**Parsoli Corporation Limited**
**Corp. Office :** B-Wing, 4th Floor, Shalimar Complex,
Mahalaxmi Five Roads, Paldi, Ahmedabad-380 007. (India)
Tel. : 079-26651231, Mob. : +91 9909974004
Email : corporation@parsoli.com
Website : www.parsoli.com

**Date: August 28, 2021**

To,
**BSE Limited**
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001
**SCRIP: 530071**

Dear Sir / Madam,

**Sub.: Notice of the 31st Annual General Meeting along with Annual Report for the F. Y. 2020-21.**

This is to inform that the 31st Annual General Meeting ("AGM") of the members of the Company will be held on Tuesday, 21st September, 2021 at 12..30 p.m. (IST) through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"), in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India. Pursuant to Regulation 30 and 34(1) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, please find enclosed herewith Annual Report of the Company for the financial year 2020-21 including the Notice convening AGM which is being sent to the members through electronic mode.

Kindly take the above on record.

Thanking you,

Yours faithfully,
**PARSOLI CORPORATION LIMITED**

PARSOLI CORPORATION LIMITED AHMEDABAD

**NAZIMA SAIYED**
**DIRECTOR**
**DIN: 07958783**

Encl.: As above.

# PARSOLI CORPORATION LIMITED

**CIN:** L65990MH1990PLC059074
**Regd. Office**: 23, First Floor, Crystal Shoppers Paradise, 24th& 33rdRoad,
Plot No. 489, Bandra (West) Mumbai-400050, Maharashtra
Phone: 022-26000743, 26000744
**E-Mail:** moin@parsoli.com **Website:**www.parsoli.com

## N O T I C E

**NOTICE** is hereby given that the 31st Annual General Meeting of the Members of the Company will be held on Tuesday, 21st Day of September, 2021 at 12.30 P.M. through Video Conference ("VC") or Other Audio Visual Means ("OAVM") to transact the following business:

***ORDINARY BUSINESS:***

(1) To receive, consider and adopt the audited standalone financial statements including Balance Sheet as at 31st March, 2021 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 Ms. Nazima Saiyed (DIN – 07958783) who retires at the ensuing Annual General Meeting and being eligible, offers herself for reappointment.

***SPECIAL BUSINESS:***

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

**RESOLVED THAT** pursuant to the provisions of Section 196, 197, Schedule V and all the other applicable provisions of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of members be and is hereby accorded for re-appointment of Mr. Habib Zafar Sareshwala (DIN: 03282280) as the Managing Director of the Company for further period of 3 years with effect from 23rd May, 2021 on the terms and conditions including the remuneration as mentioned in the explanatory statement.

**RESOLVED FURTHER THAT** notwithstanding anything to the contrary herein contained, where, in any financial year, the Company has no profits or its profits are inadequate, Company shall pay remuneration by way of salary and perquisites and allowances as specified in the explanatory statement subject to the limits as may be prescribed or amended in future from time to time under the provisions of the Companies Act, 2013, Schedule thereof and the Rules framed there under as well as any other statutory provisions as may be applicable.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to revise from time to time during the tenure of appointment of Mr. Habib Zafar Sareshwala, the remuneration payable to him subject to overall limits laid down in Section 197, Schedule V of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactments thereof for the time being in force) without further approval of members of the Company but with such other approvals, sanctions or permissions, if any, required for such revision in the remuneration.

**RESOLVED FURTHER THAT** any Director of the Company be and is hereby authorized to take all necessary and ancillary steps to give effect to this resolution and to file necessary form(s) with the MCA/ROC in the matter.

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

**RESOLVED THAT** pursuant to the provisions of Section 196, 197, Schedule V and all the other applicable provisions of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of members be and is hereby accorded for appointment of Mr. Umar Uves Sareshwala (DIN: 03282236) as the Whole-time Director and Key Managerial Personnel of the Company for a period of 3 years with effect from 29th May, 2021 on the terms and conditions including the remuneration as mentioned in the explanatory statement.

**RESOLVED FURTHER THAT** notwithstanding anything to the contrary herein contained, where, in any financial year, the Company has no profits or its profits are inadequate, Company shall pay remuneration by way of salary and perquisites and allowances as specified in the explanatory statement subject to the limits as may be prescribed or amended in future from time to time under the provisions of the Companies Act, 2013, Schedule thereof and the Rules framed there under as well as any other statutory provisions as may be applicable.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to revise from time to time during the tenure of appointment of Mr. Umar Uves Sareshwala, the remuneration payable to him subject to overall limits laid down in Section 197, Schedule V of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactments thereof for the time being in force) without further approval of members of the Company but with such other approvals, sanctions or permissions, if any, required for such revision in the remuneration.

**RESOLVED FURTHER THAT** any Director of the Company be and is hereby authorized to take all necessary and ancillary steps to give effect to this resolution and to file necessary form(s) with the MCA/ROC in the matter.

**NOTES:**

1. In view of the continuing CoVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 05, 2020 read with circulars dated April 08, 2020 and April 13, 2020 (collectively referred to as **"MCA Circulars"**) and SEBI vide its circulars dated May 12, 2020 and January 15, 2021 **("SEBI Circulars")** permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the members at a common venue. MCA vide circular dated January 13, 2021 has allowed the Companies whose AGM were due to be held in the year 2020 or become due in the year 2021, to conduct their AGMs on or before December 31, 2021 in accordance with the requirement provided in its Circular dated May 05, 2020. In compliance with the provisions of the Companies Act, 2013 ("the Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.

As AGM is being held pursuant to the MCA and SEBI Circulars through VC / OAVM, the facility to appoint proxy will not be required for the AGM and hence the proxy form and attendance slip are not annexed to this Notice. Also, the route map is not annexed to this Notice. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Members such as Body Corporates are entitled to appoint authorised representative to attend the AGM through VC / OAVM and participate there at and cast their votes through e-voting.

2. The Explanatory Statement pursuant to provision of section 102 of the Act, Secretarial Standard – 2 on General Meetings and SEBI Listing Regulations in respect of the special businesses is annexed hereto.

3. Considering the on-going pandemic situation and in compliance with the MCA Circulars and SEBI Circulars dated May 12, 2020, read with SEBI circulars dated January 15, 2021, Notice of the AGM along with the Annual Report is being sent only through electronic mode to those Members whose email addresses are registered with the Company / DPs. Members may note that the Notice of AGM and the Annual Report of the Company for the year ended March 31, 2021 is uploaded on the Company's website www.parsoli.com and may be accessed by the members and will also be available on the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com. Members who have not registered their email addresses are requested to register the same with the Company / RTA / respective depository participant(s) ("DPs").

4. Institutional / corporate shareholders (i.e. other than individual / HUF, NRI etc.) are required to send a scanned copy of board resolution / authorization letter for authorizing the representative to attend the AGM of the Company through VC / OAVM on its behalf and to cast their vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer/Company by email through its registered email address to cs.harishjain@gmail.com / moin@parsoli.com.

5. Members holding shares in physical form are requested to promptly notify in writing any change in their address, email address and file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the Company's RTA, as prescribed under Section 72 of the Act and rules made thereunder. In respect of shares held in demat form, the nomination form may be filed with the respective DPs. The form is available on the website of the Company at www.parsoli.com.

6. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their depository participant with whom they are maintaining their demat account(s). Members holding shares in physical form can submit their PAN details to the Company's RTA. As per Regulation 40 of SEBI Listing Regulations (as amended), requests for effecting transfer of securities, except in case of transmission or transposition of securities, shall not be processed effective from April 01, 2019 unless the securities are held in the dematerialized form. Hence, the Members holding equity shares of the Company in physical form are requested to take action to dematerialize the same promptly.

