420.00
CHS.ISSUED BUT NOT YET PRESENT	32445084.68	11504861.00
DARSH PAL SINGH	0.00	13487.00
DAVINDERPAL SINGH & CO. (C.A)	63000.00	61830.00
DIPNEET KAUR	60761.36	321581.36
HARINDER KAUR	283469.00	283469.00
HARMONY FASHION LTD	428274.88	428274.88
HARVINDER KAUR	5975.00	49985.00
INDERBIR SINGH (SALARY)	399913.00	0.00
INTEREST PAYABLE (G.S.EXPORTS PVT.LTD.)	0.00	1552500.00
HARISH SETH MUMBAI	104546.00	0.00
JATINDERPAL SINGH (DIRECTOR)	9033.72	192612.92

## Parmeshwari Silk Mills Limited

KANWARDEEP KAUR	114684.01	214684.01
KANWARMANMEET SINGH	35388.00	198310.00
KARANDEEP KAUR	0.00	540640.00
KULDEEP SINGH	5975.00	49985.00
KULJIT KAUR SALARY A/CDIRECTOR	20.02	376239.02
MAHAGANAPATHI MILL	35000.00	35000.00
MANINDER SINGH ( SALARY) A/C	54726.00	202618.00
MANPREET KAUR (SALARY A/C )	461.00	89521.00
NATIONAL SECURITIES DEPOSITORY LTD	9498.00	10304.00
RAIDEEP INDUSTRIES LTD.	347789.00	347789.00
RANBIR SINGH (SALARY A/C)	32449.00	302516.00
ROSEWAY SYNTHETICS PVT. LTD.	0.00	104745.00
RAVINDER SINGH (SALARY)	249703.00	0.00
PARMINDER SINGH	78921.00	0.00
PARVIN PUNAM CHAND HUF	432554.00	0.00
PURCHASE SAMPLE PAYABLE	30900.00	0.00
SATNAM FABRICS PVT. LTD	6283.00	95827.00
S.HARDIT SINGH	267344.00	0.00
SHIRTING SHOP	0.00	824933.00
SRI KANNIMAR TEXTILE	50000.00	50000.00
SUMEET TRADERS	326434.00	326434.00
THE CALCUTA STOCK EXCHANGE LTD.	31537.50	0.00
TRIPT KNITS	237910.00	237910.00
AMAR SINGH & SONS	0.00	1950643.00
UTTAMJIT SINGH (SALARY)	5.00	0.00
DHEERAJ GUPTA M.P	1905.00	0.00
RIHANNA INDUSTRIES LDH.	3696.00	0.00
<b>Total</b>	<b>3,73,15,326.42</b>	<b>2,29,46,160.190</b>

**Note 9 Disclosures regarding Short Term Provisions**

**Note (i) Disclosure pursuant to Note no. 6(H) of Part I of Schedule VI to the Companies Act, 2013**

<b>Short Term Provisions</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>
<b>Provision for Employee Benefits</b>		
WAGES & SALARY PAYABLE	5644404.00	5835896.00
E.P.F.PAYABLE	482215.00	404095.00
E.S.I. PAYABLE	87823.00	47997.00
EMPLOYEE FAMILY PENSION PAY.	113979.00	90887.00
WELFARE COMMISSION OF PUNJAB	81450.00	67545.00
BONUS PAYABLE	4138599.00	3618996.00
LEAVE WITH WAGES PAYABLE	1840882.00	582998.00
<b>Others (Specify Nature)</b>		
PF Admin Charges	21340.00	14324.00
Electricity Exp. Payable	1491490.00	2268380.00
TDS Payable	1707077.00	1566203.00
Telephone Exp. Payable	17148.36	163874.06
Service Tax Payable	22601.00	60697.00
Provision for Tax Payable	2,48,496.00	0.00
<b>Total</b>	<b>1,58,97,504.36</b>	<b>1,47,21,892.06</b>

