



**PARSOLI CORPORATION LTD**

**29<sup>TH</sup>**

**Annual Report**

**2018-19**

**Parsoli Corporation Limited**

**29<sup>th</sup> Annual Report**

**Board of Directors**

**Mohammed Habib Sareshwala**  
Managing Director

**Umar Uves Sareshwala**  
Director

**RAMA SINGH**  
Director

**NAZIMA IRSHADALI SAIYED**  
Director

**Sadaf Fareed**  
Director

**Registered Office:**

Shop.No.23, 1st Floor, Crystal  
Shoppers, Paradise, JN.of.24th Road,  
Bandra(West) Mumbai - 40050

**Corporate Office**

B/6-8, 4<sup>th</sup> Floor, Shalimar Complex,  
Mahalaxmi Cross Road, Paldi,  
Ahmedabad - 380 007.

**Auditors**

Chandabhoy & Jassoobhoy  
Chartered Accountants  
Ahmedabad

**Banks**

**Axis Bank Ltd.**  
Ahmedabad/Mumbai

**HDFC Bank Ltd.**  
Ahmedabad

**Canara Bank**  
Ahmedabad

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# PARSOLI CORPORATION LIMITED

CIN:L65990MH1990PLC059074

Regd. Office: 23, First Floor, Crystal Shoppers Paradise, 24th & 33rd Road, Plot No. 489, Bandra  
(West) Mumbai-400050, Maharashtra

Phone: 022-26000743, 26000744

E-Mail: [corporation@parsoli.com](mailto:corporation@parsoli.com) Website: [www.parsoli.com](http://www.parsoli.com)

## NOTICE

NOTICE is hereby given that the 29<sup>th</sup> Annual General Meeting of the Members of the Company will be held on Monday, 30<sup>th</sup> September, 2019 at 10.00 A.M. at the registered office of the Company at 23, First Floor, Crystal Shoppers Paradise, 24th & 33rd Road, Plot No. 489, Bandra (West) Mumbai - 400050, Maharashtra to transact the following business:

### ORDINARY BUSINESS:

- (1) To receive, consider and adopt the audited standalone and consolidated financial statements including Balance Sheet as at 31<sup>st</sup> March, 2019 and the Statement of Profit and Loss and Cash Flow statement for the year ended on that date, together with the Directors' Report and the Auditors' Report thereon.
- (2) To appoint a Director in place of Mr. Habib Zafar Sareshwala (DIN - 03282280) who retires at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.
- (3) To appoint Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix up their remuneration and in this regard to consider and if thought fit to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:

**RESOLVED THAT** pursuant to the provisions of section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and of the Companies (Audit and Auditors) Rules, 2014, M/s. Chandabhoy & Jassoobhoy, Chartered Accountants, (Firm Reg. no. 101648W), Ahmedabad be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting at such remuneration as shall be fixed by the Board of Directors of the Company in consultation with the Statutory Auditors.

### SPECIAL BUSINESS:

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

**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 161 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification (s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Rama Singh (DIN: 06364779) who was appointed as an Additional Director of the Company by the Board of Directors (and categorized as 'Independent Director') with effect from February 14, 2019 and who holds office as an Additional Director upto the date of ensuing Annual General Meeting of the Company and who has submitted a declaration that she meets the criteria for independence as provided in Section 149 (6) of the Act, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of five consecutive years with effect from February 14, 2019.

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



**NOTES :**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND A PROXY NEED NOT BE MEMBER OF THE COMPANY.** Proxy in order to be valid must be delivered at the Registered Office of the Company not later than 48 hours before the commencement of the meeting. A person can act as a proxy on behalf of members not more than 50 (fifty) and holding in aggregate not more than 10% of the total share capital of the company carrying voting rights. In case the proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the company carrying voting rights, then such proxy cannot act as a proxy for any other person or shareholder.
2. Statement pursuant to Section 102 of the Companies Act, 2013 setting out the material facts relating to the Special Business to be transacted at the Annual General Meeting (AGM) is annexed hereto.
3. Members holding shares in electronic form are requested to intimate immediately the change, if any in their registered address to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to intimate any such change to the Company or its Share Transfer Agent.
4. Members / proxies are requested to bring the attendance slip send herewith duly filled in for attending the meeting and members are also requested to bring the copy of Annual Report to the meeting.
5. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Only registered members of the Company or any proxy appointed by such registered member may attend the Annual General meeting as provided under the provisions of the Companies Act, 2013.
7. Corporate members intending to send their authorized representatives to attend the Annual General Meeting are requested to send the Company, a certified true copy of their board resolution authorizing their representatives to attend and vote on their behalf at the Annual General meeting.
8. All the documents, if any, referred to in the Notice and explanatory Statements and as required under the law are available for inspection during working hours at the Registered Office of the Company on any working day upto the conclusion of this meeting.
9. Members desiring to seek information on financial statements to be explained at the meeting are requested to send their queries at least ten days before the date of the meeting so that the information can be made available at the meeting.
10. The Ministry of Corporate Affairs (MCA), New Delhi has taken "Green initiatives in Corporate Governance" by allowing paperless compliance by the Companies and issued a circular clarifying that the service of documents to be made by a Company can be made through electronic mode. To support the green initiative of the Ministry of Corporate Affairs, members who have not yet registered their e-mail id are requested to register the same immediately. Members holding shares in physical form are requested to register their e-mail id by communicating the same to the Company mentioning their Folio number. Members holding shares in electronic form are requested to register their e-mail id and are advised to approach their Depository Participants in this regard.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in the electronic form are, therefore, requested to submit their PAN to their Depository Participant. Members holding shares in physical form shall submit their PAN details to the Company.



12. The Company's shares are listed with The Bombay Stock Exchange Limited, Mumbai.
13. A Route Map showing the Directions to reach the venue of the Annual General Meeting is attached along with the notice as per the requirement of Secretarial Standards - 2 on General Meeting.
14. Information required to be furnished as required under SS-2 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the particulars of Director who is proposed to be re-appointed, is given below:

Particulars	HABIB ZAFAR SARESHWALA	RAMA SINGH
DIN	03282280	06364779
Date of Birth	15.04.1989	04/07/1984
Date of Appointment on the Board of the Company	23.05.2018	14/02/2019
Qualification	MBA	Graduation
Total Remuneration last drawn	None	None
Nature of expertise in specific functional areas	Having good experience in handling the administration and finance Department	Having experience in managing the operational and administrative affairs in the Corporate entities
Relationship with other Directors, Manager and other Key Managerial Personnel	None	None
Directorship held in other Public Companies	Nil	Nil
Chairmanship / Membership of Committee in other Companies, if any	Nil	Nil
No. of Shares held in the Company as on March 31, 2019	78,800	Nil

\*\*\* Excludes the Private Limited Companies, Foreign Companies and Companies registered under Section 8 of the Companies Act, 2013 (erstwhile Section 25 of the Companies Act, 1956)

# under this column, membership/Chairmanship of Audit Committee and Stakeholders Relationship Committee is considered.

BY ORDER OF THE BOARD  
FOR PARSOLI CORPORATION LIMITED



Date: 14<sup>th</sup> August, 2019

**Registered Office**

23, First Floor, Crystal Shoppers  
Paradise, 24th & 33rd Road, Plot  
No. 489, Bandra (West) Mumbai -  
400050, Maharashtra

  
UMAR UVES SARESHWALA

DIRECTOR  
DIN :03282236

  
HABIB ZAFAR SARESHWALA

DIRECTOR  
DIN :03282280

## Parsoli Corporation Limited

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### EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The following Statement pursuant to Section 102 of the Companies Act, 2013, sets out all material facts relating to the special business mentioned in the accompanying Notice.

#### Item No. 4

Ms. Rama Singh (DIN: 06364779) has been appointed as an Additional Director (Category: Independent Director) of the Company with effect from February 14, 2019. As per the provisions of section 161 of Companies Act, 2013, she will hold office up to the date of ensuing Annual General Meeting. However, she is eligible for re-appointment.

The Company has received a notice from a Member of the Company under Section 160 of the Act proposing her candidature as Director of the Company. She has also given the declaration to the board that she fulfills the criteria of independence as provided under section 149(6) of the Act.

Based on recommendation of Nomination and Remuneration Committee and considering her knowledge and experience, it was thought advisable by the Board of Directors to appoint Ms. Rama Singh as an Independent Director in terms of provision of Section 149 read with Schedule IV of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time for a period of five consecutive years w.e.f. 14<sup>th</sup> February, 2019.

All the relevant documents with regard to re-appointment of Ms. Rama Singh as an Independent Director shall be available for inspection without any fee to the members at the Registered Office of the Company during normal business hours on any day, excluding Saturday and Sunday till the date of Annual General Meeting.

Except Ms. Rama Singh, being an appointee, none of the other Directors, Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise, in the proposed resolution.

#### BY ORDER OF THE BOARD FOR PARSOLI CORPORATION LIMITED

Date: 14<sup>th</sup> August, 2019

#### Registered Office

23, First Floor, Crystal Shoppers Paradise, 24th & 33rd Road, Plot No. 489, Bandra (West) Mumbai - 400050, Maharashtra

  
UMAR UVES SARESHWALA  
DIRECTOR  
DIN :03282236

  
HABIB ZAFAR SARESHWALA  
DIRECTOR  
DIN :03282280



**The instructions for shareholders voting electronically are as under:**

- (i) The voting period commences at 10.00 a.m. on Friday 27<sup>th</sup> September, 2019 and ends at 5.00 p.m. on 29<sup>th</sup> September, 2019 (both days inclusive). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23<sup>rd</sup> September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID:
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	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></ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend\Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"><li>• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li></ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for Parsoli Corporation Limited on which you choose to vote.



- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians:
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](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 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.
- 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)
- The Company has appointed Mr. Harish Jain, Proprietor of M/s. Harish P. Jain & Associates, Practicing Company Secretary as Scrutinizer to independently carry the voting process through remote e-voting and through poll process at the Annual general meeting. The Scrutinizer will submit their consolidated report on the voting within 48 hours of the conclusion of the Annual General Meeting.

**CONTACT DETAILS:**

Company	PARSOLI CORPORATION LIMITED
E-voting Agency	Central Depository Services (India) Limited E-mail ID: <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a>
Scrutinizer	Shri Harish Jain (Proprietor of M/s. Harish P. Jain & Associates) Practicing Company Secretaries Email id: <a href="mailto:cs.harishjain@gmail.com">cs.harishjain@gmail.com</a>





# Parsoli Corporation Limited

CIN:L65990MH1990PLC059074

Regd. Office: 23, First Floor, Crystal Shoppers Paradise, 24th & 33rd Road, Plot No. 489, Bandra  
(West) Mumbai -400050, Maharashtra,

Phone: 022-26000743, 26000744

E-Mail corporation@parsoli.com Website: www.parsoli.com

## DIRECTORS' REPORT

To,  
The Members,

Your Directors present the 29<sup>th</sup> Annual Report together with the Audited Financial Statements and Auditors' report thereon for the year ended 31<sup>st</sup> March, 2019.

### FINANCIAL RESULTS :s

The operating results of the Company for the year ended on 31<sup>st</sup> March, 2019 are briefly indicated below:

Particulars	(Rs. In Lakh)	
	Year 2018-19	Year 2017-2018
Profit/loss before Depreciation and Taxation	(105.94)	(14.43)
Depreciation	0.04	0
<i>Profit/loss before Taxation</i>	<i>(105.98)</i>	<i>(14.43)</i>
Provision for taxation - For Current Tax	0	0
Provision for taxation - For Deferred Tax	0	0
<i>Profit/Loss after Taxation</i>	<i>(105.98)</i>	<i>(14.43)</i>

### PERFORMANCE OF THE COMPANY:

Presently the Company is not carrying any commercial activity. However the Company is keen to start the commercial operations and is striving hard to carry full fledged business activity. This would help the Company to generate the profits in near future.

### DIVIDEND AND TRANSFER TO RESERVES:

During the year under review, Company has incurred loss and hence your Directors do not recommend any payment of dividend for the Financial Year under review. The Company has not transferred any amount to reserves during the year under review.

### MATERIAL CHANGES AFFECTING FINANCIAL POSITION OF THE COMPANY:

No material changes or commitments, affecting the financial position of the Company have occurred between the end of the financial year of the company to which the financial statements relate, i.e. 31<sup>st</sup> March, 2019 and the date of the Board's Report.

### SECRETARIAL STANDARDS:

The Board of Directors of the company have complied with applicable Secretarial Standards issued by The Institute of Company Secretaries of India.