7. As required in terms of Secretarial Standard - 2 and SEBI Listing Regulations, the information (including profile and expertise in specific functional areas) pertaining to directors recommended for re-appointment in the AGM has been provided in the "Annexure" to the Notice. The Directors have furnished the requisite consent / declarations for their re-appointment as required under the Act, and the Rules thereunder.

8. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts and members holding shares in physical form to the Company / RTA.

9. All the relevant documents referred to in this Notice will be available for inspection in the electronic mode up to the date of AGM and will also be available for inspection electronically by the Members during the AGM. Members seeking to inspect such documents can send the e-mail to moin@parsoli.com by mentioning the details of Folio No. / Client ID - DP ID wherein the shares of the Company are held by the Member(s).

10. Process for those Members whose email ids are not registered with the Depositories or the Company for obtaining login credentials for e-voting:

    **Members holding shares in physical form** may request for the same along with providing necessary details like Folio No., Name of Member, self-attested scan copy of PAN Card &Aadhaar Card by email to moin@parsoli.com;

    **Members holding shares in demat form** may request for the same along with providing demat account details (CDSL-16 digit beneficiary ID or NSDL-8 Character DPID + 8 Character Client ID), Name of Member, client master or copy of consolidated account statement, self-attested scan copy of PAN Card & Aadhaar Card by email to moin@parsoli.com.

11. Process for updating of Email Ids / Mobile No of the members whose Email Ids / Mobile No. are not registered with the Company / Depositories:

    **Members holding shares in physical form –** Update your Email Id and Mobile No by providing necessary details like Folio No., Name of member, self-attested scan copy of PAN card & Aadhaar card by email to moin@parsoli.com.

    **Members holding shares in demat form –** Update your Email Id & Mobile No. with your respective Depository Participant(s); for individual shareholders holding shares in demat form, updation of Email Id & Mobile No. are mandatory for e-voting and joining virtual meetings through depositories.

12. Information as required under SS-2 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the particulars of Director who are proposed to be re-appointed, is given below:

| Particulars | Umar Uves Sareshwala | Habib Zafar Sareshwala | Nazima Saiyed |
|---|---|---|---|
| DIN | 03282236 | 03282280 | 07958783 |
| Date of Birth | 26th July, 1989 | 15th April, 1989 | 11th February, 1970 |
| Date of Appointment on the Board of the Company | 23rd May, 2018 | 23rd May, 2018 | 6th October, 2017 |
| Qualification | BA in Economics | MBA | Graduation |
| Total Remuneration last drawn | Rs. 11.20 lacs | Rs. 18.00 lacs | Nil |
| Nature of expertise in specific functional areas | Having good experience in handling the administration Department | Having good experience of handling the administrational and finance Department | Having experience of managing the overall administrative affairs of the Company. |
| Relationship with other Directors, Manager and other Key Managerial Personnel | None | None | None |
| Directorship held in other Public Companies*** | Nil | Nil | Nil |
| Chairmanship / Membership of Committee in other Companies, if any # | Nil | Nil | Nil |
| No. of Shares held in the Company as on March 31, 2021 | 62,200 | 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.

13. **General Instructions for accessing and participating at the 31st AGM through Electronic Means(VC/OAVM):**

1. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.

2. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

3. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.

4. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at www.parsoli.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

5. EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

The remote e-voting period begins on Saturday, 18th September, 2021 at 10:00 A.M. and ends on Monday, 20th September, 2021 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 14th September, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 14th September, 2021.

**How do I vote electronically using NSDL e-Voting system?**

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

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

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

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

| Type of shareholders | Login Method |
|---|---|
| **Individual Shareholders holding securities in demat mode with NSDL.** | 1. If you are already registered for **NSDL IDeAS facility**, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the **"Beneficial Owner"** icon under "Login" which is available under **"IDeAS"** section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or **e-Voting service provider - NSDL** and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.<br><br>2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS"** Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp<br><br>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be |

| | |
|---|---|
| | redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or **e-Voting service provider - NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |
| **Individual Shareholders holding securities in demat mode with CDSL** | 1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.<br>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL.** Click on **NSDL** to cast your vote.<br>3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration<br>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress. |
| **Individual Shareholders (holding securities in demat mode) login through their depository participants** | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or **e-Voting service provider-NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

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

**B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
   *Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below:

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

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a) Click on "**Forgot User Details/Password**?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) **Physical User Reset Password**?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

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

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

**7.** Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cs.harishjain@gmail.com with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice**:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to moin@parsoli.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to moin@parsoli.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A**) i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-**

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

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

   Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at moin@parsoli.com. The same will be replied by the company suitably.

**CONTACT DETAILS:**

| | |
|---|---|
| **Name of Company** | PARSOLI CORPORATION LIMITED |
| **Registrar and Transfer Agent (RTA)** | Link Intime India Private Limited<br>5th Floors, 506-508, Amarnath Business Centre-1, Beside Gala Business Centre, Near St. Xavier's Collage Corner,Off C. G. Road, Navrangpura, Ahmedabad- 380009.<br>Ph. No.: +91-79-2646-5179/3000-2684,<br>Email ID: ahmedabad@linkintime.co.in.<br>Website: www.linkintime.co.in |
| **E-voting Agency** | National Securities Depository Limited<br>E-mail ID: evoting@nsdl.co.in |
| **Scrutinizer** | Shri Harish Jain<br>(Proprietor of M/s. Harish P. Jain & Associates)<br>Practicing Company Secretaries<br>Email id: cs.harishjain@gmail.com |
| **Contact details of the Company in case of grievance** | 23, First Floor, Crystal Shoppers Paradise, 24th & 33rd Road, Plot No. 489, Bandra (West) Mumbai - 400050, Maharashtra Phone:022-26000743, 26000744<br>E mail: moin@parsoli.com |

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

**Date:** 09.08.2021
**Registered Office:**
23, First Floor, Crystal Shoppers Paradise, 24th &33rd Road, Plot No. 489, Bandra (West) Mumbai -400050, Maharashtra

_____
**Habib Zafar Sareshwala**
**Managing Director**
**DIN:03282280**

_____
**Nazima Irshadali Saiyed**
**Director**
**DIN: 07958783**

# 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:** moin@parsoli.com **Website:**www.parsoli.com

## 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. 3**

The Board of Directors of the Company has re-appointed Mr. Habib Zafar Sareshwala as the Managing Director of the Company on the recommendation of a Nomination and Remuneration Committee for a period of three years with effect from 23rd May, 2021, subject to approval of the members of the Company on the terms and conditions and remuneration as mentioned herein below:

**(a)** Salary:

Salary plus allowances with different breakup be payable on monthly / yearly basis within overall limit not exceeding Rs. 1,50,000/- per month. Annual increment maximum up to 10% of last remuneration depending upon work performance, working of the Company etc. as may be decided by Nomination and Remuneration Committee of the Board from time to time. The first increment shall fall due on 1st April, 2022.

**(b)** Perquisites:

In addition to the salary as described in (a) above, he shall be eligible for the following perquisites, which shall not be included in the computation of ceiling on remuneration specified hereinabove.

(i) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

(ii) Gratuity: The Company shall pay gratuity as per the Company's rules.

(iii) Encashment of leave at the end of the tenure.

**(c)** Contribution to Pension Scheme (NPS)

The Company may contribute in Pension Scheme as per the Company's rules.