**DETAIL OF FIXED ASSETS**  
**DETAILS OF THE TANGIBLE ASSETS**

**Note 10**

Particulars	As On		Gross Block		Total	Depreciation Reserve			Net Block	
	01.04.2016	31.03.2017	Add. During The Year	Sale/Trf. During.		As On 01.04.2016	Written Back During The Yr	Provided During The Year	As On 01.04.2016	As On 31.03.2017
Land	2637856.50	2637856.50	0.00		2637856.50	0.00		0.00	2637856.50	2637856.50
Building	31853798.02	44064270.02	12210472.00		44064270.02	6191285.00	1069480.49	7260765.49	25662513.02	36803504.53
Building (Mann)	7457164.75	7457164.75	0.00		7457164.75	2263873.00	236392.12	2500265.12	5193291.75	4956899.63
Building Unit-iii	10344563.50	10344563.50	0.00		10344563.50	2363612.00	327922.66	2691534.66	7980951.50	7653028.84
Building Under Const.	0.00	1706955.00	1706955.00		1706955.00	0.00	0.00	0.00	0.00	1706955.00
Plant & Machinery	134661876.95	238796374.26	104923902.31	788805.00	238796374.26	32189635.05	344280.47	8661692.52	102472241.90	198289927.16
Furniture & Fixture	943665.13	943665.13			943665.13	672385.69	94439.02	768824.71	271279.44	176840.42
Cars	10336233.00	13483272.00	3649193.00	502154.00	13483272.00	2651679.01	257413.20	1299900.39	7684553.99	9789105.80
Scooters	214073.00	214073.00	0.00		214073.00	190602.10	8279.73	198881.83	23470.90	15191.17
Tempu Ace	1407057.00	1407057.00	0.00		1407057.00	342523.13	167158.37	509681.50	1064533.87	897375.50
Weight Scale	122958.00	122958.00	0.00		122958.00	45896.30	10424.16	56320.46	77061.70	66637.54
Air Compressor	539729.39	988309.39	448580.00		988309.39	319967.31	49426.13	369393.44	219762.08	618915.95
Air Coller	18400.00	18400.00	0.00		18400.00	18400.00	0.00	18400.00	0.00	0.00
Vaccum Cleaner	113970.00	113970.00	0.00		113970.00	109020.00	0.00	109020.00	4950.00	4950.00
Water Filter	109593.00	109593.00			109593.00	40481.72	8936.94	49418.66	69111.28	60174.34
Fire Extinguisher	32892.00	32892.00	0.00		32892.00	32892.00	0.00	32892.00	0.00	0.00
Computers	1501279.00	2083379.00	582100.00		2083379.00	1043209.02	247989.42	1291198.44	458069.98	792180.56
Generator	4296617.00	3321493.00	0.00	975124.00	3321493.00	2095819.47	975124.00	1379935.56	2200797.53	1941557.44
Refrigerator	169192.00	169192.00			169192.00	106420.60	9444.33	115864.93	62771.40	53327.07
Fax Machine	0.00	0.00	0.00		0.00	0.00	0.00	0.00	0.00	0.00
Air Conditioners	2845266.56	3464436.56	619170.00		3464436.56	2100451.83	146665.42	2247117.25	744814.73	1217319.31
Mobile Phones	508459.37	519459.37	11000.00		519459.37	265850.63	37993.36	303843.99	242608.74	215615.38
Transformer	440108.00	440108.00	0.00		440108.00	108706.13	41810.26	150516.39	331401.87	289591.61
Tester	47500.00	47500.00	0.00		47500.00	47500.00	0.00	47500.00	0.00	0.00
Close Circuit Camera	582670.00	1086922.00	504252.00		1086922.00	184209.21	87004.65	271213.86	398460.79	815708.14
Water Coller	134634.00	229634.00	95000.00		229634.00	61472.65	18200.09	79672.74	73161.35	149961.26
Emb.Designing software	503501.00	503501.00	0.00		503501.00	381312.50	79492.02	460804.52	122188.50	42696.48
Office Equipments	57990.00	57990.00			57990.00	19110.00	9120.00	28230.00	38880.00	29760.00
Electrical Panel	633000.00	1264000.00	631000.00		1264000.00	331058.40	67628.00	398686.40	301941.60	865313.60
Digital Textile Printer	1258965.00	1258965.00	0.00		1258965.00	349924.45	79692.48	429616.93	909040.55	829348.07
ETP Plant	6347588.00	6347588.00			6347588.00	670194.95	401802.32	1071997.27	5677393.05	5275590.73
Lab. Equipment	667831.00	717365.00	29534.00		717365.00	155908.82	67682.06	223590.88	531922.18	493774.12
Electrical Fitting	3520402.00	4193748.00	673346.00		4193748.00	709731.04	344750.19	1054481.23	2810670.96	3139266.77
Fire Fitting Equipment	430530.00	430530.00	0.00		430530.00	173109.38	81800.70	254910.08	257420.62	175619.92
Humidi Control Plant	2578202.00	2578202.00	0.00		2578202.00	348969.38	163200.19	512169.57	2229232.62	2066032.43
Television	27000.00	27000.00	0.00		27000.00	6745.11	5130.00	11875.11	20254.89	15124.89
Screen Printing Tables	904937.00	1196446.00	291509.00		1196446.00	2387.00	67521.51	69908.51	902550.00	1126537.49
<b>TOTAL</b>	<b>228269502.17</b>	<b>352379432.48</b>	<b>126376013.31</b>	<b>2266083.00</b>	<b>352379432.48</b>	<b>56594342.88</b>	<b>1576817.67</b>	<b>14150219.62</b>	<b>171675159.29</b>	<b>283211687.65</b>

## Parmeshwari Silk Mills Limited

**Note 11** As there is no non-current investments made by the company, disclosure pursuant to Note no. K (i) of Part I of Schedule VI to the Companies Act, 2013, is not required.

### Note 12 Disclosures regarding Long Term Loans & Advances

Note (i) Disclosure pursuant to Note no. L (i),(ii) and (iii) of Part I of Schedule VI to the Companies Act, 2013

<b>Long Term Loans and Advances</b>		<b>As at 31 March 2017</b>		<b>As at 31 March 2016</b>	
		₹	₹	₹	₹
a.	Capital Advances				
	Secured, considered good	-		-	
	Unsecured, considered good	-		-	
	Doubtful	-		-	
	Less: Provision for doubtful advances	-		-	
			-		-
b.	Security Deposits				
	Secured, considered good	-		-	
	Unsecured, considered good (List-D)	3347449.00		28,09,576.00	
	Doubtful	-		-	
	Less: Provision for doubtful advances	-		-	
		33,47,449.00		28,09,576.00	
c.	Loans and advances to related parties				
	Secured, considered good	-		-	
	Unsecured, considered good	-		-	
	Doubtful	-		-	
	Less: Provision for doubtful advances	-		-	
d.	Other loans and advances	-		-	
			-		-
		33,47,449.00		28,09,576.00	

**Note (ii)** Disclosure pursuant to Note no. L (iv) of Part I of Schedule VI to the Companies Act, 2013

<b>Long Term Loans &amp; Advances to Related Parties</b>	<b>As at 31 March 2017</b> ₹	<b>As at 31 March 2016</b> ₹
Directors *		
Other officers of the Company*		
Firm in which director is a partner *		
Private Company in which director is a member		
*Either severally or jointly		