### DEPOSITS:

The Company has not accepted any deposit within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules 2014.



## DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Pursuant to the provisions of Section 152 and other applicable provisions if any, of the Companies Act, 2013, Mr. Habib Zafar Sareshwala (DIN - 03282280), Director of the Company is liable to retire by rotation at the forthcoming Annual General Meeting and he being eligible offers himself for re-appointment. Your Directors recommends his re-appointment.

During the year under review,

- a. Ms. Rama Singh (DIN: 06364779), resigned as a Director with effect from 11<sup>th</sup> May, 2018 on account of pre-occupation. The Board places appreciation for the services rendered by Ms. Rama Singh (DIN: 06364779) during her tenure with the Company.
- b. Mr. Mohammedhabib Zafar Sareshwala (DIN: 03282280) was appointed as Managing Director with the approval of members in Annual General Meeting held on September 29, 2018.
- c. Mr. Umar UvesSareshwala (DIN: 03282236) was appointed as Director with the approval of members in Annual General Meeting held on September 29, 2018.
- d. Mr. Sadaf Fareed (DIN: 08139218) was appointed as Independent Director with the approval of members in Annual General Meeting held on September 29, 2018
- e. Mr. AslamkhanRehmatkhan Pathan (DIN: 06854711) resigned as Whole-time Director of the Company w.e.f. June 6, 2018.
- f. During the year under review, Ms. Rama Singh (DIN: 06364779) was appointed as an Additional Director of the Company w.e.f. February 14, 2019. She holds office up to the date of ensuing Annual General Meeting. Necessary resolution has been proposed for her appointment as a Director of the Company for approval of members of the Company.
- g. Mr. Ishaque Ali Babu Farid (DIN: 05137541), resigned as a Director with effect from February 14, 2019 on account of pre-occupation. The Board places appreciation for the services rendered by Mr. Ishaque Ali Babu Farid during his tenure with the Company.
- h. Mr. Hitesh Khandelwal, resigned as Company Secretary of the Company w.e.f. March 15, 2019.

## EXTRACT OF THE ANNUAL RETURN:

Extract of the Annual Return as on 31<sup>st</sup> March, 2019 in the prescribed form MGT - 9, pursuant to provisions of Section 92(3) of the Companies Act, 2013 and the Companies (Management and Administration) Rules 2014, is annexed to this report as **Annexure I**.

## CORPORATE GOVERNANCE REPORT:

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on "Corporate Governance" is attached as an **Annexure II** and forms part of this report.

## DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013 with respect to the Directors' responsibility Statement, the Directors Confirms that:

- i. In the preparation of the annual financial statement, the applicable accounting standards had been followed and that no material departures have been made for the same;  
they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the financial year;
- iii. they have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Act.



They confirm that there are adequate systems and controls for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- iv. they have prepared the annual accounts on a going concern basis;
- v. they have laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and operating effectively; and
- vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **NUMBER OF BOARD MEETINGS:**

During the year the Board of Directors duly met Eight (8) times. The details of the Board Meetings are provided in the Corporate Governance Report which is annexed to the Report.

#### **DECLARATION BY INDEPENDENT DIRECTORS:**

Pursuant to the provisions of Section 134 of the Companies Act, 2013 with respect to the declaration given by the Independent Director of the Company under Section 149 (6) of the Companies Act, 2013, the Board hereby confirms that all the Independent Directors have given declarations and further confirms that they meet the criteria of Independence as per the provisions of Section 149 (6) of the Companies Act, 2013.

#### **PERFORMANCE EVALUATION OF THE BOARD, COMMITTEES AND INDEPENDENT DIRECTORS:**

Pursuant to the provisions of the Companies Act, 2013 and Rules framed thereunder read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 formal annual evaluation is to be made by the Board of its own performance and that of its Committees and Individual Directors. The Board after taking into consideration the criteria of evaluation laid down by the Nomination and Remuneration Committee in its policy such as Board Composition, level of involvement, performance of duties, attendance etc. had evaluated its own performance, the performance of its committees and Independent Directors (excluding the Director being evaluated).

The performance evaluation of the Non-Independent Director was carried out by the Independent Directors at their separate meeting. The Directors expressed their satisfaction with the evaluation process.

#### **POLICY ON DIRECTORS APPOINTMENT AND POLICY ON REMUNERATION:**

Pursuant to the requirements of Section 134 and 178 of the Companies Act, 2013, the policy on appointment of Board Members and policy on remuneration of the Directors, KMPs and other employees are attached as **Annexure III** to this report.

#### **SECRETARIAL AUDIT REPORT:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company has appointed M/s. Harish P. Jain & Associates, Practicing Company Secretaries, to undertake the Secretarial Audit of the Company. The Report of the Secretarial Auditors is annexed herewith as **Annexure IV** to this report.

The observations made by the Auditors in their report are self explanatory and does not call for further explanations from the Board.



#### **CONTRACTS OR AGREEMENTS WITH RELATED PARTIES:**

During the year the Company has not entered into any contracts or arrangements with related parties which could be construed "Material" according to the policy of the Company on materiality of related party transactions. As there were no materially significant Related party transactions entered into by the Company which may have the potential conflict with the interest of the Company at large, reporting in form AOC - II is not applicable to the Company.

#### **DISCLOSURE UNDER RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:**

There were no employees drawing remuneration more than the limits as prescribed under Section 197 (12) of the Companies Act, 2013 read with the Company (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time.

The statement containing particulars of employees as required under section 197 of the Companies Act, 2013 read with Rule 5(2) of the companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, will be provided upon request. In terms of Section 136 of the Companies Act, 2013, the Report and accounts are being sent to the members and others entitled thereto, excluding the information on employees particulars which is available for inspection by members at the Registered office of the Company during business hours on working days of the Company upto the ensuing Annual General Meeting. If any member is interested in obtaining a copy thereof, such member may write to the Company in this regard.

#### **INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY:**

The Company has adopted internal financial control system considering the nature of its business and the size and complexity of operations. The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures etc. The management is taking further steps to strengthen the internal control system.

#### **RISK MANAGEMENT POLICY:**

The Company has structured risk management policy as per the requirements of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time. The Risk management Policy is designed to safeguard the organization from various risks through timely actions. It is designed to mitigate the risk in order to minimize the impact of the risk on the Business.

In the opinion of the Board there has been no identification of element of Risk that may threaten the existence of the Company.

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

Details of loans, guarantees & investments made, if any, are disclosed in the notes forming part of financial statement.

#### **SUBSIDIARY COMPANY:**

As on the end of financial year 2019 the Company is not having any subsidiary Company and hence it is not required to report in form AOC L.



#### STATUTORY AUDITORS:

M/s. Chandabhoy & Jassoobhoy, Chartered Accountants, (FRN: 101648W) Statutory Auditors of the Company retires at the forthcoming Annual General Meeting and being eligible offers themselves for re-appointment. The Board recommends their re-appointment at the ensuing Annual General Meeting.

#### AUDITORS' OBSERVATIONS:

The Notes forming part of Accounts, which are specifically referred to by the auditors in their report are self-explanatory. The auditors' observations / remarks are explained in notes to accounts.

*(a) SEBI has restrained the Company, its whole time directors and its associates/group companies from accessing the security market and also prohibited them from buying, selling or dealing in securities in any manner till further order as referred to in Note No. 24(13).*

*(b) Various balances aggregating Rs. 4.53 crores Credit and Rs. 4.53 crores Debit have been written off/back to Profit and Loss Statement under the head sundry balance written off (net) as referred to in Note No. 24(14).*

*In view of losses incurred during the current year as well as accumulated losses of the earlier years, the continuation of the Company as a going concern is dependent on further infusion of funds in the Company and the lifting of the SEBI restrictions.*

*(c) The Company is not maintaining a proper record of inventory. The inventory records are combined for its own shares and shares of its clients. Hence, it is not possible to ascertain the discrepancies, if any, between the physical stock and the book records.*

*(d) The Company has not been generally regular in depositing the undisputed statutory dues consisting of Provident Fund, Employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax and cess with the appropriate authorities.*

#### MANAGEMENT RESPONSE TO AUDITOR'S OBSERVATIONS:

With regard to Point (a) and (b), the management is of the view that balances of sundry debtors, sundry creditors, deposits from clients, Loans & Advances, are subject to confirmation / reconciliation and consequential adjustment.

With regard to the other points as there is no major impact on the financial of the Company the Management has nothing to state for the same.

#### DISCLOSURE OF AUDIT COMMITTEE:

The Audit Committee of the Company as on 31<sup>st</sup> March, 2019 consists of following Directors as its members:

1. Mr. Sadaf Fareed
2. Ms. Rama Singh
3. Mr. Mohammedhabib Zafar Sareshwala

#### VIGIL MECHANISM :

Pursuant to provisions of Section 177(9) of the Companies Act, 2013 and Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors had approved the Policy on Vigil Mechanism/ Whistle Blower Policy. Through this policy Directors, Employees or business associates may report the unethical behavior, malpractices, wrongful conduct, frauds, violations of the Company's code etc. to the Chairman of the Audit Committee.



The vigil mechanism / whistle blower policy is also available on the website of the Company [www.parsoli.com](http://www.parsoli.com).

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure V** which is attached to this report.

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:**

During the year under review, the Company has not received any significant or material orders passed by any regulatory authority, court or tribunal which shall affect the going concern status of the Company's operations.

**MAINTENANCE OF COST RECORDS:**

The Company is not required to maintain any cost records prescribed under section 148 of the Companies Act, 2013 and rules made thereunder.

**PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE:**

The Company is committed to provide a safe and conducive work environment to its employees during the year under review.

An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**CORPORATE SOCIAL RESPONSIBILITY:**

The Company does not fall under the criteria mentioned in Section 135 of the Companies Act, 2013 ("the Act") read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, and accordingly the Company is not required to constitute CSR Committee and is not required to spend any amount in CSR Activity.

**ACKNOWLEDGEMENT:**

Your Directors places on record their sincere appreciation to the members, bankers and all the other stakeholders for their continued support and co-operation to the Company.

**FOR AND ON BEHALF OF BOARD OF DIRECTORS OF  
PARSOLI CORPORATION LIMITED**

Date: 14<sup>th</sup> August, 2019  
Place: Ahmedabad

  
HABIB ZAFAR SARESHWALA  
MANAGING DIRECTOR  
DIN:03282280

  
NAZIMA SAIYED  
DIRECTOR  
DIN :07958783



### Annexure - III

#### POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION:

In terms of Section 178 of the Companies Act, 2013, the policy on nomination and remuneration of Directors, Key Managerial Personnel, Senior Management and other employees of the Company has been formulated by the Nomination and Remuneration Committee of the Company and approved by the Board of Directors of the Company.

I. The following matters of provisions of the Companies Act, 2013 have been included and considered while formulating the Remuneration Policy for the Company.

- (a) Criteria determining the qualifications, positive attributes and independence of a Director.
- (b) Appointment and removal of Directors, Key Managerial Personnel, Senior Management.
- (c) Remuneration for the Directors, Key Managerial Personnel, Senior Management and other employees.
- (d) Evaluation of performance of the Directors of the Company.
- (e) Scope and Role of the Nomination and Remuneration Committee
- (f) Disclosures in the Directors' Report

#### II. OBJECTIVE:

- (1) The key objective of this Policy is to enable a framework that allows attracting and retaining competitive and skilled human resource in the Company and for competitive and fair rewards for the achievement of key deliverables and also aligns with practice in the industry and shareholders' expectations. The policy reviews the compensation package payable to the Executive and Non-Executive Directors, Key Management Personnel, the Senior Management and other employees of the Company
- (2) When deciding remuneration, the Committee will consider the market scenario, business performance of the Company and the remuneration practices in Industry.

#### III. REMUNERATION TO NON-EXECUTIVE DIRECTORS:

The general policy of the Board is to provide fees in line with market practice for similar Non-Executive Director roles in the comparable corporate and institutions in India. Fees paid to the Non-Executive Directors also takes account of the Company's complexity, the significant travel and time commitments required for attending Board and other meetings in India and the risk profile of the Company. The Remuneration to the non-executive Directors is as per the provisions of the Companies Act, 2013 and related rules framed there under.