**(d)** He will be entitled to all other benefits as available to the senior executives of the Company.

**(e)** He shall be liable to retire by rotation.

**(f)** For all other terms and conditions not specifically spelt out above, the rules and order of the Company shall apply.

Notwithstanding anything to the contrary herein contained, where, in any financial year the Company, has no profits or its profits are inadequate, the Company shall pay remuneration by way of salary and perquisites and allowances as specified above subject to the limits as may be prescribed or amended in future from time to time under the provisions of the Companies Act, 2013, Schedule thereof and the Rules framed there under as well as any other statutory provisions as may be applicable.

Pursuant to the provisions of Section 196, 197 read with Schedule V of the Companies Act, 2013 the approval of the members is being sought for re-appointment and payment of remuneration to Mr. Habib Zafar Sareshwala as the Managing Director of the Company. In the opinion of the Board, Mr. Habib Zafar Sareshwala fulfills the conditions specified in the Companies Act, 2013 and the rules made there under for his appointment as the Managing Director of the Company.

Your Directors recommend the passing of the proposed Special resolution.

Except Mr. Habib Zafar Sareshwala being appointee, none of the other Directors and Key Managerial personnel and / or their relatives are concerned or interested, financially or otherwise in the proposed Resolution.

Statement containing information required to be given as per item (iv) of third proviso of Section II of Part II of Schedule V to the Companies Act, 2013 is given hereunder:

**A. General Information:**

1. Nature of Industry: Engaged in the business of dealing in the shares / securities.
2. Commercial Operations of the Company: Presently the Company is not carrying any business but it is intended to resume the same.
3. The Company is not a new Company.
4. Financial Performance:

**(Rs. In lakhs)**

| **PARTICULARS** | **Year ended 31-03-2021** | **Year ended 31-03-2020** |
|---|---|---|
| Revenue from Operations | 0.33 | 0.00 |
| Other Income | 1.07 | 1.07 |
| Profit before Exceptional Items and Tax | (200.80) | (141.69) |
| Exceptional items | 0.00 | 0.00 |
| Profit before Tax | (200.80) | (141.69) |
| Tax Expense | 0.00 | 0.00 |
| Profit After Tax (PAT) | (200.80) | (141.69) |
| Other Comprehensive Income | 0.00 | 0.00 |
| Total Comprehensive Income | (200.80) | (141.69) |

5. There are no foreign direct investments in the Company and the Company has not entered into foreign collaboration.

**B. Information about the appointee:**

1. Background details: He is an MBA from Wigan and leigh College, United Kingdom. He is having good experience in the field of reviewing the policies and procedures, reviewing business processes, identifying controls gaps, identifying process gaps, for a large number of client across a spectrum of industries including Automotive, Automotive leasing, Automotive workshops, Real Estate, Hospitality, Construction, trading industries, etc. and also has an experience of developing and implementing the policy and procedures for India based Insurance brokerage Firm.

2. Past remuneration: As a Managing Director he was drawing Rs. 1,50,000/- p.m. along with other perquisites.

3. Recognition and awards: Nil

4. Job profile and his suitability: The Managing Director is responsible for project and corporate strategy and handling the overall working of the Company and other administrative work of the Company subject to the superintendence, control and direction of the Board of Directors. Considering his Qualification, experience and expertise his re-appointment as the Managing Director is in the best interest of the Company.

5. Remuneration proposed: As mentioned above in the explanatory Statement.

6. There are no companies of the same size in the industry as such there is no statistics available of comparative remuneration profiles.

7. He has no pecuniary relationship directly or indirectly with the Company except to the extent of proposed remuneration and his shareholding in the Company.

**C. Other Information:**

Presently the Company is not carrying any commercial activity. Due to higher administrative expenses the Company is having inadequate / low profit as presently the Company is not able to generate revenue. However, now the Company is keen to start its commercial activity and is striving hard to carry full fledged business activity. This would help the Company to generate profits in near future.

**D. Disclosures:**

Necessary disclosures have been made in the Corporate Governance report forming part of the Directors' Report and details of salary and the terms of appointment is as mentioned above in the explanatory statement.

**Item No. 4**

The Board of Directors of the Company has appointed Mr. Umar Uves Sareshwala as the Whole-time Director of the Company on the recommendation of a Nomination and Remuneration Committee for a period of three years with effect from 29$^{th}$May, 2021, subject to approval of the members of the Company on the terms and conditions and remuneration as mentioned herein below:

**(a)** Salary:

Salary plus allowances with different breakup be payable on monthly / yearly basis within overall limit not exceeding Rs. 1,00,000/- per month. Annual increment maximum up to 10% of last remuneration depending upon work performance, working of the Company etc. as may be decided by Nomination and Remuneration Committee of the Board from time to time. The first increment shall fall due on 1$^{st}$ April, 2022.

**(b)** Perquisites:

In addition to the salary as described in (a) above, he shall be eligible for the following perquisites, which shall not be included in the computation of ceiling on remuneration specified hereinabove.

(iv) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

(v) Gratuity: The Company shall pay gratuity as per the Company's rules.

(vi) Encashment of leave at the end of the tenure.

**(c)** Contribution to Pension Scheme (NPS)

The Company may contribute in Pension Scheme as per the Company's rules.

**(d)** He will be entitled to all other benefits as available to the senior executives of the Company.

**(e)** He shall be liable to retire by rotation.

**(f)** For all other terms and conditions not specifically spelt out above, the rules and order of the Company shall apply.

Notwithstanding anything to the contrary herein contained, where, in any financial year the Company, has no profits or its profits are inadequate, the Company shall pay remuneration by way of salary and perquisites and allowances as specified above subject to the limits as may be prescribed or amended in future from time to time under the provisions of the Companies Act, 2013, Schedule thereof and the Rules framed there under as well as any other statutory provisions as may be applicable.

Pursuant to the provisions of Section 196, 197 read with Schedule V of the Companies Act, 2013 the approval of the members is being sought for appointment and payment of remuneration to Mr. Umar Uves Sareshwala as the Whole-time Director of the Company. In the opinion of the Board, Mr. Umar Uves Sareshwala fulfills the conditions specified in the Companies Act, 2013 and the rules made there under for his appointment as the Whole-time Director of the Company.

Your Directors recommend the passing of the proposed Special resolution.

Except Mr. Umar Uves Sareshwala being appointee, none of the other Directors and Key Managerial personnel and / or their relatives are concerned or interested, financially or otherwise in the proposed Resolution.

Statement containing information required to be given as per item (iv) of third proviso of Section II of Part II of Schedule V to the Companies Act, 2013 is given hereunder:

**A. General Information:**

1. Nature of Industry: Engaged in the business of dealing in the shares / securities.
2. Commercial Operations of the Company: Presently the Company is not carrying any business but it is intended to resume the same.
3. The Company is not a new Company.
4. Financial Performance:

(Rs. In lakhs)

| PARTICULARS | Year ended 31-03-2021 | Year ended 31-03-2020 |
|---|---|---|
| Revenue from Operations | 0.33 | 0.00 |
| Other Income | 1.07 | 1.07 |
| Profit before Exceptional Items and Tax | (200.80) | (141.69) |
| Exceptional items | 0.00 | 0.00 |
| Profit before Tax | (200.80) | (141.69) |
| Tax Expense | 0.00 | 0.00 |
| Profit After Tax (PAT) | (200.80) | (141.69) |
| Other Comprehensive Income | 0.00 | 0.00 |
| Total Comprehensive Income | (200.80) | (141.69) |

5. There are no foreign direct investments in the Company and the Company has not entered into foreign collaboration.

**B. Information about the appointee:**

1. Background details: He has completed BA in Economics from LD Arts College, Gujarat, India. He has contributed to a great extent in the growth and development of the Company.