## Parmeshwari Silk Mills Limited

### Note 13 Disclosure regarding other non current assets

#### Note (i) Disclosure pursuant to Note no.M (i),(ii) and (iii) of Part I of Schedule VI to the Companies Act, 2013

<u>Other Non Current Assets</u>	As at 31 March 2017		As at 31 March 2016	
	₹	₹	₹	₹
a. Long term trade receivables				
Secured, considered good	-		-	
Unsecured, considered good				
Export Incentive Receivable	-		-	
Doubtful	-		-	
Less: Provision for doubtful advances	-		-	
		-		-
b. Others				
Secured, considered good	-		-	
Unsecured, considered good	-		-	
Doubtful	-		-	
Less: Provision for doubtful advances	-		-	
		-		-
c. Debts due by related parties				
Secured, considered good	-		-	
Unsecured, considered good	-		-	
Doubtful	-		-	
Less: Provision for doubtful advances	-		-	

#### Note (ii) Disclosure pursuant to Note no. M (iii) (iii) of Part I of Schedule VI to the Companies Act, 2013

<u>Other Non Current Assets</u>	As at 31 March 2017	As at 31 March 2016
Directors *		
Other officers of the Company*		
Firm in which director is a partner *		
Private Company in which director is a member		
*Either severally or jointly		

#### Note 14 As there is no current investments made by the company, disclosure pursuant to Note no.N (i) and (ii) of Part I of Schedule VI to the Companies Act, 2013, is not required

## Parmeshwari Silk Mills Limited

### Note 15 Disclosures regarding Inventories

Note (i) Disclosure pursuant to Note no.O (i), (ii) and (iii) of Part I of Schedule VI to the Companies Act,

	<u>Inventories</u>	As at		As at	
		31 March 2017		31 March 2016	
		₹	₹	₹	₹
a.	<b>Raw Materials and components</b> (Valued at Cost or NRV which ever is lower)	3,93,13,137.00		3,27,33,273.00	
	Goods-in transit	-			
			3,93,13,137.00	3,27,33,273.00	
b.	Work-in-progress	8,64,35,473.00		7,29,09,354.00	
	Goods-in transit	-	8,64,35,473.00	7,29,09,354.00	
c.	Finished good (Valued at Cost or NRV which ever is lower)	13,60,85,291.00		16,39,03,548.00	
	Goods-in transit	-	13,60,85,291.00	16,39,03,548.00	
d.	Stock-in-trade	-			
	Goods-in transit	-	-	-	
e.	Stores and spares		2150000.00	2400000.00	
	Goods-in transit	-	-	21,50,000.00	24,00,000.00
f.	Loose Tools	-	-	-	
	Goods-in transit	-	-	-	-
g.	<b>Others ( Valued at Cost )</b>				
	Store E.T.P.	0.00		50000.00	
	Store Printing Material	725000.00		500000.00	
	Store Boiler	50000.00		25000.00	
	Store Sizing	500000.00		350000.00	
	Store Embroidery	300000.00		350000.00	
	STORE PACKING MATERIAL	150000.00		350000.00	
			17,25,000.00	16,25,000.00	
	<b>Total</b>	<b>26,57,08,901.00</b>		<b>27,35,71,175.00</b>	

### Note 16 Disclosures regarding Trade Receivables

Note (i) Disclosure pursuant to Note no.P (i), (ii) (iii) and (iv) of Part I of Schedule VI to the Companies Act, 2013

Trade Receivables	As at 31 March 2017	As at 31 March 2016
<b>Trade receivables outstanding for a period less than six months from the date they are due for payment</b>		
Secured, considered good	-	
Unsecured, considered good (list E)	255296304.71	224279271.20
secured, considered Doubtful	-	-
<b>Less: Provision for doubtful advances</b>	-	
	<b>255296304.71</b>	<b>224279271.20</b>

## Parmeshwari Silk Mills Limited

### Trade receivables outstanding for a period exceeding six months from the date they are due for payment

	As at 31 March 2017	As at 31 March 2016
Secured, considered good	-	
Unsecured, considered good (list E)	2997710.00	3889363.70
Unsecured, considered Doubtful	-	-
Less: Provision for doubtful advances	-	-
	2997710.00	3889363.70
<b>Total</b>	<b>258294014.71</b>	<b>228168634.90</b>

### Trade Receivable stated above include debts due by:

<u>Particulars</u>	As at 31 March 2017	As at 31 March 2016
Directors *		
Other officers of the Company *		
Firm in which director is a Proprietor *	9667558.00	0.00
Private Company in which director is a member	96,67,558.00	0.00
*Either severally or jointly		

### Note 17 Disclosures regarding Cash balance, Bank balance, Cash equivalents & other Bank deposits

#### Note (i) Disclosure pursuant to Note no.O (i), (ii) and (iii) of Part I of Schedule VI to the Companies Act, 2013

<u>Cash &amp; Cash Equivalents</u>	As at 31 March 2016	As at 31 March 2016
<b><u>Cash &amp; Cash Equivalent</u></b>		
<b>Balances with banks</b>		
P.N.B. A/C 2177381 LDH.	11940.59	8047164.02
P.N.B. C/A. 20320/10 (Delhi)	6076.85	6076.85
S.B.I. Mumbai (DBK)	7651.50	8284.00
S.B.I. C/A (Ldh)	29436.50	30184.00
P.N.B. FDRS	17201592.00	371960.00
Cash in hand	867673.16	407819.73
<b>Total</b>	<b>1,81,24,370.60</b>	<b>88,71,488.60</b>

### Short-term loans and advances

#### Note 18(a) Disclosure pursuant to Note no.R (i), (ii) and (iii) of Part I of Schedule III to the Companies Act, 2013