#### IV. REMUNERATION TO EXECUTIVE DIRECTORS:

##### **Components:**

Base Salary  
Short-term incentive  
Long-term incentive  
Retrial Benefits

#### V. REMUNERATION TO KEY MANAGERIAL PERSONNEL, SENIOR MANAGEMENT AND OTHER EMPLOYEES:

##### **Components:**

Fixed Remuneration  
Annual Allowances  
Retrial benefits



**VI. CRITERIA FOR IDENTIFICATION OF PERSONS FOR APPOINTMENT AS DIRECTOR AND IN SENIOR MANAGEMENT:**

In accordance with the provisions of Section 178 of the Companies Act, 2013, the Nomination and Remuneration Committee is required to formulate the criteria for determining the qualification, positive attribute and independence of a Director.

The criteria adopted by the Nomination and Remuneration Committee are as under:

**Qualification:**

A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

**Positive Attributes:**

A person should be the person of high integrity, ethical standards, devote the sufficient time to the Company, and have the required skills, expertise and experience and shall perform duties in a bona-fide manner.

**CRITERIA FOR IDENTIFICATION OF PERSONS FOR APPOINTMENT AS INDEPENDENT DIRECTOR:**

The criteria adopted by the Nomination and Remuneration Committee are as under:

**Qualification:**

An Independent director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, operations or other disciplines related to the company's business.

**Positive attributes:**

An independent director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his responsibilities in a bona-fide manner in the interest of the company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the company in implementing the best corporate governance practices.

**Independence of Independent Director:**

An Independent director should meet the requirements of Section 149 and Schedule IV of the Companies Act, 2013.

**FOR AND ON BEHALF OF BOARD OF DIRECTORS OF  
PARSOLI CORPORATION LIMITED**

  
HABIB ZAFAR SARESHWALA  
MANAGING DIRECTOR  
DIN: 03202200

  
NAZIMA SAIYED  
DIRECTOR  
DIN :07958783

Date: 14<sup>th</sup> August, 2019  
Place: Ahmedabad





**Annexure V:**

**Details of Conservation of Energy, Technology Absorption, Foreign Exchange Earning and Outgo:**

<b>(A) Conservation of energy-</b>	
(i) the steps taken or impact on conservation of energy;	The Company has taken measures and applied control system to monitor day to day power consumption, to endeavor to ensure the optimal use of energy with minimum extent possible wastage as far as possible.
(ii) the steps taken by the company for utilizing alternate sources of energy;	N.A.
(iii) the capital investment on energy conservation equipments	There is no specific investment plan for energy conservation.
<b>(B) Technology absorption-</b>	
(i) the efforts made towards technology absorption;	The Company has not carried out any R & D activities and there is no R & D expenditure incurred by the Company. Company has not imported any technology.
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution	N.A.
(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;	N.A.
(b) the year of import	N.A.
(c) whether the technology been fully absorbed	N.A.
(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof;	N.A.
(iv) the expenditure incurred on Research and Development	NIL

**FOREIGN EXCHANGE EARNING AND OUTGO:**

Foreign Exchange earnings equivalent to Rs. Nil(Previous Year Rs. Nil)  
Out go of foreign exchange equivalent to Rs. Nil(Previous Year Rs. Nil).

**FOR AND ON BEHALF OF BOARD OF DIRECTORS OF  
PARSOLI CORPORATION LIMITED**

Date: 14<sup>th</sup> August, 2019  
Place: Ahmedabad

  
**HABIB ZAFAR SARESHWALA**  
MANAGING DIRECTOR  
DIN:03282280

  
**NAZIMA SAIYED**  
DIRECTOR  
DIN :07958783



## ANNEXURE - II

### CORPORATE GOVERNANCE REPORT

(As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time)

#### 1. Company's Philosophy on Code of Corporate Governance.

Corporate Governance is the relationship between corporate manager, directors and the providers of equity, people and institutions who save and invest their capital to earn a return. It ensures that the Board of Directors are accountable for the pursuit of corporate governance objectives and that the corporation itself conforms to the law and regulations. This will lay the foundation for further development of superior governance practices, vital for successful business in the interest of all stakeholders in the best possible manner. We believe that governance process should be such as to ensure proper utilization of resources in a manner intended to meet the expectation of the shareholders. We believe in transparency, empowerment, accountability, safety of people and environment and we lay emphasis on Business ethics in all dealings.

#### 2. Board of Directors:

##### Composition:

The composition of the Board with regard to the number of Non-executive Directors, Independent Directors and Women Director meets the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

##### Board meetings:

During the year, eight Board Meetings were held on 11<sup>th</sup> May, 2018, 23<sup>rd</sup> May, 2018, 30<sup>th</sup> May, 2018, 6<sup>th</sup> June, 2018, 13<sup>th</sup> August, 2018, 5<sup>th</sup> November, 2018, 15<sup>th</sup> November, 2018, 14<sup>th</sup> February, 2019. The Company has observed the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding meeting of Board of Directors and that the time gap between two consecutive board meetings was not more than one hundred and twenty days. The necessary quorum was present for all the meetings.

The composition of the Board and the attendance of Directors at the Board Meetings during the year and at the last Annual General Meeting and also number of other directorship and committee Memberships are given below:

Sr. No.	Name of Directors	Category of Directorship	Board Meeting Attended	Attendance at Last AGM	No. of other Directorship *	**No. of other Committee Members/ Chairman
1.	Ms. Nazima Saiyed	Non Independent & Non Executive	8	Yes	-	-
2.	Mr. Ishaque Ali Babu Farid (Resigned w.e.f. 14.02.2019)	Independent & Non Executive	8	Yes	-	-
3.	Ms. Sadaf Fareed (Appointed w.e.f. 23.05.2018)	Independent & Non Executive	7	Yes	-	-
4.	Ms. Rama Singh (Resigned w.e.f. )	Independent & Non	2	N.A.	-	-



	11.05.2018 and Appointed w.e.f. 14.02.2019)	Executive				
5.	Mr. Mohammed Habib Zafar Sureshwala (Appointed w.e.f. 23.05.2018)	Managing Director	7	Yes	-	-
6.	Mr. Aslamkhan Rehmatkhan Pathan (Resigned w.e.f. 06.06.2018)	Whole-time Director	4	N.A.	-	-
7.	Mr. Umar Uves Sureshwala (Appointed w.e.f. 23.05.2018)	Executive Director	7	Yes	-	-

\*Does not include Alternate directorships, Directorship in Private Limited Company, Foreign Companies and Companies registered under Section 8 of the Companies Act, 2013.

\*\*Under this column, member/Chairperson of Audit Committee and Stakeholders Relationship Committee only is considered.

None of the Directors of the Company are related to any other Director.

Agenda papers are circulated to the Board by Authorised person. Additional items on the agenda are permitted with the permission of the Chairman.

The Company did not have any pecuniary relationship or transactions with the non-executive Directors during the year under review. None of Directors on the Board are members in more than ten committees and they do not act as Chairman of more than five committees across all companies in which they are Directors.

The Board is presented with the extensive information on vital matters affecting the working of the Company and risk assessment and mitigation procedure.

Information placed before the Board of Directors:

All major decisions are considered by the Board, in addition to day-to-day matters, which are statutorily required to be placed before the Board of Directors for its approval. Following information is regularly put up by the Board for its consideration and approval:

- Review of operational results
- Quarterly financial results
- Minutes of the meeting of Audit Committee, Nomination and Remuneration Committee as well as Shareholder's/Investors Grievance Committee of the Board.
- Compliance with various statutory requirements.

The Board is informed of all material decision from time to time.

Shareholding of Non-Executive Directors as on 31<sup>st</sup> March, 2019 is as follows:

Name of the Directors	Number of Equity Shares
Mr. Sadaf Fareed	NIL
Ms. Rama Singh	NIL
Ms. Nazima Saiyed	NIL



### **Familiarization Programmes for Independent Directors:**

The Company has conducted the familiarization programmes for Independent Directors during the year. The Company has in place a policy on of the familiarization programme for Independent Directors to make them aware about the details of the Company. The said policy is available on the website of the Company i.e. [www.parsoli.com](http://www.parsoli.com).

### **3. Audit Committee:**

As required under the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has constituted an Audit Committee consisting of following Directors as Members of the Committee:

Name of the Member	Category	No. of Meetings	
		Held	Attended
Ishaque Ali Babu Farid (ceased to be a member w.e.f. 14.02.2019)	Independent Director	5	5
Aslamkhan Pathan (ceased to be a member w.e.f. 23.05.218)	Whole-time Director	1	1
Ms. Rama Singh (Ceased to be member w.e.f. 11.05.2018 and appointed as member w.e.f. 14.02.2019)	Independent Director	2	2
Sadaf Fareed Appointed as member w.e.f. 23.05.2018	Independent Director	4	4
Mohammed Habib Zafar Sareshwala Appointed as member w.e.f. 23.05.2018	Managing Director	4	4

The composition of Committee is in compliance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the year, 5 (Five) Committee Meetings were held on 11-05-2018, 30-05-2018, 13-08-2018, 05-11-2018 and 14-02-2019 in which required quorum was present.

The functions of Audit Committee as outlined in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as mentioned below:

#### **Brief description of Terms of Reference:**

1. To review the quarterly (un-audited) and annual financial statements before the same are submitted to the Board and to oversee the Company's financial reporting process and the disclosures of its financial information to ensure that the financial statement is correct, adequate and credible;
2. The recommendation for appointment, remuneration and terms of appointment of Auditors of the company;
3. To review and monitor the Auditors independence, and performance, and effectiveness of audit process;



4. To review the adequacy of internal control systems, evaluation of internal financial controls and risk management systems and to review the functioning of the Whistle Blower mechanism;
5. Scrutiny of loans, advances and investments, valuation of undertakings or assets of the company, wherever it is necessary and to approve the transactions of the company with related parties and any subsequent modification thereto;
6. To carry out any other function that relates to accounts and audit of the company.

The time gap between any two consecutive committee meetings was less than 120 days. The audit committee adheres to the SEBI guidelines in terms of quorum of its meetings, functioning, role and powers as also those set out in the Companies Act, 2013.

#### 4. Nomination and Remuneration Committee.

As required under the provisions of Companies Act, 2013, read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has constituted the Nomination and Remuneration Committee consisting of following Directors as Members of the Committee:

Sr. No.	Name of the Members	Category	No. of Meetings held	No. of Meetings attended
1.	Mr. Ishaque Ali Babu Farid (Ceased as member w.e.f. 14.02.2019)	Independent Director	2	2
2.	Ms. Rama Singh (Ceased as member w.e.f. 11.05.2018 and appointed as member w.e.f. 14.02.2019)	Independent Director	1	1
3.	Ms. Nazima Saiyed	Non-Executive Director	2	2
4.	Mr. Sadaf Fareed (Appointed as member w.e.f. 23.05.2018)	Independent Director	2	2

During the year under review the Nomination and Remuneration Committee meetings were held on 23-05-2018 and 14-02-2019.

#### Brief description of Terms of Reference is as under:

1. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down;
2. To recommend to the Board their appointment and removal and shall carry out evaluation of Directors' performance;
3. To formulate the criteria for determining qualifications, positive attributes and independence of a director;
4. To recommend to the Board, a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees.



Accordingly Committee reviews the remuneration package of the Directors of the Company and recommends suitable remuneration package / revision to the Board, in accordance with the guidelines laid out by the statute.

**Remuneration Policy:**

The Nomination and Remuneration Committee at its meeting held on February 14, 2019, revised the Nomination and Remuneration Policy pursuant to SEBI (LODR) (Amendment) Regulations, 2018 relating to the remuneration of the Directors, Key Managerial Personnel and other employees which was approved by the Board and forms the part of the Directors' Report.

**Details of remuneration paid during the year 2018-19 is as follows:**

Name	Position held during the financial year 2017-18	Salary and allowances (In Rs.)	Perquisites
Habib Sareshwala	*Managing Director	15,00,000	As per the approval of the members of the Company and as per the policy of the Company.

\*Appointed w.e.f. 23.05.2018

**Non - Executive Directors**

During the year ended on 31-03-2019, the Company has paid the following amount towards sitting fees to the Non-Executive Director of the Company for attending the Board / Committee meetings:

A Non Executive Director shall be entitled to receive sitting fees for each meeting of the Board/ Committee attended by him / her, of such sum which is within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

(Amt. In Rs.)

Name of the Director	Sitting Fees
*Mr. Sadaf Fareed	80,000

\* Appointed as Director w.e.f. 23.05.2018.

Besides above, the Company does not pay any other commission or remuneration to its Non-Executive Directors.

The Company did not have any other pecuniary relationship or transactions with the Non-Executive Directors during the period under review.