2. Past remuneration: Nil

3. Recognition and awards: Nil

4. Job profile and his suitability: He is involved in handling administrative and other day to day affairs of the Company.

5. Remuneration proposed: As mentioned above in the explanatory Statement.

6. There are no companies of the same size in the industry as such there is no statistics available of comparative remuneration profiles.

7. He has no pecuniary relationship directly or indirectly with the Company except to the extent of proposed remuneration and his shareholding in the Company.

**C. Other Information:**

Presently the Company is not carrying any commercial activity. Due to higher administrative expenses the Company is having inadequate / low profit as presently the Company is not able to generate revenue. However now the Company is keen to start its commercial activity and is striving hard to carry full ledged business activity. This would help the Company to generate profits in near future.

**D. Disclosures:**

Necessary disclosures have been made in the Corporate Governance report forming part of the Directors' Report and details of salary and the terms of appointment is as mentioned above in the explanatory statement.

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

**Date: 09.08.2021**

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

| | |
|---|---|
| _____ | _____ |
| **Habib Zafar Sareshwala** | **Nazima Irshadali Saiyed** |
| **Managing Director** | **Director** |
| **DIN:03282280** | **DIN: 07958783** |

**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:** moin@parsoli.com **Website:** www.parsoli.com

# D I R E C T O R S' R E P O R T

To,
The Members,

Your Directors present the 31st Annual Report together with the Audited Financial Statements and Auditors' report thereon for the year ended 31st March, 2021.

## FINANCIAL RESULTS:

The operating results of the Company for the year ended on 31st March, 2021 are briefly indicated below:

**(Rs. In Lakh)**

| Particulars | Year 2020-21 | Year 2019-20 |
|---|---|---|
| Profit/loss before Depreciation and Taxation | (200.74) | (141.62) |
| Depreciation | 0.05 | 0.07 |
| ***Profit/loss before Taxation*** | ***(200.79)*** | ***(141.69)*** |
| Provision for taxation - For Current Tax | 0 | 0 |
| Provision for taxation - For Deferred Tax | 0 | 0 |
| ***Profit/Loss after Taxation*** | ***(200.79)*** | ***(141.69)*** |

## Impact of COVID-19 pandemic:

The Company has considered the possible effects that may arise out of the still unfolding COVID-19 pandemic on the carrying amounts of property, assets, investments, etc of the Company.

As the Company is presently not engaged in any business activity there is no material impact on the performance of the Company, however the impact of Covid-19 pandemic on the economy, market and society at large has indirectly impacted the functioning of the Company. The Company will continue to monitor the future market conditions and update its assessment.

## 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 fledge business activity. This would help the Company to generate the profits in near future.

## DIVIDEND AND TRANSFER TO RESERVES:

On account of loss, the 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. 31st March, 2021 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:**

- Pursuant to the provisions of Section 152 and other applicable provisions if any, of the Companies Act, 2013, Ms. Nazima Saiyed (DIN:07958783), Director of the Company is liable to retire by rotation at the forthcoming Annual General Meeting and she being eligible offers herself for re- appointment. Your Directors recommends her re-appointment.

- During the year under review,

    1. Ms. Sadaf Fareed (DIN: 08139218), resigned as a Director with effect from 24th June, 2020 on account of pre-occupation. The Board places appreciation for the services rendered by Ms. Sadaf Fareed (DIN: 08139218) during her tenure with the Company.
    2. Ms. Amber Zaidi (DIN: 06495209) was appointed as an Additional Director (Independent Category) of the Company w.e.f. 2ndJuly, 2020. Further, she was appointed as Director (Independent Category) with the approval of members of the Company in the Annual General Meeting held on 30th September, 2020.

- After closure of the year under review,

    1. Mr. Umar Uves Sareshwala is appointed as Whole-time Director by the Board of Directors w.e.f. 29th May, 2021, subject to approval of members at the ensuing Annual General Meeting.

    2. As the term of office of Mr. Mohammad Habib Zafar Sareshwala (DIN: 03282280) as Managing Director was upto22nd May, 2021, the Board of Directors, subject to approval of members at the ensuing Annual General Meeting, had re-appointed him for further term of 3 years w.e.f. 23rd May, 2021.

The resolutions proposing their appointment / reappointment are set out in the notice convening the Annual General Meeting.

**KEY MANAGERIALPERSONNEL:**

The following have been designated as the Key Managerial Personnel of the Company pursuant to Section 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:-

1. Mr. Habib Zafar Sareshwala- Managing Director
2. Mr. Umar Uves Sareshwala, Whole-time Director (w.e.f. 29th May, 2021)
3. Mr. Mohammed Alibhai Kothawala - Chief Financial Officer
4. Mr. Maheshkumar Amritlal Patel- Company Secretary & Compliance Officer

**ANNUAL RETURN:**

The Annual Return of the Company is available on the website of the Company at www.parsoli.com.

**CORPORATE GOVERNANCE REPORT:**

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on "Corporate Governance" is attached as an **Annexure I** 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;

ii. 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 Six (6) 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 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 under Companies Act, 2013 and SEBI Listing Regulations.

**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 II** to this report.

**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 details of median remuneration of the employees as required under Section 197 (12) is attached as **Annexure III** to this report.

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 employee's 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.

**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.

**INTERNAL FINANCIAL CONTROL AND ITSADEQUACY:**

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 2021, the Company is not having any subsidiary Company and hence it is not required to report in form AOC-1.

**STATUTORY AUDITORS:**

Mr. Parin Patwari, Chartered Accountants, (FRN: 101648W) was appointed as Statutory Auditors, for a term of five years to hold office till the conclusion of the Annual General Meeting to be held for the financial year ending on 31st March, 2025. In view of the amended provisions of section 139 by The Companies (Amendment) Act, 2017, the appointment of auditors is not required to be ratified every year at the AGM by the members of the company and hence present statutory auditors of the company will continue to act as statutory auditor till the expiry of their present term.

**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.

***With regard to the following observation:***

***(a) 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.***

***(b) No provision has been made in the books of account for gratuity as per note no 21(2), which is not in accordance with Accounting Standard 15.***

The management reply to the observations of auditors are:

(a) The management is willing to infuse the funds in the Company in future once restrictions are lifted and pending litigations are completed.

(b) The Company has adopted practice of accounting the same on cash basis.

**DISCLOSURE OF AUDIT COMMITTEE:**

The Audit Committee of the Company as on 31st March, 2021 consists of following Directors as its members:

1. Ms. Rama Singh
2. Ms. Amber Zaidi**
3. Mr. Habib Zafar Sareshwala

** Appointed as member w.e.f. 02.07.2020

**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 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 policy is also available on the website of the Company 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 under 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**
**FOR PARSOLI CORPORATION LIMITED**

**Date: 09.08.2021**
**Registered Office:**
23, First Floor, Crystal Shoppers
Paradise, 24th &33rd Road,
Plot No. 489, Bandra (West)
Mumbai -400050, Maharashtra

| | |
|---|---|
| _____ | _____ |
| **Habib Zafar Sareshwala** | **Nazima Irshadali Saiyed** |
| **Managing Director** | **Director** |
| **DIN:03282280** | **DIN: 07958783** |

**ANNEXURE - I**

**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 confirms 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, six Board Meetings were held on 2nd July, 2020, 31st July, 2020, 1st September, 2020, 9th September, 2020, 10th November, 2020 and 13th February, 2021. 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 was in compliance of the applicable provisions of SEBI Regulations. . 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 | 6 | No | - | - |
| 2. | Mr. Habib Zafar Sareshwala | Managing Director | 6 | Yes | - | - |
| 3. | Mr. Umar Uves Sareshwala | Director | 6 | Yes | - | - |
| 4. | Ms. Rama Singh | Independent & Non Executive | 6 | Yes | - | - |

| | | | | | | |
|---|---|---|---|---|---|---|
| 5. | Ms. Amber Zaidi (Appointed w.e.f. 2nd July, 2020) | Independent & Non Executive | 4 | N.A. | - | - |

*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 apart from payment of sitting fees. 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.