Short-term loans and advances	As at 31 March 2017		As at 31 March 2016	
	₹	₹	₹	₹
<b>a. Loans and advances to related parties</b>				
Secured, considered good	0.00		0.00	
Unsecured, considered good	0.00		5,35,821.00	
Doubtful	0.00		0.00	
Less: Provision for doubtful loans and advances	0.00		0.00	
	-		5,35,821.00	
<b>b. Others (specify nature)</b>				
Secured, considered good				
Advance against Machinery				
ASIA CRANES PVT. LTD	119306.00		0.00	
B.R.C.ENTERPRISES	161160.00		0.00	
BEE ESS TEXTILES	50000.00		0.00	

## Parmeshwari Silk Mills Limited

LEO POWER	500000.00		0.00	
MAHLO GMB+CO.	336150.00		0.00	
SANCHEM FABRIC LTD			5,00,000.00	
Unsecured, considered good (LIST F)	1,04,70,784.00		42,16,061.00	
Doubtful		1,16,37,400.00		47,16,061.00
		1,16,37,400.00		52,51,882.00

### Note 19 As per Point No. 6S of General Instructions for Preparation of Balance Sheet

S.	Other current assets	2017	2016
1	Cheque Deposited but not yet passed	12458068.00	0.00
2	VAT Input ( Yarn)	56158.00	172235.00
3	VAT Input (Emb.Yarn)	1847.00	14548.00
4	VAT Input Capital Goods	687890.00	86792.00
5	Advance Tax (VAT)	1323730.00	663280.00
6	Advance Tax-II(VAT)	60550.48	53971.48
7	Pre-Paid AMC Exp.	29491.00	14694.00
8	Insurance claim recievable	2110866.00	0.00
9	Pre-Paid Isurance Exp.	167143.00	136037.00
	<b>Total</b>	<b>16895743.48</b>	<b>1141557.48</b>

### Note 20 Disclosures regarding Revenue from Operations

#### Note (i) Disclosure pursuant to Note no. 2 of Part II of Schedule III to the Companies Act, 2013

<u>Revenue from Operations</u>	For the year ended 31 March 2017	For the year ended 31 March 2016
Sale Domestic	893449712.93	781811617.18
Sales Export	1628522.85	0.00
Job Work	41083853.22	47938852.82
Less: Excise duty	-	-
<b>Total</b>	<b>936162089.00</b>	<b>829750470.00</b>

### Note 21 Disclosures regarding Other income, accruing other than from business operations.

#### Note (i) Disclosure pursuant to Note no. 4 of Part II of Schedule III to the Companies Act, 2013

<u>Other Income</u>	For the year ended 31 March 2017	For the year ended 31 March 2016
Interest Income on FDR	554934.00	30867.00
Rent	240000.00	240000.00
Rebate & Discount	0.00	728085.50
Misc. Income	52170.00	0.00
Interest Received (Others)	1960.00	705216.00
Claim received	227105.08	47242.36
Export Inventive	52013.00	97093.00
Exchange Rate Diff.	67045.00	52788.00
<b>Total</b>	<b>1195227.08</b>	<b>1901291.86</b>



# Parmeshwari Silk Mills Limited

## Note 22

PARTICULARS	FOR THE YEAR 2017 31.03.2017	FOR THE YEAR 2016 31.03.2016
<b><u>Changes in inventories of finished goods work-in-progress and Stock-in-Trade</u></b>		
Opening Stock		
Raw Material	32733273.00	22221920.00
Work in Process	72909354.00	58919756.00
Finished Goods	163903548.00	169921027.00
	269546175.00	251062703.00
Less: Closing Stock		
<b><u>Certified by directors</u></b>		
Raw Material	39313137.00	32733273.00
Work in Process	86435473.00	72909354.00
Finished Goods	136085291.00	163903548.00
	<b>261833901.00</b>	<b>269546175.00</b>
Increase/ Decrease	14292138.00	-7972119.00
Purchases		
Purchases Yarn	108612381.14	117828049.60
Purchases Grey Cloth	106638291.14	102417525.00
Purchases Fabrics	215478068.75	169650807.50
Purchase Emb.Yarn	8919234.00	7030172.00
Purchase Printing Paper	12718538.00	18694436.84
	452366513.03	415620990.94
<b>Raw Material Consumed</b>	<b>445786649.03</b>	<b>405109637.94</b>
<b>PARTICULAR</b>	<b>CURRENT YEAR</b>	<b>PREVIOUS YEA</b>
	<b>31.03.2017</b>	<b>31.03.2016</b>
Opening Stock	32733273.00	25062837.00
Purchases Yarn	117828049.60	138619623.80
Purchases Grey Cloth	102417525.00	150863251.00
Purchases Fabrics	169650807.50	147382411.88
Purchase Emb.Yarn	7030172.00	11117161.00
Purchase Printing Paper	18694436.84	12503158.00
<b>SUB TOTAL</b>	<b>448354263.94</b>	<b>485548442.68</b>
Less :1. Closing Stock Yarn	15371662.00	4308248.00
2.Closing Stock Emb.Yarn	2641823.00	3171916.00
3. Closing Stock Printing Paper	21299652.00	14741756.00
<b>SUB TOTAL</b>	<b>39313137.00</b>	<b>22221920.00</b>
<b>GRAND TOTAL</b>	<b>409041126.94</b>	<b>463326522.68</b>

# Parmeshwari Silk Mills Limited

## Note 23

	<b>CURRENT YEAR</b>	<b>PREVIOUS YEAR</b>
<b>EMPLOYEE BENEFIT EXPENSE</b>	<b>31.03.2017</b>	<b>31.03.2016</b>
Salary & Allowance	21878947.00	17104846.00
E.S.I.	499358.00	450629.00
Worker Welfare	1488937.00	1205682.00
Bonus with Leave With wages	5979481.00	4201994.00
Employee Provident Fund	1939281.00	1224241.00
Employee Family Pension	1158173.00	1139958.00
P.F Administration Chages	219768.00	168782.00
Diwali Exp	106760.00	877750.00
<b>Total</b>	<b>33270705.00</b>	<b>26373882.00</b>