**Service Contract and Notice Period:**

The appointment of Habib Zafar Sareshwala as Managing Director of the Company is for the 3 years, terminable by six months' notice in writing by either side.

**5. Shareholders' / Investors' Grievances cum Share Transfer Committee:**

As required under the provisions of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted Stakeholders Relationship Committee which looks into matter of redressing investor / shareholders grievances, investor complaints, approves transfer and transmission of shares; authorizes issue of duplicate



share certificates and generally deals with all matters in connection with shares issued by the Company from time to time.

**Name and Designation of Compliance Officer: (on account of resignation of Company Secretary)**

Ms. Nazima Saiyed – Director.

The details of composition of Committee and meetings are as under:

Name of Stakeholders Relationship Committee Members	Category
Mr. Ishaque Ali Babu Farid Ceased to be a member w.e.f. 14.02.2019	Independent Director
Mr. Aslamkhan Rehmatkhan Pathan Ceased as member w.e.f. 06.06.2018	Executive Director
Ms. Rama Singh Ceased as member w.e.f. 11.05.2018 and appointed as member w.e.f. 14.02.2019	Independent Director
Mohammed Habib Zafar Sareshwala Appointed as member w.e.f. 23.05.2018	Managing Director
Ms. Nazima Saiyed Appointed as member w.e.f. 11.05.2018	Non-Executive Director

The status of the Investors' Complaints during the year under review is as follows:

Investor Complaints during year	No. of Complaints
Pending at the beginning of the Financial Year 2018-19	0
Received during the Financial Year 2018-19	0
Disposed of during the Financial Year 2018-19	0
Remaining unresolved at the end of the Financial Year 2018-19	0

**6. Risk Management policy:**

The Board of Directors has framed, approved and implemented risk management policy of the Company including identification and elimination of risk. The Primary purpose of policy is to review the major risks identified by the Management along with mitigation plan, Monitoring and reviewing the Company's Risk Management plan and to apprise the Board on the risk assessment and minimization process. The risk management policy is available on the website of the Company.

**7. Independent Directors:**

As per the provisions of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors of the Company shall hold at least one meeting in the year without attendance of the Non Independent Directors. Independent Directors at their meeting held on 14.02.2019 has reviewed the performance of the Non Independent Directors and assessed the quality, quantity and timeliness of the flow of information between the Company and the Management.

All the Independent Directors meet the criteria of Independence as mandated by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



### **Performance Evaluation of Independent Director:**

The Performance of the Independent Director is evaluated based on the criteria such as his knowledge, experience, integrity, expertise in any area, number of Board/ Committee meetings attended, time devoted to the Company, his participation in the Board/ Committee meetings etc. The Performance evaluation of the Independent Directors was carried out by the Board and while evaluating the performance of the Independent Directors, the Director who was subject to the evaluation did not participate.

The Vigil Mechanism Policy is made available on the website of the Company [www.parsoli.com](http://www.parsoli.com).

### **8. Code of Fair Disclosure:**

The Company's Code of Conduct has been complied with by all the members of the Board and selected employees of the Company. The Company has in place a preservation of Insider trading Code based on SEBI (Insider Trading Regulations) 2015. This code is applicable to all the Directors and designated employees. The code ensures prevention of dealing in shares by persons having access to the unpublished price sensitive information.

The Code of Conduct is made available on the website of the Company [www.parsoli.com](http://www.parsoli.com)

### **9. Management Discussion and Analysis:**

#### **i. Industry Structure and Developments:**

Your Company is primarily engaged in the business of broking. Presently the Company is not carrying any business, however now the Company is keen to start the commercial operations and is striving hard to carry full fledged business activity. This would help the Company to generate the profits in near future.

#### **ii. Opportunities:**

The Company is keen in starting the commercial production and is striving hard to carry full-fledged business. The Company is working for survival and to face the stiff competition in the market.

#### **iii. Outlook:**

The Company is expecting better prospects for its business in the coming years and it believes that the business of the Company will grow in near future.

#### **iv. Risk and Concerns:**

The Company is functioning in the competitive market where there are number of small scale and medium scale Companies / Industries. There are number of similar kind of service providers present in the market and therefor there is pressure on the margin of the Company.

#### **v. Internal Control System and its adequacy:**

The Company maintains internal control system in order to ensure efficiency of operations, compliance with internal policies, applicable laws and regulation. The internal audit function conducted by independent Chartered Accountants firm for monitoring statutory and operational issues.





The system of Internal Control of the Company is adequate keeping in mind the size and complexity of your company's business. Systems are regularly reviewed to ensure effectiveness.

vi. **Financial Performance:**

Financial Performance with respect to operational Performance is discussed in the main part of the report.

vii. **Material Development in Human Resources/Industrial Relations:**

The Company is having reasonably qualified staff and the Company maintains cordial relation with its employees. The Company is presently not carrying any commercial operations however it is striving hard to start its commercial activities.

**10. General Body Meetings:**

The last three Annual General Meetings were held as under:-

**Annual General Meetings:**

Financial Year ended	Date	Time	Venue
31-03-2018	29-09-2018	10.00 a.m.	3 <sup>rd</sup> Ground Floor, Oracle Point, Guru Nanak Road, Bandra (W), Mumbai - 400050
31-03-2017	29-09-2017	11.00 a.m.	3 <sup>rd</sup> Ground Floor, Oracle Point, Guru Nanak Road, Bandra (W), Mumbai - 400050
31-03-2016	30-09-2016	11.00 a.m.	3 <sup>rd</sup> Ground Floor, Oracle Point, Guru Nanak Road, Bandra (W), Mumbai - 400050

**During the last three years following special resolutions were passed:**

1. Appointment of Mohammed Habib Zafar Sareshwala, (DIN: 03282280) as Managing Director for a period of three years w.e.f. 23.05.2018
2. Appointment of Aslamkhan Rehmatkhan Pathan as Whole Time Director for a period of 3 years w.e.f. 22.08.2017.

At the forthcoming Annual General Meeting there is no agenda that needs approval of members by way of Postal Ballot.

**Extra Ordinary General Meeting:**

There was no Extra Ordinary General Meeting held during the year under review.

**11. Means of Communication:**

**A. Financial Results:**

The Quarterly, half yearly and Annual Results normally published in Free press journal and Navshakti and are displayed on the website of the Company [www.parsoli.com](http://www.parsoli.com).



**B. Website:**

The Company's Website [www.parsoli.com](http://www.parsoli.com) contains a separate dedicated section namely "Investors' Relations" where the useful information for the Shareholders is available.

- C.** The Management Discussion & Analysis forms part of the Annual Report, which is posted to all the members of the Company.

**12. General Shareholder Information:**

Date, time and venue of AGM	30 <sup>th</sup> September, 2019 at 11.00 A.M. at 23, First Floor, Crystal Shoppers Paradise, 24 <sup>th</sup> & 33 <sup>rd</sup> Road, Plot No. 489, Bandra (West) Mumbai -400050.
Financial Year	Year commencing from 1 <sup>st</sup> April and ending on 31 <sup>st</sup> March every year.
Listing on Stock Exchanges	The BSE Limited, Mumbai. Code: 530071
Address of the Stock Exchange	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.
Listing Fees	-
Demat Arrangement	With NSDL and CDSL
ISIN NO.	INE 905D01016
Registered Office	23, First Floor, Crystal Shoppers Paradise, 24 <sup>th</sup> & 33 <sup>rd</sup> Road, Plot No. 489, Bandra (West) Mumbai -400050.
Dividend Payment Date	N. A.
Registrar and Share Transfer Agent	M/s. Link Intime India Pvt. Ltd. <b>Regd. Office:</b> C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai -400083 <b>Corporate Office:</b> 5 <sup>th</sup> Floor, 506 to 508, Amarnath Business Centre - 1 (ABC-1), Beside Gala Business Centre, Off C. G. Road, Navrangpura, Ahmedabad - 380009.

**13. FINANCIAL CALENDAR 2018-2019 (TENTATIVE)**

Annual General Meeting	On or before 30 <sup>th</sup> September, 2019
Results for quarter ending June 30, 2019	On or before 14 <sup>th</sup> August, 2019
Results for quarter ending September 30, 2019	On or before 14 <sup>th</sup> November, 2019
Results for quarter ending December 31, 2019	On or before 14 <sup>th</sup> February, 2020
Results for year ending March 31, 2020	On or before 30 <sup>th</sup> May, 2020

- 14. The monthly movement of equity share price during the year at BSE Ltd, Mumbai is summarized below:**

Trading of shares have been suspended in BSE from the month of July, 2010 so data for the current year is not available.

- 15. Share Transfer System:**

The application for transfer of shares held in physical form is received at the office of the Registrar and share transfer Agents of the Company. Shareholders/Investor's Grievance Committee approves valid transfer of shares and shares certificates are dispatched within stipulated period from the date of receipt, provided the same are in order in every respect.



**16. Distribution of Shareholding as on 31-03-2019:**

No. of Shares	No. of Shareholders	% of holders	No. of Shares	% of Shares
Upto 500	3341	81.95	501597	1.79
501 - 1000	336	8.24	275671	0.98
1001 - 2000	187	4.59	285925	1.02
2001 - 3000	60	1.47	150287	0.54
3001 - 4000	28	0.69	98964	0.35
4001 - 5000	22	0.54	104671	0.37
5001 - 10000	36	0.88	255303	0.92
10001 and above	67	1.64	26354709	94.03
<b>Total</b>	<b>4077</b>	<b>100</b>	<b>28027127</b>	<b>100</b>

**17. Dematerialization of Shares, Registrar & Transfer Agent & Share Transfer System:**

As on 31<sup>st</sup> March 2019, 91.29 % of the Company's total shares representing 2,55,87,295 shares were held in dematerialized form and the balance 8.71 % representing 24,39,832 shares were in Physical form.

**The ISIN Number is "INE905D01016"**

**Address of Correspondence:**

The Company's Corporate Office is situated at B-6/8, 4<sup>th</sup> Floor, Shalimar Complex, Mahalaxmi, Paldi, Ahmedabad - 380 007. Shareholders' correspondence should be addressed to the Corporate Office of the Company as stated above.

**18. Other Disclosures****Related Party Transaction:**

All transactions entered into with Related parties as defined under the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year were in the ordinary course of business and on an arm's length basis and do not attract the provisions of section 188 of the Act. There were no materially significant transactions with related parties during the financial year which were in the conflict of interest of the Company.

The Board has approved a policy for related party transactions which has been uploaded on the website of the Company.

Business risk evaluation and managing such risk is an ongoing process within the organization. The Board is regularly briefed of risks assessed and the measures adopted by the company to mitigate the risks.

The Company has in place a policy for Related Party Transactions and the same is available on the website of the Company at: <http://parsoli.com/policies.aspx>.

**Vigil Mechanism Policy:**

In accordance with the provisions of the Companies Act, 2013 and the Rules made thereunder read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a Vigil Mechanism Policy (Whistle Blower Policy) for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy, which also provides for adequate safeguards against victimization of director(s) / employee(s) who avail of the mechanism and also provide for direct access to the chairman of the Audit Committee in exceptional cases.



The Vigil Mechanism Policy is devised in such a manner that would enable the stakeholders, including individual employees and their representative bodies, to freely communicate their concerns about illegal or unethical practices.

Also the employees of the Company have not been denied the access to the Audit Committee to report the genuine concern or grievance.

- **Mandatory/ Non-Mandatory Requirements:**

During the year the Company has complied with the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has during the financial year ended on 31.03.2019 has not adopted any non-mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has complied with corporate governance requirements specified in regulation 17 to 27 and clause (b) to (i) of Sub regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- **Subsidiary Companies**

As on the financial year end date the Company is not having any subsidiary Company.

The Audit Committee reviews the financial statements of the unlisted subsidiary companies including investment by the company.

The reports on the status / working of the subsidiary companies are placed before the Board from time to time.

The management periodically reviews a statement of all significant transaction, if any entered into by the subsidiaries companies.

As the Company is not having any material subsidiary as per the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is not required to frame policy on Material subsidiary.

- **Legal Compliances:**

The Company has formalized a system for legal compliance applicable to the Company. Status of legal compliance and steps taken to rectify non-compliances, if any, are placed to the Board of Directors at its meetings.

Necessary appeal is filed by Company and pending before relevant authority with regards to action taken by SEBI against Company, former Managing Director and Joint Managing Director.

The trading in securities of the Company has been suspended with effect from 19<sup>th</sup> July, 2010 on account of non-compliances of the few provisions of the Listing Agreement vide the notice received from BSE Limited bearing no.: 20100618-21 dated 18<sup>th</sup> June, 2010.