ShareholdingofNon-ExecutiveDirectorsason31st March, 2021isasfollows:

| **Name of the Directors** | **Number of Equity Shares** |
|---|---|
| Ms. Rama Singh | NIL |
| Ms. NazimaSaiyed | NIL |
| Ms. Amber Zaidi | 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.

Chart / Matrix Setting out the Skills / Expertise **/ Competence of the Board of Directors:**

The Board has identified, inter alia, the following core skills / expertise / competencies to ensure the board's effective composition to discharge its responsibilities and duties required to govern the Company and those actually available with Board:

Finance and Management Expertise:

Knowledge and skills in accounting, finance, treasury management, tax and financial management of large corporations with understanding of capital allocation, funding and financial reporting processes.

Leadership / Marketing:

Extensive leadership experience of an organization for practical understanding of the organization, its processes, strategic planning, risk management for driving change and long-term growth.

Legal and Regulatory Expertise:

Understanding the legal eco system in which the Company operates and possesses the required skill and knowledge of compliance, governance, laws and regulations applicable to the Company and ensuring its compliance in best possible manner.

General Management:

Handling the day to day affairs mostly routine in nature and Administrative work.

| **Skills** | **Name of Directors** |
|---|---|
| Finance and Management Expertise | Habib Zafar Sareshwala, Umar Uves Sareshwala |
| Leadership / Marketing | Habib Zafar Sareshwala, Umar Uves Sareshwala, |
| Legal and Regulatory Expertise | Rama Singh, Amber Zaidi |
| General Management | Nazima Saiyed, Umar Uves Sareshwala |

During the year under review Ms. Sadaf Farid resigned as an Independent Director. Considering the letter received from her tendering her resignation as an Independent Director from the Board of Company on account of pre-occupancy, it is confirmed that there are no other reasons apart from the one stated in the letter for her resignation.

**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 |
| Ms. Rama Singh | Independent Director | 5 | 5 |
| Ms. Amber Zaidi (Appointed as member w.e.f. 02.07.2020) | Independent Director | 4 | 4 |
| Mr. Habib Zafar Sareshwala | Managing Director | 5 | 5 |

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 31-07-2020, 01-09-2020, 09-09-2020, 10-11-2020 and 13-02-2021 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 in compliance of the provisions of SEBI Listing regulations. 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. | Ms. Rama Singh | Independent Director | 1 | 1 |
| 2. | Ms. Nazima Saiyed | Non-Executive Director | 1 | 1 |
| 3. | Ms. Amber Zaidi (Appointed as member w.e.f. 02.07.2020) | Independent Director | N.A. | N.A. |

During the year under review the Nomination and Remuneration Committee meetings was held on 02-07-2020.

**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 has formulated 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 2020-21 is as follows:**

| Name | Position held during the financial year 2020-21 | Salary and allowances (In Rs.) | Perquisites |
|---|---|---|---|
| Habib Zafar Sareshwala | Managing Director | 18,00,000 | As per the approval of the members of the Company and as per the policy of the Company. |

**Non – Executive Directors**

During the year ended on 31-03-2021, 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 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 |
|---|---|
| Ms. Rama Singh | 45,000 |
| Ms. Amber Zaidi | 30,000 |

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 totime.

**Name and Designation of Compliance Officer:**

Mr. Maheshkumar Amritlal Patel, Company Secretary

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

| Name of Stakeholders Relationship Committee Members | Category |
|---|---|
| Ms. Rama Singh | Independent Director |
| Mr. Habib Zafar Sareshwala | Managing Director |
| Ms. Nazima Saiyed | 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 2020-21 | 0 |
| Received during the Financial Year 2020-21 | 0 |
| Disposed of during the Financial Year 2020-21 | 0 |
| Remaining unresolved at the end of the Financial Year 2020-21 | 0 |

During the year under review, one committee meeting was held on 10-11-2020.

## 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 13-02-2021 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.

On the basis of the declarations received from the Independent Directors, the Board of Directors declare that 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.

## 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.

## 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 fledge 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 |
|---|---|---|---|
| 31-03-2020 | 30-09-2020 | 01.00 p.m. | Through Video Conference ("VC") or Other Audio Visual Means ("OAVM") |
| 31-03-2019 | 30-09-2019 | 10.00 a.m. | 23, First Floor, Crystal Shoppers Paradise, 24th & 33rd Road, Plot No. 489, Bandra (West) Mumbai -400050 |
| 31-03-2018 | 29-09-2018 | 10.00 a.m. | 3rd Ground Floor, Oracle Point, Guru Nanak Road, Bandra (W), Mumbai - 400050 |

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

1. Appointment of Habib Zafar Sareshwala, (DIN: 03282280) as Managing Director for a period of three years w.e.f. 23.05.2018.

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.

**B. Website:**

The Company's Website 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 | Tuesday 21st September, 2021 through VC / OAVM. |
| Financial Year | Year commencing from 1st April and ending on 31st March every year. |
| Listing on Stock Exchanges | BSE Limited, Mumbai.<br>Scrip Code: 530071 |
| Address of the Stock Exchange | BSE Limited<br>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, 24th & 33rd Road,<br>Plot No. 489, Bandra (West) Mumbai -400050. |
| Dividend Payment Date | N. A. |
| Registrar and Share Transfer Agent | M/s. Link Intime India Pvt. Ltd.<br>**Regd. Office**: C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai -400083<br>**Corporate Office**: 5th Floor, 506 to 508, Amarnath Business Centre – 1 (ABC-1), Beside Gala Business Centre, Off C. G. Road, Navrangpura, Ahmedabad - 380009. |

## 13. FINANCIAL CALENDAR 2021-22 (TENTATIVE)

| | |
|---|---|
| Annual General Meeting | On or before 30th September, 2021 |
| Results for quarter ending June 30, 2021 | On or before 14th August, 2021 |
| Results for quarter ending September 30, 2021 | On or before 14th November, 2021 |
| Results for quarter ending December 31, 2021 | On or before 14th February, 2022 |
| Results for year ending March 31, 2022 | On or before 30th May, 2022 |

## 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:

As per SEBI notification SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 read with SEBI Press Release dated 3rd December, 2018, the requests for effecting transfer of securities (except in case of transmission or transposition of securities) is not being processed after March 31, 2019, unless the securities are held in the dematerialized form with the depositories. All shares sent for transmission / transposition by the shareholder(s) in physical form are registered by the registrar and share transfer agents as per the SEBI Listing Regulations.

Pursuant to the provisions of Regulation 40 (9) of the SEBI Listing Regulations, certificate received from a practicing company secretary which is submitted to the stock exchange, on half yearly basis. Further, certificate of reconciliation of the share capital has been received from a practicing company secretary which is submitted to the stock exchange, on a quarterly basis.