## NOTE 24

### Manufacturing expenses

<b>PARTICULAR</b>	<b>CURRENT YEAR</b>	<b>PREVIOUS YEAR</b>
	<b>31.03.2017</b>	<b>31.03.2016</b>
Processing & Finishing	80731640.00	81156068.00
Power & Electricity Expenses	22736437.00	20320564.00
Oil & Lubricants	445133.00	493296.00
C.F. & Octroi (Inward)	4350986.00	5072223.00
Wages & Allowances	70029491.00	65914148.00
Consumable Store	853421.00	1022364.00
Diesel Expenses	6323522.00	9007252.00
Outside Labour	116975.00	84090.00
Fabrication Charges/Job Work	3388134.00	1417274.00
WAGES SECURITY GUARD	0.00	16600.00
Purchase Sample	2752879.00	1858916.50
Spotting & Washing Expenses	2413516.00	1754830.00
Embroidery Expenses	83557888.00	65879395.00
Consumable Store Printing	17223252.00	10656304.00
Consumable Store Sizing	4413066.00	4964388.00
Consumable Store E.T.P.	2160634.00	1334053.00
Boiler Fuel	8351137.00	6814294.00
<b>TOTAL</b>	<b>309848111.00</b>	<b>277766059.50</b>

## Note 25

### Note (i) Disclosures regarding Finance Cost

Disclosure pursuant to Note no. 3 of Part II of Schedule III to the Companies Act, 2013

<b>Finance Cost</b>	<b>FOR THE YEAR</b>	<b>FOR THE YEAR</b>
	<b>31.03.2017</b>	<b>31.03.2016</b>
Interest on Bank Borrowings	34000234.98	36308317.51
Bank Charges etc.	1694939.93	990959.23
Other borrowing costs	12901609.99	13609833.48
<b>Total</b>	<b>48596784.90</b>	<b>50909110.22</b>

## Parmeshwari Silk Mills Limited

### NOTE 26

#### Repair & Maintenance

PARTICULAR	CURRENT YEAR 31.03.2017	PREVIOUS YEAR 31.03.2016
Building Repair & Maint.	891764.00	857634.00
Electrical Repair & Maint.	1500551.00	1310728.00
Generator Repair & Maint.	132478.00	493876.00
General Repair & Maint.	418219.00	502543.00
Computer Repair & Maint.	227854.00	150554.00
Furniture & Fixture Repair	49150.00	46382.00
Machinery Repair & Maint.	10156159.64	10345789.00
Tempo Repair & Maint.	47612.00	51492.00
E.T.P.Repair & Maint.	47060.00	224309.00
Air Conditioners Repair & Maint.	168573.00	0.00
<b>TOTAL</b>	<b>13639420.64</b>	<b>13983307.00</b>

### NOTE 27

#### Office & Administration Expenses

PARTICULAR	CURRENT YEAR 31.03.2017	PREVIOUS YEAR 31.03.2016
Printing & Stationery	863162.00	662760.00
Salary (Directors)	4500000.00	3025000.00
Travelling & Conveyance (Directors)	3574320.07	3599563.33
Travelling & Conveyance (Others)	1668810.22	2248454.00
Courier & Postage	221594.31	192480.00
Filing Fee	25800.00	99800.00
Insurance Expenses	847496.00	1114218.00
Misc.Expenses	289603.00	379390.54
Professional Charges	653162.00	860799.20
Fees & Subscription	156048.50	548421.09
Telephone Expenses	860269.14	863714.12
Car Expenses	207627.22	303736.00
Scooter Expenses	57636.00	61132.00
Advertisement Exp.	53709.00	0.00
Service Tax ( GTA )	154179.00	195918.00
Bad Debts	632525.00	211439.00
Donation 287026.00	5000.00	
Listing Expenses	3156237.50	0.00
<b>AUDITORS REMUNERATION</b>		
For Audit Fee	69000.00	<b>68700.00</b>
<b>TOTAL</b>	<b>18278204.96</b>	<b>14440525.28</b>

# Parmeshwari Silk Mills Limited

## NOTE 28

### Selling & Distribution Expenses

PARTICULAR	CURRENT YEAR 31.03.2017	PREVIOUS YEAR 31.03.2016
Grading & Packing Expenses	8542020.00	7878109.00
Sales Promotion	2711254.79	1149190.49
Commission & Brokerage	6260681.00	3383792.00
Rebate & Discount	6856355.00	9096797.00
Freight (Outward)	379547.00	13105.00
Freight & Clearing Charges	120620.00	0.00
<b>TOTAL</b>	<b>24870477.79</b>	<b>21520993.49</b>

### Notes forming part of the financial statements

- | Notes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Particulars |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| <p><b>1. <u>Disclosure of accounting Policy (AS – 1)</u></b></p> <p>a) The Company has prepared its Books of Accounts on the basis of following Accounting Policies:</p> <ul style="list-style-type: none"> <li>• Going Concern basis.</li> <li>• Accrual Concept</li> <li>• Consistency</li> </ul> <p>b) Change in Accounting Policies:</p> <p style="padding-left: 20px;">There is No Change in the Accounting Policies adopted by the Company.</p> <p><b>c) Basis of accounting and preparation of financial statements</b></p> <p style="padding-left: 20px;">The financial statements of the Company have been prepared in accordance with the generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, (as amended) and the relevant provisions of the Companies Act, 2013. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.</p> |             |
| <p><b>2. <u>Inventories (AS - 2)</u></b></p> <p>a) No Exemption is available to the company with regards to this Accounting Standards.</p> <p><b>b) Basis of Inventory valuation:</b></p> <p style="padding-left: 20px;">Inventories are valued at the lower of cost or the net realizable value after providing obsolescence and other losses, where considered necessary.</p> <p><b>c) Inclusions in Cost:</b></p> <p style="padding-left: 20px;">Cost includes all charges in bringing the goods to the points of sale, including octroi and other levies, transit insurance and receiving charges.</p>                                                                                                                                                                                                                                                                                                                                                                                                                              |             |
| <p><b>3. <u>Cash and cash equivalents (for purpose of Cash Flow Statements) (AS - 3)</u></b></p> <p>Cash comprises cash in hand and demand deposit with banks.</p> <p><b><u>Cash flow statement</u></b></p> <p>Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.</p>                                                                                                                                                                                                                                                                                                                                                                                                                          |             |
| <p><b>4. <u>Events Occurring after Balance Sheet Date (AS - 4):</u></b></p> <p>a) No Exemption is available to the Company with regards to this Accounting Standard.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |             |