The Board will ensure complying with the necessary provisions of the listing agreement and SEBI (LODR) Regulations, 2015 in due course of time and the management is making all the possible efforts for revocation of suspension of trading at the BSE Ltd.

**19. Pattern of Shareholding as on 31-03-2019:**

Sr. No.	Category	No. of shares	%
1.	Promoters and	1,10,91,945	39.57



	Promoters group		
2.	Financial Institutions/Banks	59,05,000	21.07
3.	Body Corporate	5,79,078	2.07
4.	NRI	63,405	0.23
5.	Others	1,03,87,699	37.06
	<b>Total</b>	<b>2,80,27,127</b>	<b>100</b>

**20. Secretarial Audit for Reconciliation of Capital:**

As stipulated by SEBI, Practicing Company Secretaries carry out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter. The audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL) and total number of shares in physical form.

**21. CEO/CFO Certification:**

The CEO / CFO of the company has given certification on the financial reporting and internal controls to the Board in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The CEO/CFO has also given quarterly certification on financial results to the Board in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

22. The Company has complied with major provisions specified in the Regulation 17 to 27 and Clause (b) to (i) of Sub-Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**23. Declaration for Compliance of Code of conduct:**

Pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and according to the information provided/available, it is hereby confirmed that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the Financial Year 2018-2019. The Code of Conduct is also posted on the website of the Company i.e [www.parsoli.com](http://www.parsoli.com).

**FOR AND ON BEHALF OF BOARD OF DIRECTORS OF  
PARSOLI CORPORATION LIMITED**

Date: 14<sup>th</sup> August, 2019  
Place: Ahmedabad

  
HABIB ZAFAR SARESHWALA  
MANAGING DIRECTOR  
DIN: 03282280

  
NAZIMA SAIYED  
DIRECTOR  
DIN: 07958783



**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019**  
[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,**  
**PARSOLI CORPORATION LIMITED,**  
CIN: L65990MH1990PLC059074  
23, First Floor, Crystal Shoppers Paradise,  
24th & 33rd Road, Plot No. 489,  
Bandra (West) Mumbai - 400050

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Parsoli Corporation Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 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;



// 2 //

- 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 (upto 10<sup>th</sup> November, 2018) and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (with effect from 11<sup>th</sup> November, 2018) - Not applicable as the Company has not issued any shares / securities during the year under review;
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits), Regulations, 2014 - Not Applicable as the Company has not issued any Shares/ options to the Directors /Employees under the said Regulations during the year under review;
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not Applicable as the Company has not issued any debt securities during the year 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;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not Applicable as the Company has not delisted its Equity Shares from any Stock Exchanges during the year under review;
  - h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 -Not Applicable as the Company has not bought-back any of its securities during the year under review;
  - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

*Based on our observations, we express that the Company has not fully complied with the aforesaid provisions of law during the year under review.*



**We have also examined compliance with the applicable Standards / Clauses / Regulations of the following:**

- i. Secretarial Standards issued by The Institute of the Company Secretaries of India (ICSI) and made effective from time to time.
- ii. The Uniform Listing Agreement entered into by the Company with Bombay Stock Exchange and listing obligations and disclosure requirements issued by Stock Exchange and based on review we express that the Company has *not complied with various clauses of the listing agreement executed with Bombay stock exchange during the year under review.*

**We further report that-**

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well 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.

Decisions at the meetings of Board of Directors / Committees of the Company were carried unanimously. We were informed that there were no dissenting views of the members on any of the matters during the year that were required to be captured and recorded as part of the minutes.

**We further report that**

Based on the review of compliance mechanism established by the Company, the information provided by the Company, its officers and authorized representatives during the conduct of the audit and compliance certificate(s) placed before the Board Meeting, 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 general laws, rules, regulations and guidelines.

**We further report that**

The Compliance by the Company of the applicable financial laws like Direct and Indirect Tax laws, has not been reviewed in this Audit since the same have been subject to the review by the Statutory Auditor(s) and other designated professionals.





**We further report that:**

During the audit period under review, there were no instances of:

- a) Public/Right issue of shares/ debentures/sweat equity, etc.
- b) Redemption / buy-back of securities.
- c) Obtaining the approval from Shareholders under Section 180 of the Companies Act, 2013.
- d) Merger / amalgamation / reconstruction, etc.
- e) Foreign technical collaborations.

**FOR HARISH P. JAIN & ASSOCIATES  
PRACTICING COMPANY SECRETARIES**

*H.P. Jain*

**HARISH JAIN  
PROPRIETOR  
FCS : 4203 C. P. No.: 4100**



**Place: Ahmedabad  
Date: 14-08-2019**

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

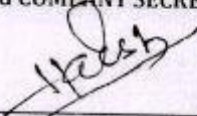
**ANNEXURE - A**

To,  
The Members,  
**PARSOLI CORPORATION LIMITED,**  
CIN: L65990MH1990PLC059074

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and 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. We believe that the process and practices followed by us provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our 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.

**FOR HARISH P. JAIN & ASSOCIATES  
PRACTICING COMPANY SECRETARIES**

  
\_\_\_\_\_  
**HARISH JAIN  
PROPRIETOR**

**FCS : 4203 C. P. No.: 4100**



**Place: Ahmedabad  
Date: 14-08-2019**

**PARSOLI CORPORATION LIMITED**

ADDRESS : G-3, First floor, Crystal Shoppers Paradise,  
24th and 33rd Road,  
Bandra (W), Mumbai - 400 050

ASSESSMENT YEAR : 2019-20

STATUS : PUBLIC LIMITED LISTED COMPANY

DATE OF INCORPORATION : 21-Nov-90

P.A.N. : A A B C P 9 0 3 0 1

WARD / CIRCLE : ITO-4(2)(4) / Mumbai

**STATEMENT OF TOTAL INCOME**

**1 INCOME FROM BUSINESS AND PROFESSION**

Net Loss before Tax Per Profit & Loss Account	(1,05,97,968)
Less - Disallowables and Treated Separately Depreciation as per books	4,418
Interest on late payment of TDS	64
Short provision of income tax written off	
Price period expenses	4,52,85,647
	<u>4,52,90,129</u>
Less - Allowable items	3,46,92,164
Depreciation admissible u/s 32 as per tax the working below	212,458
	<u>3,44,59,703</u>
Less: Set off of unabsorbed business loss of A.Y. 2011-12	3,44,59,703
<b>Total Income</b>	<u><b>Nil</b></u>

**Income tax credit :**

Income tax paid or payable	Nil
Less : Income tax deducted at source	8,981
Refund due with interest u/s 244A	<u>8,981</u>

**Notes :**

1 Following Losses are to be carried forward to the subsequent years

Assessment Year	Unabsorbed business loss (Rs.)	Unabsorbed depreciation (Rs.)	Unabsorbed short term capital loss (Rs.)	Total (Rs.)
2010-11	0	48160643	0	48160643
2011-12	4532303	12417947	0	16950250
2012-13	10046894	4439879	0	14486773
2013-14	3719579	2183244	0	5902823
2014-15	93148	808577	438921	5282646
2016-17	-	300112	0	300112
2017-18	2057683	122129	0	2975812
2018-19	14,32,428	268648	0	1701076
<b>Total</b>	<b>27,47,8035</b>	<b>69,00,409</b>	<b>438,921</b>	<b>95,85,965</b>

2 The return of income for A.Y. 2018-19 was filed electronically on 31-07-2018 with e-filing acknowledgement no. 967659801310718

3 Working of depreciation u/s 32

Sl no	Description of the block	Rate of depreciation	WDV as on	Addition	Addition	Deduction	Depreciation	WDV as on
			01-04-2016	before	after	during	allowable	as on
			(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
1	BSE Membership Card	0%	11255000	0	0	0	0	11255000
2	Furniture & Fixtures	10%	644734	0	0	0	64473	580261
3	Plant and machinery	15%	1100389	0	0	0	165058	935330
4	Computer	40%	7315	0	0	0	2926	4389
<b>Total</b>			<b>13,07,438</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,24,458</b>	<b>12,74,980</b>

CHANDABHOY & JASSOOBHOY  
CHARTERED ACCOUNTANTS

605-606-607, SILVER OAKS,  
NEAR MAHALAXMI CHAR RASTA,  
PALDI,  
AHMEDABAD 380 007  
Telephone Nos. 26586063  
26586069  
Fax: (079) 26586063  
E-mail: cnjabd@gmail.com

## INDEPENDENT AUDITOR'S REPORT

To the members of PARSOLI CORPORATION LIMITED

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of PARSOLI CORPORATION LIMITED ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2019, the statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Attention is invited to:

- (a) SEBI has restrained the Company, its whole time directors and its associates/group companies from accessing the security market and also prohibited them from buying, selling or dealing in securities in any manner till further order as referred to in Note No. 24(13).
- (b) Various balances aggregating Rs 4.53 crores Credit and Rs 4.53 crores Debit have been written off /back to Profit and Loss Statement under the head sundry balance written off (net) as referred to in Note No. 24 (14).



In view of losses incurred during the current year as well as accumulated losses of the earlier years, the continuation of the Company as a going concern is dependent on further infusion of funds in the Company and the lifting of the SEBI restrictions.

#### **Basis for Opinion**

We conducted our audit of standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Management's responsibility for the Standalone Financial Statements**

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

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when such misstatements can arise from fraud or error and are considered



material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

#### Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.



- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. Unpaid dividend of Rs.150000 has not been transferred to the Investor Education and Protection fund but has been written back to Profit and Loss statement by the Company.

Place : Ahmedabad  
Date : 30<sup>th</sup> May, 2019



For Chandabhoy & Jassoobhoy

*[Signature]*  
Partner

Chartered Accountants  
Membership No. 100932  
Firm Regn. No. 101648W

**"ANNEXURE A" REFERRED TO IN THE AUDITORS REPORT TO THE MEMBERS OF  
PARSOLI CORPORATION LIMITED FOR THE YEAR ENDED 31ST MARCH, 2019**

- i. The Company has maintained proper records showing full particulars including quantitative details and situation of the fixed assets. The management has certified the physical verification of the fixed assets at reasonable intervals. No significant discrepancy was noticed on such verification. The Company does not own any immovable property.
- ii. As informed to us by the management, the stock of goods has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. The procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business. **In our opinion, the Company is not maintaining a proper record of inventory. The inventory records are combined for its own shares and shares of its clients. Hence, it is not possible to ascertain the discrepancies, if any, between the physical stock and the book records.**
- iii. The Company has not granted any loans to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- iv. In respect of loans, investment, guarantees and security, the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- v. The Company has not accepted any deposits within the meaning of section 73 to 76 or any other relevant provisions of the Companies Act, 2013.
- vi. The maintenance of cost records has not been specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013.
- vii. **To the best of our knowledge and according to the information and explanations given to us, the Company has not been generally regular in depositing the undisputed statutory dues consisting of Provident fund, Employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax and cess with the appropriate authorities. There are no dues in respect of income tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax or cess which have not been deposited by the Company with the appropriate authorities on account of any dispute. However, the Company has written back old payables for income tax deducted at source of appr. Rs. 66 lakhs and old PF and ESI dues of appr. Rs.2.44 lakhs to Profit and Loss statement during the year.**
- viii. The Company has not defaulted in repayment of loans or borrowings to a financial institutions, bank, Government or dues to debenture holders.
- ix. In our opinion, the money raised by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purpose for which those were raised.






- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or any fraud on the Company by its officers and employees has been noticed or reported during the year.
- xi. The 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, 2013.
- xii. The Company is not a Nidhi Company as defined in section 406 of the Companies Act, 2013.
- xiii. In our opinion, all transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv. In case of non-cash transactions with directors or persons connected with him, if any, the provisions of section 192 of the Companies Act, 2013 have been complied with.
- xvi. The Company had obtained registration under section 45-IA of the Reserve Bank of India Act, 1934.