**16. Distribution of Shareholding as on 31-03-2021:**

| No. of Shares | No. of Shareholders | % of holders | No. of Shares | % of Shares |
|---|---|---|---|---|
| Upto 500 | 3,295 | 84.03 | 4,89,007 | 1.75 |
| 501 – 1000 | 314 | 8.01 | 2,58,238 | 0.92 |
| 1001 – 2000 | 156 | 3.98 | 2,39,107 | 0.85 |
| 2001 – 3000 | 50 | 1.28 | 1,23,569 | 0.44 |
| 3001 – 4000 | 27 | 0.69 | 95,629 | 0.34 |
| 4001 – 5000 | 18 | 0.46 | 85,601 | 0.31 |
| 5001 – 10000 | 19 | 0.48 | 1,34,535 | 0.48 |
| 10001 and above | 42 | 1.07 | 2,66,01,441 | 94.91 |
| **Total** | **3,921** | **100** | **2,80,27,127** | **100** |

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

As on 31st March 2021, 91.30 % of the Company's total shares representing 2,55,87,395 shares were held in dematerialized form and the balance 8.70 % representing 24,39,732 shares were in Physical form.

**ISIN Number is "INE905D01016"**

**Address of Correspondence:**

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

E mail Address: moin@parsoli.com

**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 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 31.03.2021 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 investment by the company.

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 19thJuly, 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 18thJune, 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 on31-03-2021:**

| Sr. No. | Category | No. of shares | % |
|---|---|---|---|
| 1. | Promoters and Promoters group | 1,10,91,945 | 39.58 |
| 2. | Financial Institutions/Banks | 66,19,098 | 23.62 |
| 3. | Body Corporate | 1,32,267 | 0.47 |
| 4. | NRI | 24,86,677 | 8.87 |
| 5. | Others | 76,97,140 | 27.46 |
| | **Total** | **2,80,27,127** | **100** |

**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 dematerialized 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.

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.

A certificate from the Company Secretary in practice as required under part C of Schedule V of SEBI Listing Regulations stating that none of the Directors of the Company have been debarred from being appointed or continuing as Director of the Company by SEBI / Ministry of Corporate Affairs / any such statutory authority as forms part of this Corporate Governance Report.

**22.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 2020-21. The Code of Conduct is also posted on the website of the Company i.ewww.parsoli.com.

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

| | | |
|---|---|---|
| | **_____** | **_____** |
| | **Habib Zafar Sareshwala** | **Nazima Irshadali Saiyed** |
| **Date: 09.08.2021** | **Managing Director** | **Director** |
| **Place: Ahmedabad** | **DIN:03282280** | **DIN: 07958783** |

# C E R T I F I C A T E

**To,**
**The Members,**
**PARSOLI CORPORATION LIMITED**

We have examined the compliance of conditions of Corporate Governance by Parsoli Corporation Limited for the year ended 31st March, 2021, as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company with Stock Exchange(s).

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

In our opinion and to the best of our information and according to the explanations given to us, the Company has generally complied with the conditions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015.

We state that no investor grievance(s) is/are pending for a period exceeding for one month against the Company as per the records maintained by the Stakeholders Relationship Committee.

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

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

**HARISH JAIN**
**PROPRIETOR**
**FCS: 4203 C. P. No.: 4100**
**UDIN: F004203C000755338**

**Place: Ahmedabad**
**Date: 09.08.2021**

**C E R T I F I C A T E**

To,
The Members,
**PARSOLI CORPORATION LIMITED**

We have examined relevant registers, records, forms, returns and disclosures in respect of the Directors of **PARSOLI CORPORATION LIMITED** (the Company) having its registered office situated at 23, First Floor, Crystal Shoppers Paradise, 24th & 33rd Road, Plot No. 489, Bandra (West) Mumbai -400050 which were produced before us by the Company (including receipt of documents by way of electronic means on account of ongoing pandemic of Covid-19) for the purpose of issuing a certificate as stipulated in Clause (10) (i) of Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, amended from time to time.

In our opinion and to the best of our information and on the basis of the verification of the above stated documents (including the status of Directors Identification Number - DIN at the portal of Ministry of Corporate Affairs - MCA www.mca.gov.in), we hereby certify that none of the Directors on the Board of the Company as on 31.03.2021 have been debarred or disqualified from being appointed or continuing as a Directors of the Company by the Board i.e. Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA) or any such statutory authority.

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

**HARISH JAIN**
**PROPRIETOR**
**FCS: 4203 C. P. No.: 4100**
**UDIN: F004203C000755393**

**Place: Ahmedabad**
**Date: 09.08.2021**

## Annexure -II

## 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-EXECUTIVEDIRECTORS:**

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 OTHEREMPLOYEES:

**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.

## VII. CRITERIA FOR IDENTIFICATION OF PERSONS FOR APPOINTMENT AS INDEPENDENTDIRECTOR:

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**
**PARSOLI CORPORATION LIMITED**

| | | |
|---|---|---|
| | _____ | _____ |
| **Date: 09.08.2021** | **HABIB ZAFAR SARESHWALA** | **NAZIMA SAIYED** |
| **Place: Ahmedabad** | **MANAGING DIRECTOR** | **DIRECTOR** |
| | **DIN: 03282280** | **DIN: 07958783** |

**ANNEXURE –III**

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

**i.** Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year ended 31st March,2021;

| SN | Name of the Directors | Remuneration | Ratio |
|---|---|---|---|
| 1 | Mr. Habib Zafar Sareshwala | 18,00,000 | 6.05:1 |

**ii.** The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

| SN | Name of the Directors | % in Increase |
|---|---|---|
| 1 | Mr. Habib Zafar Sareshwala | Nil |
| 2 | Mr. Mohamed Kothawala (CFO) | Nil |
| 3 | Mr. Maheshkumar Amritlal Patel (CS) | Nil |

**iii.** The percentage increase in the median remuneration of employees in the financial year: Nil.

**iv.** The Company has 15 employees on the rolls of Company as on 31st March,2021.

**v.** Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

There is no increase in the salaries of employees and managerial personnel except marginal increase in the salary of CFO of the Companyduring the year under review.

**vi.** The key parameters for any variable component of remuneration availed by the directors;

**There are no variable components of remuneration.**

**vii.** It is affirmed that the remuneration paid is as per the remuneration policy of the company.

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

| | | |
|---|---|---|
| | **HABIB ZAFAR SARESHWALA** | **NAZIMA SAIYED** |
| **Date: 09.08.2021** | **MANAGING DIRECTOR** | **DIRECTOR** |
| **Place: Ahmedabad** | **DIN: 03282280** | **DIN: 07958783** |

**Annexure IV**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2021

[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 whether electronically or otherwise 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, 2021 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 and made available to us by the Company for the financial year ended on March 31, 2021, according to the provisions of:

i. The Companies Act, 2013 (the Act) and the Rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations,2011;

   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,2015;

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 – Not applicable during the year under review;

d) The Securities and Exchange Board of India (Share Based Employee Benefits), Regulations, 2014 – Not applicable during the year under review;

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations,2008 – Not applicable 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 during the year under review;

h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 - Not applicable during the year under review;

i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015;

**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 Limited (BSE).

During the Audit period under review, the Company has complied with the applicable provisions of the applicable Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above, *however it may be noted that trading in the shares of the Company is suspended due to non-compliance of various provisions of erstwhile listing agreement.*

**We further report that:**
During the audit period under review there were no specific laws which were exclusively applicable to the Company. Presently the Company is not carrying any business activity.