b) No Contingencies and events occurring after the date of Balance Sheet have been reported during the Audit.

**5. Prior period Items and Changes in Accounting Policies(AS - 5):**

- a) No Exemption is available to the Company with regards to this Accounting Standard.
- b) Income tax expense of Rs. 77437.00 relating to year ended 31.03.2016 has debited to the Profit and loss A/c for the current year.
- c) No Changes in the Accounting policies have been noticed during the year.

**6. Construction Contracts (AS -7)**

- a) No Exemption is Available to the Company with regards to the Accounting Standard.
- b) The Company do not have any activity that relates to Construction Contract, Project management or Architectural Services.

**7. Revenue Recognition (AS - 9)**

**Sale of goods**

Sales are recognized, net of returns and trade discount, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.

**8. Property Plant Equipment (AS - 10)**

- a) Register containing all Particulars of Fixed Assets has been maintained and updated regularly by the Company. Fixed Assets are carried at cost less accumulated depreciation and impairment losses, if any. Subsequent expenditure relating to fixed assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.
- b) Inclusions in Cost:  
Cost of Fixed Assets includes Purchase Cost net of Trade Discount and all the cost incurred up to the point of installation of the concerned Fixed Assets.
- c) No Self Constructed Assets have been reported during the year.
- d) No assets have been revalued during the year.
- e) Depreciation has been applied to all the Fixed Assets held by the Company during the year.

Method of Depreciation:

- ♦ **Straight Line method has been consistently followed by the Company as per Schedule III of Companies Act, 2013.**

**9. Foreign Currency Transactions and Translations (AS- 11)**

**Initial Recognition**

Transactions in foreign currencies entered into by the Company and its integral foreign operations are accounted at the exchanges rates prevailing on the date of the transaction.

**Measurement of foreign currency monetary items at the Balance Sheet date**

Foreign currency monetary items of the Company and its net investment in non-integral foreign operations outstanding at the Balance Sheet date are restated at the year-end rates.

**Treatment of exchange differences**

Exchange difference arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company and its integral foreign operations are recognized of income or expenses in the statement of Profit and Loss. The following accounts have been given effect by the change in exchange rate differences.

- a) During the year the company purchased assets in foreign currency .The amount of exchange difference which relates to the creditors for the machine outstanding as on 31.03.2017 has been credited to the machinery account which amounts to Rs 1167853.00
- b) Also the company has foreign creditors/debtors which have been valued as on the exchange rate prevailing as on 31.03.2017

# Parmeshwari Silk Mills Limited

**c) Following foreign payments were made during the year**

Particulars	Amount (In Rs)
Purchase raw material	9115789.00
Machinery Purchased	4593000.00
Tour and travelling	1035439.00

**10. Government Grants (AS - 12)**

The Company received Rs 18465.00 as a TUF subsidy which has been treated as income.

**11. Accounting for Investment (AS - 13)**

The Company has not invested any short term loans for long Term Investments.

**12. Accounting for Amalgamation (AS - 14)**

The Company has not entered into any scheme of Amalgamation.

**13. Employee benefits (AS - 15)**

Employee benefits include provident fund, employee state insurance, medical benefits & staff welfare but do not include Provision for Gratuity. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service

**14. Segment Reporting (AS - 17)**

As the Company's business activity primarily falls within a single business and geographical segment, there are no additional disclosures to be provided in terms of Accounting Standard – 17 Segment Reporting.

**15. Related Party Transactions (AS - 18)**

As Per Accounting Standard 18 on related party disclosures issued by The Institute of Chartered Accountants of India, the disclosure of transactions with the related party as defined in the Accounting Standard are required to be given

**Related parties and nature of relationship:**

PARTICULARS	NATURE OF TRANSACTION	AMOUNT	RELATION
ASEES TEXTILES	SALE	97301479.00	SON OF DIRECTOR IS PROPRIETOR
RAMTEX INDIA	SALE	68212173.00	SON OF DIRECTOR IS PROPRIETOR
RAMTEX EXPORT	SALE	2558798.00	DIRECTOR IS A PARTNER
RAMTEX EXPORT	JOB WORK	6004065.00	DIRECTOR IS A PARTNER
RAMTEX	SALE	16503255.00	DIRECTOR IS KARTA
CLASSIC COLLECTION	SALE	75275998.00	BROTHER OF DIRECTOR IS PROPRIETOR
CLASSIC COLLECTION	PURCHASE	64268.00	BROTHER OF DIRECTOR IS PROPRIETOR
MANINDER SINGH AJITPAL SINGH	SALE	8707914.00	BROTHER OF DIRECTOR IS PROPRIETOR
JAIMAL SINGH SATNAM SINGH	SALE	2057728.00	BROTHER OF DIRECTOR IS PROPRIETOR
JAIMAL SINGH SATNAM SINGH	PURCHASE	2000578.00	BROTHER OF DIRECTOR IS PROPRIETOR
MAAN SILK MILLS	SALE	123039.00	BROTHER OF DIRECTOR IS PROPRIETOR
R.T CREATION	SALE	20587620.00	BROTHER OF DIRECTOR IS PROPRIETOR
JATINDER PAL SINGH	SALARY	2400000.00	DIRECTOR