Place : Ahmedabad  
Date : 30<sup>th</sup> May, 2019



For Chandabhoj & Jassoobhoj

  
Partner  
Chartered Accountants  
Membership No. 100932  
Firm Regn. No. 101648W

**"ANNEXURE B" REFERRED TO IN THE AUDITORS REPORT TO THE MEMBERS OF  
PARSOLI CORPORATION LIMITED FOR THE YEAR ENDED 31ST MARCH, 2019**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of  
the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **PARSOLI CORPORATION LIMITED** ("the Company") as of 31<sup>st</sup> March, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

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

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



assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : Ahmedabad  
Date : 30<sup>th</sup> May, 2019



For Chandabhoj & Jassoobhoj

  
Partner

Chartered Accountants  
Membership No. 100932  
Firm Regn. No. 101648W

PARSOLI CORPORATION LIMITED

Balance Sheet as at 31st March, 2019

(In rupees)

Particulars	Note No.	As at 31-03-2019	As at 31-03-2018
<b>I. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property Plant and Equipment	1	11273833	11273250
(b) Capital work-in-progress		0	0
(c) Investment property		0	0
(d) Goodwill		0	0
(e) Other intangible assets	2	0	0
(f) Intangible assets under development		0	0
(g) Biological Assets other than bearer plants		0	0
<b>(h) Financial assets</b>			
(i) Investments		0	837450
(j) Trade receivables and Loans	3	0	19326079
(k) Other financial assets	4	0	0
(l) Deferred tax assets (net)		0	0
(m) Other non-current assets	5	5374155	7386002
		15647068	38827871
<b>2 Current assets</b>			
(a) Inventories	6	40478	53328
<b>(b) Financial Assets</b>			
(i) Investments		0	29294205
(j) Trade receivables	7	0	1785009
(k) Cash and cash equivalents	8	1820241	1352078
(l) Other Bank balances	9	1423476	0
(m) Loans		0	0
(n) Other financial assets		0	0
(o) Current tax assets (Net)	10	7028710	6609728
(p) Other current assets	11	892702	968204
		11905697	40962071
<b>Total Assets</b>		<b>28553665</b>	<b>78890548</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	12	290271270	290271270
(b) Other Equity	13	(345690799)	(326299331)
		65575291	(56027561)
<b>Liabilities</b>			
<b>1 Non-current liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Borrowings	14	5858185	58129121
(j) Trade payables		0	0
Total outstanding due of			
(A) Micro enterprises and small enterprises		0	2383329
(B) Creditors other than micro enterprises and small enterprises		0	0
(i) Other financial liabilities	15	0	0
(b) Provisions		0	0
(c) Deferred tax liabilities (Net)		0	0
(d) Other non-current liabilities		0	0
		5858185	6071450
<b>2 Current liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Borrowings		0	0
(j) Trade payables		0	0
Total outstanding due of			
(A) Micro enterprises and small enterprises	16	0	0
(B) Creditors other than micro enterprises and small enterprises	19	0	3867158
(i) Other financial liabilities		0	0
(b) Other current liabilities	17	38478829	6380094
(c) Provisions	18	142200	8519406
(d) Current tax liabilities (Net)		0	0
		38621029	7206658
<b>Total Equity and Liabilities</b>		<b>28553665</b>	<b>78890548</b>

Notes accompanying to the financial statements 24

For Chandabhoj & Jassobhoj Chartered Accountants



Date 30th May 2019  
Place Ahmedabad

For Parsoli Corporation Limited

*Habib Zafar Sareethwala*  
Habib Zafar Sareethwala  
Director  
DIN: 03262280

*Nazima Sayed*  
Nazima Sayed  
Director  
DIN: 07958783

*Mohammed Kolthawala*  
Mohammed Kolthawala  
Chief Financial Officer

*Atash Khandolwala*  
Atash Khandolwala  
CG & Compliance Officer



**PARSOLI CORPORATION LIMITED**

Statement of Profit and Loss for the year ended 31st March, 2019

Particulars		Notes	(in rupees)	
		No.	Year ended 31-03-2019	Year ended 31-03-2018
I	Revenue From Operations		0	0
II	Other income		193144	877249
III	<b>Total Income (I+II)</b>	<b>19</b>	<b>193144</b>	<b>877249</b>
IV	<b>EXPENSES</b>			
	Cost of materials consumed		12850	(10158)
	Purchases of Stock-in-Trade		0	0
	Changes in inventories of finished goods, Stock-in-Trade and work-in-progress		0	0
	Employee benefits expense		2702383	868670
	Finance costs		3679370	1227
	Depreciation and amortization expense		4418	0
	Other expenses		4388791	1182654
	<b>Total expenses (IV)</b>	<b>20</b>	<b>10797812</b>	<b>2120583</b>
V	Profit/(loss) before exceptional items and tax (III - IV)		(10597968)	(1442844)
VI	Exceptional items		0	0
VII	<b>Profit/(loss) before tax (V-VI)</b>		<b>(10597968)</b>	<b>(1442844)</b>
VIII	Tax expense: (1) Current tax (2) Deferred tax		0	0
IX	<b>Profit/(Loss) for the period from continuing operations (VII-VIII)</b>		<b>(10597968)</b>	<b>(1442844)</b>
X	Profit/(loss) from discontinued operations Tax expense of discontinued operations		0	0
XI	Tax expense of discontinued operations		0	0
XII	<b>Profit/(loss) from Discontinued operations (after tax) (X-XI)</b>		<b>0</b>	<b>0</b>
XIII	<b>Profit/(loss) for the period (IX-XII)</b>		<b>(10597968)</b>	<b>(1442844)</b>
XIV	Other Comprehensive Income A (i) Items that will not be reclassified to profit or loss Re-measurement gains / (losses) on defined benefit plans Income tax effect		0	0
	B (ii) Items that will be reclassified to profit or loss (a) Income tax relating to items that will be reclassified to profit or loss		0	0
XV	<b>Total Comprehensive Income for the period (XIII + XIV)</b>		<b>(10597968)</b>	<b>(1442844)</b>
XVI	Earnings per equity share (for continuing operation) (1) Basic (2) Diluted		(0.38) (0.38)	(0.05) (0.05)
XVII	Earnings per equity share (for discontinued operation) (1) Basic (2) Diluted		0 0	0 0
XVIII	Earnings per equity share (for discontinued & continuing operations) (1) Basic (2) Diluted		(0.38) (0.38)	(0.05) (0.05)

Notes accompanying to the financial statements 24

For Chandeshoy & Jassobhoy  
Chartered Accountants

Partner  
Membership No. 10992  
Firm Reg. No. 101640

Date: 30th May 2019  
Place: Ahmedabad



For Parsoli Corporation Limited

Hitesh Zilar Sureshwala  
Director  
DIN: 03282280

Mohammed Kuthawala  
Chief Financial Officer

Nazima Saliyod  
Director  
DIN: 07958783

Hitesh Khandelwal  
CS & Compliance Officer



**PARSOLI CORPORATION LIMITED**

Statement of changes in Equity for the year ended 31st March, 2019

**A. Equity Share Capital**

Particulars	As at 31st March, 2019	
	Number of shares	Amount in rupees
Equity shares of Rs. 10 each issued subscribed and fully paid:		
As at 31st March, 2018	28027127	280271270
As at 31st March, 2019	28027127	280271270

**B. Other Equity**

Particulars	Reserves and Surplus				(In rupees)	
	Capital Redemption Reserve	Special Reserve Section 451C of ITR Act 1924	Security Premium	Retained Earnings	Total	OCI Other items of comprehensive income
Balance as at April 1, 2017						
Profit for the year	45709	3120886	455104030	(783125663)	(23485687)	0
Other comprehensive income for the year	0	0	0	(1442844)	(1442844)	0
Total Comprehensive Income for the year	0	0	0	0	0	0
Dividends	0	0	0	(1442844)	(1442844)	0
Transfer during the year	0	0	0	0	0	0
Transfer to retained earnings	0	0	0	0	0	0
Balance as at March 31, 2018	0	0	0	0	0	0
Balance as at April 1, 2018	45709	3120886	455104030	(794589447)	(32623831)	0
Profit for the year	45709	3120886	455104030	(794669447)	(32623831)	0
Other comprehensive income for the year	0	0	0	(10597968)	(10597968)	0
Total Comprehensive Income for the year	0	0	0	0	0	0
Dividends	0	0	0	(10597968)	(10597968)	0
Transfer to retained earnings	0	0	0	0	0	0
Balance as at March 31, 2019	45709	3120886	455104030	(805167415)	(246896799)	0

For Chandrabhoy & Jassobhoy  
Chartered Accountants

Partner  
Membership No. 100932  
Firm Reg. No. 1016481W

Date 30th May 2019  
Place Ahmedabad



For Parsoli Corporation Limited

Hitesh Zalar Srivastava  
Director  
DIN: 03282288

Mohammed Kothawala  
Chief Financial Officer

Nazima Saiyed  
Director  
DIN: 07958783

Hitesh Khandalwal  
CS & Compliance Officer



**PARSOLI CORPORATION LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019**

	Year ended March 31, 2019	Year ended March 31, 2018
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before Tax	(10897968)	(1442844)
Add/(Less) Adjustments for non cash items		
Depreciation	4418	0
Provision for tax	0	0
Add/(Less) Other adjustments		
(Profit)/Loss on Sale of Tangible/Intangible assets	0	0
Interest Income	(89814)	(67750)
Interest and Other Borrowing Cost Paid	3879370	1227
Re-measurement gains/loss on defined benefits plan	0	0
Operating Profit before Working Capital Changes	<u>(7003994)</u>	<u>(2119126)</u>
Add/(Less) Adjustments for working capital changes		
Changes in Current Assets		
Decrease / (Increase) in Inventory	12850	(10158)
Decrease / (Increase) in Trade Receivables	29204205	(350000)
Decrease / (Increase) in Other bank balances	(71397)	(73036)
Decrease / (Increase) in loans and other financial assets	19328079	61691
Decrease / (Increase) in Current tax assets	(1318882)	733
Decrease / (Increase) in Other current assets	275412	0
Changes in Current Liabilities		
(Decrease) / Increase in Trade Payables	(3887156)	0
(Decrease) / Increase in Other Current Liabilities	(25321205)	141008
(Decrease) / Increase in Provisions	(8377206)	898500
Net cash generated from operations :	<u>2928886</u>	<u>(1451818)</u>
<b>B. NET CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property plant & equipment/intangible assets	0	(23250)
Sale of property plant & equipment	0	0
Change in other non current assets	2011807	0
Interest Income	88814	677508
Net cash used in investing activities :	<u>2101781</u>	<u>654259</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Changes in non current borrowings	230084	1525689
Changes in non current other financial liabilities	(2383328)	0
Changes in non current provisions	0	0
Changes in financial assets - loans	837450	0
Interest and Other Borrowing Cost Paid	(3679370)	(1227)
Dividend paid including Corporate dividend tax	0	0
Net cash generated from financing activities :	<u>(4995184)</u>	<u>1524442</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	35172	727682
CASH AND CASH EQUIVALENTS AS AT APRIL 1, 2018	1785069	1067387
CASH AND CASH EQUIVALENTS AS AT MARCH 31, 2019	<u>1820241</u>	<u>1785059</u>

**Notes:**

- The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows
- Purchase of property, plant & equipment / intangible assets include movement of capital work-in-progress during the year.

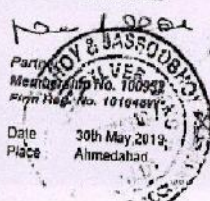
3. Cash and cash equivalents comprises	As at 31.03.2019	As at 31.03.2018
Balances in current account with banks	1815751	1676944
Cash on hand	4490	108125
Cash and cash equivalents in Cash Flow Statement	<u>1820241</u>	<u>1785069</u>

- Ind AS 7 cash flow requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liability arising from financing activities, including both changes arising from cash flows and non cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet disclosure requirement.