**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 Directorsincluding women Independent Director. 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 Meetings, 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**

**HARISH JAIN**
**PROPRIETOR**
**FCS: 4203 C. P. No.: 4100**
**UDIN: F004203C000755415**

**Place: Ahmedabad**
**Date: 09.08.2021**

## Annexure V

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

| | | |
|---|---|---|
| | (A) Conservation of energy- | |
| (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) Technology absorption- | |
| (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**
**PARSOLI CORPORATION LIMITED**

| | | |
|---|---|---|
| | **HABIB ZAFAR SARESHWALA** | **NAZIMA SAIYED** |
| **Date: 09.08.2021** | **MANAGING DIRECTOR** | **DIRECTOR** |
| **Place: Ahmedabad** | **DIN: 03282280** | **DIN: 07958783** |

# PARIN PATWARI

CHARTERED ACCOUNTANT

Address: C-1, Panchratna Apartments, Mahalaxmi Cross Road,
Paldi, Ahmedabad – 380 007

**Phone** : +91 90336 45654 ; E-Mail: parin.patwari@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 31st March 2021, 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, 2021, 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) 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**

**(b) No provision has been made in the books of account for gratuity as per note no 21(2), which is not in accordance with Accounting Standard 15**

**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.

**Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report including Annexures to the Director's Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Management's responsibility for the 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 it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.

**For Parin Patwari & Co.**

Place : Ahmedabad
Date : 11th June, 2021
UDIN: 21193952AAAAAS7107

**Proprietor**
**Chartered Accountants**
**Membership No. 193952**
**Firm Regn. No. 154571W**

**"ANNEXURE A" REFERRED TO IN THE AUDITORS REPORT TO THE MEMBERS OF PARSOLI CORPORATION LIMITED FOR THE YEAR ENDED 31ST MARCH, 2021**

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. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.

iii. The Company has granted loans to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. The terms and conditions of such loans are not prejudicial to the interest of the Company. There are no express stipulations as regards to repayment of principal or interest. The amount is not overdue for repayment.

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 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.

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.

**For Parin Patwari & Co.**

Place : Ahmedabad
Date : 11th June, 2021
UDIN: 21193952AAAAAS7107

**Proprietor**
**Chartered Accountants**
**Membership No. 193952**
**Firm Regn. No. 154571W**

**"ANNEXURE B" REFERRED TO IN THE AUDITORS REPORT TO THE MEMBERS OF PARSOLI CORPORATION LIMITED FOR THE YEAR ENDED 31ST MARCH, 2021**

**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 31st March, 2021 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 assessed risk. The procedures selected depend on the auditor's judgment, including the

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

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

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

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

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

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

**Opinion**

In our opinion, 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 31st March, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Parin Patwari & Co.**

Place : Ahmedabad
Date : 11th June, 2021
UDIN: 21193952AAAAAS7107

**Proprietor**
**Chartered Accountants**
**Membership No. 193952**
**Firm Regn. No. 154571W**

# PARSOLI CORPORATION LIMITED

## Balance Sheet as at 31st March, 2021

(In rupees)

| | Particulars | Note No. | As at 31st March, 2021 | As at 31st March, 2020 |
|---|---|---|---|---|
| **I.** | **ASSETS** | | | |
| **1** | **Non-current assets** | | | |
| | (a) Property, Plant and Equipment | **1** | 1,12,76,263 | 1,12,78,759 |
| | (b) Capital work-in-progress | | - | - |
| | (c) Investment property | | | |
| | (d) Goodwill | | | |
| | (e) Other intangible assets | **2** | 18,606 | - |
| | (f) Intangible assets under evelopment | | | |
| | (g) Biological Assets other than bearer plants | | | |
| | (h) Financial assets | | | |
| | (i) Investments | | | |
| | (ii) Trade receivables | | | |
| | (iii) Loans | | - | - |
| | (iv) Other financial assets | | - | - |
| | (i) Deferred tax assets (net) | | | |
| | (j) Other non-current assets | **3** | 1,33,05,093 | 53,72,999 |
| | | | 2,45,99,962 | 1,66,51,758 |
| **2** | **Current assets** | | | |
| | (a) Inventories | **4** | 21,525 | 28,924 |
| | (b) Financial Assets | | | |
| | (i) Investments | | | |
| | (ii) Trade receivables | | - | - |
| | (iii) Cash and cash equivalents | **5** | 5,00,373 | 16,80,388 |
| | (iv) Other Bank balances | **6** | 16,18,308 | 15,18,768 |
| | (v) Loans | **7** | 8,00,946 | 13,56,151 |
| | (vi) Other financial assets | | - | - |
| | (c) Current tax assets (Net) | **8** | 64,50,748 | 82,86,904 |
| | (d) Other current assets | **9** | 4,02,868 | 6,50,760 |
| | | | 97,94,768 | 1,35,21,895 |
| | **Total Assets** | | **3,43,94,730** | **3,01,73,652** |
| **II** | **EQUITY AND LIABILITIES** | | | |
| | **Equity** | | | |
| | (a) Equity Share capital | **10** | 28,02,71,270 | 28,02,71,270 |
| | (b) Other Equity | **11** | (38,11,45,714) | (36,10,65,975) |
| | | | (10,08,74,444) | (8,07,94,705) |
| | **Liabilities** | | | |
| **1** | **Non-current liabilities** | | | |
| | (a) Financial Liabilities | | | |
| | (i) Borrowings | **12** | 9,16,23,565 | 7,28,58,961 |
| | (ii) Trade payables | | | |
| | Total outstanding due of | | | |
| | (A) Micro enterprises and small enterprises | | | |
| | (B) Creditors other than micro enterprises and small enterprises | | | |
| | (iii) Other financial liabilities | | - | - |
| | (b) Provisions | | - | - |
| | (c) Deferred tax liabilities (Net) | | - | - |
| | (d) Other non-current liabilities | | | |
| | | | 9,16,23,565 | 7,28,58,961 |
| **2** | **Current liabilities** | | | |
| | (a) Financial Liabilities | | | |
| | (i) Borrowings | | - | - |
| | (ii) Trade payables | | | |
| | Total outstanding due of | | | |
| | (A) Micro enterprises and small enterprises | | 3,50,078 | 6,21,000 |
| | (B) Creditors other than micro enterprises and small enterprises | | - | - |
| | (iii) Other financial liabilities | | | |
| | (b) Other current liabilities | **13** | 3,81,76,028 | 3,68,47,186 |
| | (c) Provisions | **14** | 51,19,501 | 6,41,210 |
| | (d) Current tax liabilities (Net) | | - | - |
| | | | 4,36,45,607 | 3,81,09,396 |
| | **Total Equity and Liabilities** | | **3,43,94,730** | **3,01,73,652** |

**Notes accompanying to the financial statements** **21**

**For Parin Patwari & Co.**
**Chartered Accountants**

***Proprietor***
***Membership No. 193852***
***Firm Reg. No. 154571W***

**For Parsoli Corporation Limited**

| | |
|---|---|
| **Habib Zafar Sareshwala** | **Nazima Saiyed** |
| **Managing Director** | **Director** |
| **DIN: 03282280** | **DIN: 07958783** |

| | |
|---|---|
| **Mohammed Kothawala** | **Maheshkumar Amritlal Patel** |
| **Chief Financial Officer** | **CS & Compliance Officer** |