## Parmeshwari Silk Mills Limited

KULJEET KAUR	SALARY	2100000.00	DIRECTOR
DIPNEET KAUR	SALARY	1500000.00	DAUGHTER OF DIRECTOR
MANINDER SINGH	SALARY	1425000.00	BROTHER OF DIRECTOR
ASEES SINGH	SALARY	600000.00	SON OF DIRECTOR
ASEES SINGH	INTEREST	122184.00	SON OF DIRECTOR
DIPNEET KAUR	INTEREST	242177.00	DAUGHTER OF DIRECTOR
MANINDER SINGH	INTEREST	170237.00	BROTHER OF DIRECTOR
RAMTEX EXPORT	INTEREST	1019166.00	DIRECTOR IS A PARTNER
SATNAM FABRICS PVT LTD	INTEREST	1186034.00	COMMON DIRECTOR
RAMTEX	INTEREST	668416.00	DIRECTOR IS KARTA
SHIRTING SHOP	INTEREST	486645.00	BROTHERS WIFE IS DIRECTOR
RAMTEX EXPORT	RENT REC	120000.00	DIRECTOR IS A PARTNER
RAMTEX INDIA	RENT REC	120000.00	SON OF DIRECTOR IS PROPREITOR
JATINDER PAL SINGH	LOAN TAKEN	4380995.00	DIRECTOR
KULEET KAUR	LOAN TAKEN	3487000.00	DIRECTOR
ASSESS SINGH	LOAN TAKEN	442500.00	SON OF DIRECTOR
JATINDER PAL SINGH AND SONS HUF	LOAN TAKEN	2300000.00	DIRECTOR IS KARTA
DIPNEET KAUR	LOAN TAKEN	1884500.00	DAUGHTER OF DIRECTOR
MANINDER SINGH	LOAN TAKEN	2262824.00	BROTHER OF DIRECTOR
RAMTEX EXPORT	LOAN TAKEN	3744950.00	DIRECTOR IS A PARTNER
AJIT PAL SINGH	LOAN TAKEN	864800.00	BROTHER OF DIRECTOR
DARSHAN SINGH	LOAN TAKEN	1000000.00	FATHER OF DIRECTOR
RAMTEX	LOAN TAKEN	11100000.00	DIRECTOR IS KARTA

### 16. Accounting for Leases (AS - 19)

- a) No Exemption is Available to the Company with regards to this Accounting Standard.
- b) The Company has not entered into any Financial and Operating Lease during the Year under Review.

### 17. Earnings Per Share (AS - 20)

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all diluting potential equity shares.

### 18. Consolidation of Financial Statements (As - 21)

No Exemption is available to the Company with the regards to this Accounting Standard but it is not applicable to the Company as the Company is not having any Subsidiary Company, Associated Company and Joint Company.

### 19. Taxes on Income (AS - 22)

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. The tax rates and tax Laws used to compute the amounts are those that are enacted, at the reporting date. Deferred Taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted at the reporting date. Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets including the unrecognized deferred tax assets, if any, at each reporting date, are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which deferred tax assets can be realized. The carrying amount of deferred tax assets are reviewed at each reporting date and are adjusted for its appropriateness. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority. Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The company recognizes MAT credit available as an asset only to the extent there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT Credit is allowed to be carried forward.

# Parmeshwari Silk Mills Limited

**20. Accounting for Investment in Associates in Consolidated Financial Statements (AS - 23)**

No Exemption is available to the Company with regards to this Accounting Standard but it is not applicable to the Company as the Company do not have any Subsidiary Company, Associated Company and Joint company.

**21. Discontinuing Operations (AS - 24)**

No Exemption is available to the Company with regards to this Accounting Standard but it is not Applicable to the Company as the Company has not discontinued any of its operations.

**22. Intangible Assets (As - 26)**

No Exemption is available to the Company with regards to this Accounting Standards but it is not Applicable to the Company as the Company do not in Possession of any Intangible Asset.\

**23. Financial Reporting on Interest in Joint Venture (AS - 27)**

No Exemption is available to the Company with regards to this Accounting Standard but it is not Applicable to the Company as the Company do not have interests any joint venture.

**24. Impairment of Assets (AS - 28)**

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment No indication of impairment exists.

**25. Provisions and Contingencies (AS - 29)**

A provision is recognized when the company has present obligations as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and reliable estimate can be made of amount of the obligation. Provisions are not discounted at their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

**NOTES TO ACCOUNTS**

1. Debit and Credit balances in accounts of debtors, creditors and loans and advances are subject to their respective confirmation and reconciliation.

2. **Taxation:** Minimum Alternate Tax (MAT) The Company has during the year, provided the current year tax liability of 3379354.00 (previous year 2757580) calculated in accordance with the provisions of Section 115JAA of the Income Tax Act, 1961.

During the year an amount of Rs 2219289.14 has been created towards the deferred tax liability .