Particulars	As at 31.03.2018	Cash flows/non cash changes	As at 31.03.2019
Borrowings - Non Current			
Borrowings - Current	56328121	230084	56558185
	Nil	Nil	Nil

For Chandabhoj & Jassoothoy  
Chartered Accountants

For Parsoli Corporation Limited



*[Signature]*  
 Rabib Zafar Sareeshwala  
 Director  
 DIN: 83282280  
*[Signature]*  
 Mohammed Kothawala  
 Chief Financial Officer

*[Signature]*  
 Nazima Saliya  
 Director  
 DIN: 87950703  
*[Signature]*  
 Hitesh Khandolwal  
 CS & Compliance Officer





# PARSOLI CORPORATION LIMITED

## Note - 1 Property, Plant and Equipments



Description of assets	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	Balance as at 01-04-2018 Rs.	Additions Rs.	Deduction Rs.	Balance as at 31-03-2019 Rs.	Balance as at 01-04-2018 Rs.	Provision Rs.	Deduction Rs.	Balance as at 31-03-2019 Rs.	Balance as at 31-03-2018 Rs.
BSE Membership Card	11255000	0	0	11255000	0	0	0	11255000	11255000
2 Furniture & Fixtures	2356412	0	0	2356412	2356412	0	0	2356412	0
3 Office Equipments	4877231	0	0	4877231	4853981	4418	0	4858399	18833
4 Electrical Installation	835993	0	0	835993	835993	0	0	835993	0
5 Computer Systems	36468001	0	0	36468001	36468001	0	0	36468001	0
<b>Total</b>	55792637	0	0	55792637	44514387	4418	0	44518805	11278250
Previous year	55769387	23250	0	55792637	44514387	0	0	44514387	11278250



# PARSOLI CORPORATION LIMITED

## Note - 2 Other intangible assets

Sr. No.	Description of assets	GROSS BLOCK			AMORTISATION			NET BLOCK	
		Balance as at 01-04-2018 Rs.	Additions Rs.	Deduction as at 31-03-2019 Rs.	Balance as at 01-04-2018 Rs.	Provision Rs.	Deduction as at 31-03-2019 Rs.	Balance as at 31-03-2019 Rs.	Balance as at 31-03-2018 Rs.
1	Computer software	69040	0	0	69040	0	0	69040	0
	Total	69040	0	0	69040	0	0	69040	0
	Previous year	69040	0	0	69040	0	0	69040	0



# PARSOLI CORPORATION LIMITED

## Note - 3 Financial assets - Non current : Loans

Particulars	(In rupees)	
	As at 31-03-2019	As at 31-03-2018
<b>Unsecured, considered good</b>		
Loans to employees	0	125000
Loans and advances to related parties	0	712450
<b>Total</b>	<b>0</b>	<b>837450</b>

## Loans and advances to related parties

Particulars	(In rupees)	
	As at 31-03-2019	As at 31-03-2018
Parsoli Corporate Services Limited (considered doubtful)	0	259330
Uves Sareshwala	0	453120
<b>Total</b>	<b>0</b>	<b>712450</b>

## Note - 4 Financial assets - Non current : Others

Particulars	(In rupees)	
	As at 31-03-2019	As at 31-03-2018
<b>Unsecured, considered good</b>		
Advances recoverable in cash or in kind or for value to be received	0	10326079
<b>Total</b>	<b>0</b>	<b>10326079</b>

## Note - 5 Other non-current assets

Particulars	(In rupees)	
	As at 31-03-2019	As at 31-03-2018
<b>Unsecured, considered good</b>		
Deposits with		
- Bombay Stock Exchange (BSE)	5000000	5000000
- CDSL Securities Deposit	250000	250000
- Cash Margin with IL & FS	0	1200000
-Others	124155	936002
<b>Total</b>	<b>5374155</b>	<b>7386002</b>

## Note - 6 Inventories

Particulars	(In rupees)	
	As at 31-03-2019	As at 31-03-2018
(As taken, valued and certified by a director) Shares in Indian listed companies (Operation restrained by SEBI refer note no. 24 (13) )	40478	53328
<b>Total</b>	<b>40478</b>	<b>53328</b>



# PARSOLI CORPORATION LIMITED

## Note - 7 Financial assets - Current : Trade receivables

(In rupees)

Particulars	As at 31-03-2019	As at 31-03-2018
<b>Unsecured, considered doubtful</b>		
From related parties		
Debts outstanding for a period exceeding six months	0	219668
Others	0	0
	0	219668
From others		
Debts outstanding for a period exceeding six months	0	29074597
Others	0	0
	0	29074597
<b>Total</b>	<b>0</b>	<b>29294265</b>

## Note - 8 Financial assets - Current : Cash and cash equivalents

(In rupees)

Particulars	As at 31-03-2019	As at 31-03-2018
Balances in current account with banks	1815751	1676944
Cash on hand	4490	108125
<b>Total</b>	<b>1820241</b>	<b>1785069</b>

## Note - 9 Financial assets - Current : Other bank balances

(In rupees)

Particulars	As at 31-03-2019	As at 31-03-2018
Balances in term deposit accounts with bank (pledged)	1000000	1000000
Accrued interest on term deposit	423476	352079
<b>Total</b>	<b>1423476</b>	<b>1352079</b>



# PARSOLI CORPORATION LIMITED

## Note - 10 Current tax assets (net)

(In rupees)

Particulars	(In rupees)	
	As at 31-03-2019	As at 31-03-2018
Advance payments of income tax (net of provision)	7928710	6609728
<b>Total</b>	<b>7928710</b>	<b>6609728</b>

## Note - 11 Other current assets

(In rupees)

Particulars	(In rupees)	
	As at 31-03-2019	As at 31-03-2018
<b>Unsecured, considered good</b>		
Advance to suppliers	610500	0
Balances with government authorities	82292	968204
GST/Service tax credit receivable		
<b>Total</b>	<b>692792</b>	<b>968204</b>



# PARSOLI CORPORATION LIMITED

## Note - 12 Equity Share Capital

Particulars	(In rupees)	
	As at 31-03-2019	As at 31-03-2018
<b>Authorized share capital</b>		
50000000 equity shares of Rs 10 each	500000000	500000000
<b>Total</b>	500000000	500000000
<b>Issued, subscribed and fully paid share capital</b>		
28027127 equity shares of Rs 10 each fully paid up	280271270	280271270
Of the above equity shares		
1) 10000000 equity shares of Rs. 10/- each fully paid up issued for consideration other than cash upon investment in Parsoli UK Ltd to the shareholders of Parsoli UK Ltd		
2) 350000 shares issued to M/s. Basler Wertpapierhandelsbank AG for consideration other than cash for Technical Services/Support provided by M/s Basler Wertpapierhandelsbank AG		
3) 11,02,227 equity shares of Rs 10/- each fully paid up issued pursuant to conversion of fully convertible debentures		
(Equity shares are pari-passu in voting rights, dividend rights etc. inter-se)		
<b>Total</b>	280271270	280271270

## Reconciliation of Share capital

Particulars	(In rupees)	
	As at 31-03-2019	As at 31-03-2018
28027127 equity shares of Rs 10 each at the beginning of the year	280271270	280271270
Add: Shares issued during the year	Nil	Nil
28027127 equity shares of Rs 10 each at the end of the year	280271270	280271270
<b>Total</b>	280271270	280271270

## List of shareholders holding more than 5 % of shares

Name	No. of shares held
Basler Wertpapierhandelsbank AG	5005000
Gulf Investment services Company	5384980
M. Yonus M. Habib Sureshbabu	2001000
Taha Yunus Sureshbabu	1500000
Uves Yunus Sureshbabu	1684800
Zafar Mohd Yunus Sureshbabu	5000000

## Note - 13 Other Equity

Particulars	As at	
	31-03-2019	31-03-2018
<b>Reserves and Surplus</b>		
<b>Capital Redemption Reserve</b>		
Balance as per last year	45700	45700
	45700	45700
<b>Special Reserve - Section 461C of RBI Act 1934</b>		
Balance as per last year	3120886	3120886
	3120886	3120886
<b>Security Premium</b>		
Balance as per last year	493134070	493134070
	493104030	455104030
<b>Retained Earnings</b>		
Balance as per last year	(794569447)	(793126693)
Add: Profit for the year	(10597068)	(1442844)
Other comprehensive income for the year	0	0
Balance as per year end	(805167415)	(794569447)
<b>Total</b>	(346090796)	(336258631)



# PARSOLI CORPORATION LIMITED

## Note - 14 Financial liabilities - Non current: Borrowings

(In rupees)

Particulars	As at 31-03-2019	As at 31-03-2018
<b>Unsecured</b>		
Deposits from directors and their relatives	6987183	11252229
Deposits from body corporates	49571002	45075892
<b>Total</b>	<b>56558185</b>	<b>56328121</b>

## Note - 15 Financial liabilities - Non current : Other financial liabilities

(In rupees)

Particulars	As at 31-03-2019	As at 31-03-2018
Deposit from clients for trade	0	2233329
Unpaid dividend	0	150000
<b>Total</b>	<b>0</b>	<b>2383329</b>

## Note - 16 Financial liabilities - Current : Trade payables

(In rupees)

Particulars	As at 31-03-2019	As at 31-03-2018
Outstanding due to micro and small enterprises	0	0
Outstanding due to creditors other than micro and small enterprises	0	3887156
<b>Total</b>	<b>0</b>	<b>3887156</b>
Includes payables to related parties	0	0



# PARSOLI CORPORATION LIMITED

## Note - 17 Other current liabilities

(In rupees)

Particulars	(In rupees)	
	As at 31-03-2019	As at 31-03-2018
Unpaid duties and taxes	850370	7012261
Provision for fringe benefit tax	0	874909
Other current liabilities	37628459	55912924
<b>Total</b>	<b>38478829</b>	<b>63800094</b>

## Note - 18 Current provisions

(In rupees)

Particulars	(In rupees)	
	As at 31-03-2019	As at 31-03-2018
Provisions for employee benefits		
Unpaid salaries and wages	142200	5677084
Unpaid provident fund and ESI	0	244006
Unpaid gratuity	0	2598316
<b>Total</b>	<b>142200</b>	<b>8519406</b>



# PARSOLI CORPORATION LIMITED

## Note - 19 Other income

(in rupees)

Particulars	Year ended 31-03-2019	Year ended 31-03-2018
Interest income	89814	82152
Interest on income tax refund	0	240
Sundry balances written back	0	595357
Prior period income(net)	110030	0
<b>Total</b>	<b>199844</b>	<b>677749</b>

## Note - 20 Cost of shares / securities sold

Particulars	Year ended 31-03-2019	Year ended 31-03-2018
Opening stock of shares / securities sold	53328	43170
Add: Purchases	0	0
	53328	43170
Less: Closing stock	40478	53328
<b>Total</b>	<b>12850</b>	<b>(10158)</b>





# PARSOLI CORPORATION LIMITED

## Note - 21 Employee benefits expense

(In rupees)

Particulars	Year ended 31-03-2019	Year ended 31-03-2018
<b>Employee benefits expenses</b>		
Salaries and wages	131800	66000
Staff welfare expenses	10583	870
	142383	66870
<b>Directors' remuneration</b>		
Director's sitting fees	60000	0
Mr Aslamkhan Rehmatkhan Pathan	0	900000
Mr Habib Zafar Sarehwala	1500000	0
Mr Umar Uves Sarehwala	1000000	0
	2560000	900000
<b>Total</b>	<b>2702383</b>	<b>966870</b>

## Note - 22 Finance costs

(In rupees)

Particulars	Year ended 31-03-2019	Year ended 31-03-2018
Interest paid to body corporates	3577796	0
Interest paid to others	101574	1227
<b>Total</b>	<b>3679370</b>	<b>1227</b>



# PARSOLI CORPORATION LIMITED

## Note - 23 Other expenses

(In rupees)

Particulars	Year ended 31-03-2019	Year ended 31-03-2018
Advertisement expenses	125377	0
Bank charges	2044	471
Exchange related expenses	512150	0
Demat account charges	0	983
CDSL Custodial fees	0	88500
Office and other expenses	14013	36669
Payments to auditors	119740	117810
Power and fuel	75652	45320
Postage and courier expenses	19605	4722
Printing and stationery expenses	29455	13266
Legal and professional fees and expenses	454450	389160
Rent, rates and taxes	1988060	133952
Repairs and maintenance to other fixed assets	151125	52950
Subscription and membership expenses	0	16000
Telephone expenses	130455	216878
Travelling, vehicle and conveyance expenses	754429	36784
Sundry balances written off (net)	22236	0
Short provision of income tax written off	0	9189
<b>Total</b>	<b>4398791</b>	<b>1162654</b>

## Payments to auditors

(In rupees)

Particulars	Year ended 31-03-2019	Year ended 31-03-2018
Audit fees	30000	30000
Other matters	89740	87810
<b>Total</b>	<b>119740</b>	<b>117810</b>



# PARSOLI CORPORATION LIMITED

Year ended 31st March, 2019

## Note 24 Notes accompanying to the financial statements

### (1) Significant accounting policies and key accounting estimates and judgements

#### 1.1 Basis of preparation of financial statements

These financial statements are the separate financial statements of the Company (also called standalone financial statements) prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended)

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

The financial statements are presented in Indian rupee and all values are rounded to the nearest rupee, except when otherwise indicated.

#### 1.2 Current / Non-Current Classification

Any asset or liability is classified as current if it satisfies any of the following conditions:

- > the asset/liability is expected to be realized/settled in the Company's normal operating cycle;
- > the asset is intended for sale or consumption;
- > the asset/liability is held primarily for the purpose of trading;
- > the asset/liability is expected to be realized/settled within twelve months after the reporting period;
- > the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- > in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current

#### Operating cycle

Operating cycle of the Company is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. As the Company's normal operating cycle is not clearly identifiable, it is assumed to be twelve months.