**3. Earning Per Share**

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Net profit after tax	10898437.67	9387125.09
Weighted average number of equity Shares outstanding during the year	25,57,100	31,60,300
Basic earnings per share (₹)	4.26	2.97
Diluted earnings per share (₹)	4.26	2.97

**4. Contingent Liability :**

The company has given a bank Guarantee in favour of M/s Ramtex exports. The amount of guarantee as on 31.03.2017 stands at Rs 2791380.00

For Davinder Pal Singh & Co.  
Chartered Accountants  
Firm's Reg. number: 007601N

Sd/-  
(INDERJIT KAUR)  
(Partner)

Membership Number 500143

Place Ludhiana  
Date 30.05.2017



# Parmeshwari Silk Mills Limited

## PARMESHWARI SILK MILLS LIMITED

REGD. OFF. : Village Bajra, Rahon Road, Ludhiana 141003, Phone: 91-161-2691873  
 Email id: psmltex@gmail.com, Website: www.parmeshwarilsilk.com  
 CIN: L17116PB1993PLC012917

### PROXY FORM

**Form No. MGT-11**

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

CIN	L17116PB1993PLC012917
Name of the Company	PARMESHWARI SILK MILLS LIMITED
Registered Office	Village Bajra, Rahon Road, Ludhiana, Punjab-141007

Name of the Member(s)	
Registered address	
E-mail I. d.	
Folio no./Client Id*	
DP ID	

I/We, being the member(s) of Parmeshwari Silk Mills Limited holding \_\_\_\_\_ shares hereby appoint:

- 1 Name .....  
 Address .....  
 E-Mail I.D.....Signature.....or failing him
- 2 Name .....  
 Address .....  
 E-Mail I.D.....Signature.....or failing him
- 3 Name .....  
 Address .....  
 E-Mail I.D.....Signature.....or failing him

as my/our proxy to attend and vote (on poll) for me/us and on my/our behalf at the Annual General Meeting of the company, to be held on **Thursday, September 28, 2017 at 11:00 A.M.** at the Registered Office of the company at **Village Bajra, Rahon Road, Ludhiana, Punjab- 141007** and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017.

**Signature of Shareholder**

**Signature of Proxy holder(s)**

Affix Revenue  
Stamp of  
Rs. 1/-

**Notes:**

- (1) *This form, in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than 48 hours before the meeting.*
- (2) *For the resolutions, statement setting out material facts, notes and instructions please refer to the notice of Annual General Meeting.*
- (3) *Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.*
- (4) *In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated. Please complete all details including details of member(s) and proxy(ies) in the above box before submission.*



# Parmeshwari Silk Mills Limited

## PARMESHWARI SILK MILLS LIMITED

Regd. Off: Village Bajra Rahon Road, Ludhiana-141007, Ph no. : +91-161-2691873,  
 Email id: psmltex@gmail.com, Website: www.parmeshwarisilk.com  
 CIN: L17116PB1993PLC012917

### Form No. MGT-12

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

### BALLOT PAPER

**24th Annual General Meeting of the members of Parmeshwari Silk Mills Limited held on Thursday, September 28, 2017 at 11:00 A.M. at Registered office of the company situated at Village Bajra, Rahon Road, Ludhiana- 141007:-**

Name of First Named Shareholder .....

(In Block Letters) .....

Postal Address .....

Folio No./DP ID & Client ID .....

No. of Shares held .....

Class of Shares .....

I hereby exercise my vote in respect of Ordinary/ Special Resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

S. No.	Brief of Resolutions	In favor of Resolutions	Against the Resolutions
1.	Adoption of Audited Financial Statement of Company for the financial year ended March 31, 2016 together with the reports of Directors and Auditors' thereon.		
2.	Re-appointment of Mr. Jatinder Pal Singh (DIN: 01661864) as the Director of the Company who retire by rotation.		
3.	Appointment of M/s Anil K Sareen & Associates, Chartered Accountants as statutory Auditors of the Company in place of M/s Davinder Pal Singh & Co. Chartered Accountants, retiring auditors		
4.	Issue of equity shares through Preferential Issue		
5.	Adoption of new set of Article of Association.		
6.	Adoption of New set of Memorandum of Association.		

Date:

Place:

Signature of Shareholder

\* Please tick in the appropriate column



# Parmeshwari Silk Mills Limited

## PARMESHWARI SILK MILLS LIMITED

Regd. Off: Village Bajra Rahon Road, Ludhiana-141007, Ph no. : +91-161-2691873,  
Email id: psmltex@gmail.com, Website: www.parmeshwarisilk.com  
CIN: L17116PB1993PLC012917

### ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

24th Annual General Meeting held on Thursday, September 28, 2017 at 11:00 A.M.

Name of the Member  
(In Block Letters) .....

Folio No./DP ID & Client ID .....

No. of Shares held .....

Name of Proxy  
(To be filled in, if the proxy attends instead of the member) .....

I, hereby certify that I am a registered shareholder/proxy for the registered Shareholder of the Company and hereby record my presence at the **24th Annual General Meeting of the Company held on Thursday, September 28, 2017 at 11:00 A.M. at Village Bajra, Rahon Road, Ludhiana- 141007.**

Member's /Proxy's Signature

#### Note:

- 1) *Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be distributed at the meeting venue.*

### GREEN INITIATIVE IN CORPORATE GOVERNANCE E-COMMUNICATION REGISTRATION FORM

(In terms of Section 20 of the Companies Act, 2013)

Folio No. / DP ID & Client ID : .....

Name of 1st Registered Holder : .....

Name(s) of Joint Holder(s) : .....

Registered Address : .....

Email ID (to be registered) : .....

I/We shareholder(s) of **Parmeshwari Silk Mills Limited** agree to receive communication from the Company in electronic mode under relevant provisions of the Companies Act, 2013. Please register my above e-mail in your records for sending communication through mail.

Signature:- \_\_\_\_\_

(First Holder)

Date: \_\_\_\_\_

**\*Note: Shareholder(s) are requested to keep the Company informed as and when there is any change in the e-mail address.**

Route map



*If undelivered please return to :*  
**Parmeshwari Silk Mills Limited**  
Village Bajra, Rahon Road,  
Ludhiana, Punjab -141007