#### 1.3 Summary of significant accounting policies

##### a) Property, Plant and Equipment

###### Measurement at recognition:

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The Company identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has a useful life which is materially different from that of the remaining item.



The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenses directly attributable to new manufacturing facility during its construction period are capitalized if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of property, plant and equipment if the recognition criteria are met.

Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

#### Capital work in progress and Capital advances:

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

#### Depreciation:

Depreciation on each part of an item of property, plant and equipment is provided using the Straight Line Method based on the useful life of the asset as estimated by the management and is charged to the Statement of Profit and Loss as per the requirement of Schedule II of the Companies Act, 2013. The estimate of the useful life of the assets has been assessed based on technical advice which considers the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc.

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

#### Derecognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

### b) Intangible assets

#### Measurement at recognition:

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets arising on acquisition of business are measured at fair value as at date of acquisition. Internally generated intangibles including research cost are not capitalized and the related expenditure is recognized in the Statement of Profit and Loss in the period in which the expenditure is incurred. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

#### Amortization:

Intangible Assets with finite lives are amortized on a Straight Line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss.

The amortization period and the amortization method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

#### Derecognition:



The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

#### c) Impairment

Assets that have an indefinite useful life, for example goodwill, are not subject to amortization and are tested for impairment annually and whenever there is an indication that the asset may be impaired. Assets that are subject to depreciation and amortization are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal.

Impairment losses, if any, are recognized in the Statement of Profit and Loss and included in depreciation and amortization expenses. Impairment losses are reversed in the Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.

#### d) Revenue

Effective April 1 2018, The Company adopted Ind AS 115 "Revenue from Contract with Customer". Ind AS 115 supersedes Ind AS 11, Construction Contract and Ind AS 18, Revenue.

Ind AS 115 requires an entity to report information regarding nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with customers.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

The impact of application of the Standard is not material.

Revenue is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates allowed by the Company.

Revenue includes only the gross inflows of economic benefits received and receivable by the Company, on its own account. Amounts collected on behalf of third parties such as GST are excluded from revenue.

Interest income is recognized using effective interest method. Dividend income is recognized when the right to receive payment is established.

#### e) Inventory

Inventories of shares / securities are valued at lower of cost or market price.

#### f) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### > Financial Assets

Initial recognition and measurement



The Company recognizes a financial asset in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset.

Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial asset.

However, trade receivables that do not contain a significant financing component are measured at transaction price.

#### Subsequent measurement

For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

- i. The Company's business model for managing the financial asset and
- ii. The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following categories:

- i. Financial assets measured at amortized cost
- ii. Financial assets measured at fair value through other comprehensive income (FVTOCI)
- iii. Financial assets measured at fair value through profit or loss (FVTPL)

#### i. Financial assets measured at amortized cost

A financial asset is measured at the amortized cost if both the following conditions are met

- a) The Company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to cash and bank balances, trade receivables, loans and other financial assets of the Company. Such financial assets are subsequently measured at amortized cost using the effective interest method.

Under the effective interest method, the future cash receipts are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial asset over the relevant period of the financial asset to arrive at the amortized cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognized as interest income over the relevant period of the financial asset. The same is included under other income in the Statement of Profit and Loss.

The amortized cost of a financial asset is also adjusted for loss allowance, if any.

#### ii. Financial assets measured at FVTOCI

A financial asset is measured at FVTOCI if both of the following conditions are met:

- a) The Company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### iii. Financial assets measured at FVTPL

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above. This is a residual category. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss.



### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's Balance Sheet) when any of the following occurs:

- i. The contractual rights to cash flows from the financial asset expires;
- ii. The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
- iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- iv. The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

In cases where Company has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Company continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognizes an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On Derecognition of a financial asset, (except as mentioned in ii above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

### Impairment of financial assets

The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

- i. Trade receivables
- ii. Financial assets measured at amortized cost (other than trade receivables)
- iii. Financial assets measured at fair value through other comprehensive income (FVTOCI)

In case of trade receivables and lease receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

In case of other assets (listed as ii and iii above), the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss under the head 'Other expenses'.

## > Financial Liabilities

### Initial recognition and measurement:

The Company recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial liabilities are recognized initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial liability.

Where the fair value of a financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial liability.

### Subsequent measurement



All financial liabilities of the Company are subsequently measured at amortized cost using the effective interest method

#### Derecognition:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

#### g) Fair value

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- > In the principal market for the asset or liability, or
- > In the absence of principal market, in the most advantageous market for the assets or liability

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 — inputs that are unobservable for the asset or liability

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same

#### Foreign Currency Translation

##### Initial Recognition:

On initial recognition, transactions in foreign currencies entered into by the Company are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

##### Measurement of foreign currency items at reporting date:

Foreign currency monetary items of the Company are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured.

Exchange differences arising out of these translations are recognized in the Statement of Profit and Loss

#### i) Income Taxes

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax

##### Current tax:





Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

#### Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income Tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

#### Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/ expense are recognized in Other Comprehensive Income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

#### **j) Provisions and Contingencies**

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

#### **k) Cash and Cash Equivalents**

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments.



## l) Employee Benefits

### Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

### Post-Employment Benefits

Gratuity to staff is accounted in the books as and when it is paid. No provision has been made for accrued liabilities in respect of gratuity payable to the employees. Actuarial valuation of accrued liability in respect of gratuity has not been obtained.

## m) Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

## n) Segment Reporting

The Chairman and Managing Director of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by IND AS 108, "Operating Segments". The Company operates in one segment only i.e. "Dealing in shares and securities". The CODM evaluates performance of the Company based on revenue and operating income from "Dealing in shares and securities". Accordingly, segment information has not been separately disclosed.

## o) Events after Reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

## p) Earnings per share

Basic EPS is calculated in accordance with Ind AS - 33 'Earning per Share' by dividing the profit / loss for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated in accordance with Ind AS - 33 'Earning per Share' by dividing the profit / loss attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

## q) Recent accounting pronouncements

### Standards issued but not yet effective

#### Ind AS 116 Leases :

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:



- 1> Full retrospective - Restrospectively to each prior period presented applying Ind AS 8 Accounting policies, Changes in accounting estimates and errors
- 2> Modified retrospective - Restrospectively, with the cumulative effect of initially applying the standard recognized at the date of initial application

Under modified retrospective approach, the lessee records the lease liability as the present value of the > its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or > An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

**Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments**

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

- The standard permits two possible method of transition:
- 1> Full retrospective approach - under this approach Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight
  - 2> Restrospectively, with the cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019

**Amendment to Ind AS 12 - Income Taxes**

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

- Effective date for application of this amendment is annual period beginning on or after April 1, 2019.

**Amendment to Ind AS 19 - Plan amendment, curtailment or settlement**

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity > to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement and > to recognise in profit and loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019.

The company will be adopting the amendments from their effective date.

**1.4 Key accounting estimates and judgements**

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



The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

##### a. Income taxes

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

##### b. Fair value measurement of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

##### c. Property, Plant and Equipment

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

#### (2) Employee benefits

(i) The company has recognized the following amounts in the profit and loss statement towards contributions to Provident fund

	Fy 2018-19	Fy 2017-18
Contribution towards provident fund:	Nil	Nil

(ii) Gratuity to staff is accounted in the books as and when it is paid. No provision has been made for accrued liabilities in respect of gratuity payable to the employees. Actuarial valuation of accrued liability in respect of gratuity has not been obtained.

(3) Information on related party transactions as required by Ind AS- 24 'Related Party Disclosures' for the year ended 31st March, 2019

##### a) List of the related parties and relationships

Sr No	Director	Nature of relationship
1	Umar Uves Sureshwala	Director
2	Habib Zafer Sureshwala	Managing Director
3	Rama Singh	Additional Director
4	Sadaf Fazio	Director
5	Nazima Ishaqali Salyed	Director
6	Sureshwala Enterprise Private Limited	Associate company



7	Uves Sureshwala	Shareholder having significant influence
8	Zafar Sureshwala	Shareholder having significant influence
9	Asiya Zafar Sureshwala	Relative of shareholder having significant influence
10	Talha Sureshwala	Relative of shareholder having significant influence
11	Mohammed Alibhai Kothwala	CFO(KMP)

b) Transaction with related parties:

Sr no	Name of the related parties	Nature of transaction	(in rupees)		Balance as at	
			Transaction during the year		2018-19	2017-18
			2018-19	2017-18	2018-19	2017-18
1	Aslamkhan Rehmatkhan Pathan	Director's remuneration	0	900000	0	898800
2	Sadaf Fareed	Director's sitting fees	60000	0	0	0
3	Habib Zafar Sureshwala	Managing director's remuneration	1500000	0	128200	0
4	Umar Uves Sureshwala	Director	1000000	0	14000	0
5	Sureshwala Enterprise Private Limited	Unsecured loan	7975314	655919	36830614	25277504
		Interest paid	3577796	0	0	0
6	Zafar Sureshwala	Unsecured loan	313500	48000	6227516	5914016
		Other liabilities	11262226	-	16525313	5263087
		Unsecured loan	(518033)	(500000)	759667	1277700
7	Uves Sureshwala	Other liabilities	(14590803)	93211	19320394	4729591
		Loans & advances written off	453120	-	-	453120
8	Asiya Zafar Sureshwala	Debtors written off	52443	-	-	52443
9	Talha Sureshwala	Unsecured loan written off	(4060513)	-	-	4060513
10	Parsol Corporate Services Limited	Debtors written off	166075	-	-	166075
11	Mohammed Alibhai Kothwala	Loans & advances written off	224015	-	-	259330
		Debtors written off	1150	-	-	1150
12	Nazima Irshadali Saiyed	Unpaid Salary written back	90358	-	-	90358
13	Ishaque Ali Babu Farid	Unpaid Salary written back	103241	-	-	103241

(4) Deferred Tax Provision :

Deferred tax asset has not been recognised based on conservative principles.

(5) Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under to the extent the company has received intimation from the "Suppliers" regarding their status under the Act.

Sr No	Particulars	(Amount in rupees)	
		As at 31.03.2019	As at 31.03.2018
(a)	Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act)	Nil	Nil
	> Principal amount due to micro and small enterprise	Nil	Nil
	> Interest due on above	Nil	Nil
(b)	Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act 2006, alongwith the amount of the payment made to the supplier beyond the appointed day during the year	Nil	Nil
(c)	Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding interests specified under the Micro, Small and Medium Enterprises Act, 2006	Nil	Nil



(d)	The amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
(e)	Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	Nil	Nil

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

(6) **Contingent Liabilities and commitments**

In the opinion of the board, contingent liabilities is NIL.

(7) As per Ind AS - 23 "Borrowing Costs", the borrowing cost has been charged to Profit and Loss statement. None of the borrowing costs have been capitalized during the year.

(8) Inventories of shares and securities held in common demat account along with securities of other clients are subject to reconciliation and consequential adjustment if any.

(9) Balances of trade receivable, trade payables, deposits from clients, loans and advances, are subject to confirmation / reconciliation and consequential adjustment if any. Further trade receivables, irrespective of its tenure are fully recoverable and legally enforceable.

(10) Whenever supporting invoices, vouchers etc. for expenses and purchase of fixed assets are not available, management of the Company certifies that all such expenses and addition to fixed assets are incurred solely for the purpose of the business of the Company.

(11) The company has pledged bank term deposits with the following authorities:  
a) Bombay Stock Exchange of India Limited Rs.10 Lacs (previous year Rs.10 lacs)

(12) In view of the loss during the current year, the Company has not transferred any amount to Special Reserve as per the provision of Section 45IC of the Reserve Bank of India Act, 1934.

(13) Securities and Exchange Board of India (SEBI) vide its order no. MIRS/ DPS-2/ ORDER / 155350/2009 dated February 24, 2009 restrained the Company and its whole time directors and its associates / group companies from accessing the security market till further order. They are also prohibited from buying, selling or dealing in securities in any manner directly or indirectly till further order.

(14) The Company has written off various balances of current and non current loans and advances, balances with government authorities, trade receivables, current and non current liabilities, trade payables, borrowing, various statutory liabilities etc. to profit and loss statement under the head sundry balances written off (net) during the year.

(15) Previous year's figures have been regrouped wherever necessary to make them comparable with those of the current year.