**Date : 11th June, 2021**
**Place : Ahmedabad**

# PARSOLI CORPORATION LIMITED

## Statement of Profit and Loss for the year ended 31st March, 2021

(In rupees)

| | Particulars | Note No. | Year ended 31st March, 2021 | Year ended 31st March, 2020 |
|---|---|---|---|---|
| I. | Revenue From Operations | 15 | 32,775 | - |
| II. | Other Income | 16 | 1,07,026 | 1,07,219 |
| III. | **Total Income (I+II)** | | 1,39,801 | 1,07,219 |
| IV. | **EXPENSES** | | | |
| | Cost of materials consumed | 17 | 7,399 | 11,554 |
| | Purchases of Stock-in-Trade | | - | - |
| | Changes in inventories of finished goods, | | - | - |
| | Stock-in -Trade and work-in-progress | | - | - |
| | Employee benefits expense | 18 | 76,80,413 | 84,32,683 |
| | Finance costs | 19 | 74,55,611 | 47,531 |
| | Depreciation and amortization expense | 1 & 2 | 5,449 | 7,474 |
| | Other expenses | 20 | 50,70,668 | 57,77,153 |
| | **Total expenses (IV)** | | 2,02,19,540 | 1,42,76,395 |
| V. | Profit/(loss) before exceptional items and tax (III- IV) | | (2,00,79,739) | (1,41,69,176) |
| VI. | Exceptional Items | | - | - |
| VII. | Profit/(loss) before tax (V-VI) | | **(2,00,79,739)** | **(1,41,69,176)** |
| VIII. | Tax expense: | | | |
| | (1) Current tax | | - | - |
| | (2) Deferred tax | | - | - |
| IX. | Profit (Loss) for the period from continuing operations (VII-VIII) | | (2,00,79,739) | (1,41,69,176) |
| X | Profit/(loss) from discontinued operations | | | |
| | Tax expense of discontinued operations | | - | - |
| XI | Tax expense of discontinued operations | | - | - |
| XII | Profit/(loss) from Discontinued operations (after tax) (X-XI) | | - | - |
| XIII | Profit/(loss) for the period (IX+XII) | | **(2,00,79,739)** | **(1,41,69,176)** |
| 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 | | - | - |
| | B (i) Items that will be reclassified to profit or loss | | - | - |
| | (ii) Income tax relating to items that will be reclassified to profit or loss | | - | - |
| | | | - | - |
| XV | Total Comprehensive Income for the period (XIII+XIV) | | **(2,00,79,739)** | **(1,41,69,176)** |
| XVI | Earnings per equity share (for continuing operation): | | | |
| | (1) Basic | | (0.72) | (0.51) |
| | (2) Diluted | | (0.72) | (0.51) |
| XVII | Earnings per equity share (for discontinued operation): | | | |
| | (1) Basic | | - | - |
| | (2) Diluted | | - | - |
| XVIII | Earnings per equity share(for discontinued & continuing operations) | | | |
| | (1) Basic | | (0.72) | (0.51) |
| | (2) Diluted | | (0.72) | (0.51) |

**Notes accompanying to the financial statements** **21**

**For Parin Patwari & Co.**
**Chartered Accountants**

***Proprietor***
***Membership No. 193852***
***Firm Reg. No. 154571W***

**For Parsoli Corporation Limited**

| | |
|---|---|
| **Habib Zafar Sareshwala** | **Nazima Saiyed** |
| **Managing Director** | **Director** |
| **DIN: 03282280** | **DIN: 07958783** |

| | |
|---|---|
| **Mohammed Kothawala** | **Maheshkumar Amritlal Patel** |
| **Chief Financial Officer** | **CS & Compliance Officer** |

**Date : 11th June, 2021**
**Place : Ahmedabad**

# PARSOLI CORPORATION LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

(In rupees)

| | Particulars | Year ended March 31, 2021 | Year ended March 31, 2020 |
|---|---|---|---|
| A. | **CASH FLOW FROM OPERATING ACTIVITIES** | | |
| | Net Profit/(Loss) before Tax | (2,00,79,739) | (1,41,69,176) |
| | *Add/(Less) : Adjustments for non cash items* | | |
| | Depreciation | 5,449 | 7,474 |
| | Provision for tax | - | - |
| | *Add/(Less) : Other adjustments* | | |
| | (Profit)/Loss on Sale of Tangible/Intangible assets | - | - |
| | Interest Income | (1,06,771) | (1,06,372) |
| | Interest and Other Borrowing Cost Paid | 74,55,611 | 47,531 |
| | Re-measurement gains/loss on defined benefits plan | - | - |
| | Operating Profit before Working Capital Changes | **(1,27,25,450)** | **(1,42,20,543)** |
| | *Add/(Less) : Adjustments for working capital changes* | | |
| | **Changes in Current Assets** | | |
| | Decrease / (Increase) in Inventory | 7,399 | 11,554 |
| | Decrease / (Increase) in Trade Receivables | - | - |
| | Decrease / (Increase) in Other bank balances | (99,540) | (95,292) |
| | Decrease / (Increase) in loans and other financial assets | - | - |
| | Decrease / (Increase) in Current tax assets | 18,36,156 | (3,58,194) |
| | Decrease / (Increase) in Other current assets | 2,47,892 | 42,032 |
| | **Changes in Current Liabilities** | | |
| | (Decrease) / Increase in Trade Payables | (2,70,922) | - |
| | (Decrease) / Increase in Other Current Liabilities | 13,28,842 | (10,10,643) |
| | (Decrease) / Increase in Provisions | 44,78,291 | 4,99,010 |
| | **Net cash generated from operations :** | **(51,97,332)** | **(1,51,32,074)** |
| B | **NET CASH FLOW FROM INVESTING ACTIVITIES** | | |
| | Purchase of property, plant & equipment/intangible assets | (21,559) | (12,400) |
| | Sale of property, plant & equipment | - | - |
| | Change in other non current assets | (79,32,094) | 1,156 |
| | Interest Income | 1,06,771 | 1,06,372 |
| | **Net cash used in investing activities :** | **(78,46,882)** | **95,128** |
| C | **CASH FLOW FROM FINANCING ACTIVITIES** | | |
| | Changes in non current borrowings | 1,87,64,604 | 1,63,00,778 |
| | Changes in non current : other financial liabilities | - | - |
| | Changes in non current provisions | - | - |
| | Changes in financial assets - loans | 5,55,205 | (13,56,151) |
| | Interest and Other Borrowing Cost Paid | (74,55,611) | (47,531) |
| | Dividend paid including Corporate dividend tax | - | - |
| | **Net cash generated from financing activities :** | **1,18,64,198** | **1,48,97,096** |
| | **NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS** | **(11,80,017)** | **(1,39,851)** |
| | **CASH AND CASH EQUIVALENTS AS AT APRIL 1, 2020** | **16,80,388** | **18,20,241** |
| | **CASH AND CASH EQUIVALENTS AS AT MARCH 31, 2021** | **5,00,373** | **16,80,388** |

**Notes:**

1 The cash flow statement has been prepared under the "indirect method" as set out in Indian Accounting Standard (Ind AS 7) statement of cash flow.

2 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 31.03.2021 | As at 31.03.2020 |
|---|---|---|
| Balances in current account with banks | 3,90,913 | 16,77,142 |
| Cash on hand | 1,09,460 | 3,246 |
| **Cash and cash equivalents in Cash Flow Statement** | **5,00,373** | **16,80,388** |

4. 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 31.03.2020 | Cash flows/non cash changes | As at 31.03.2021 |
|---|---|---|---|
| Borrowings - Non Current | 7,28,58,961 | 1,87,64,604 | 9,16,23,565 |
| Borrowings - Current | Nil | Nil | Nil |

**For Parin Patwari & Co.**
**Chartered Accountants**

***Proprietor***
***Membership No. 193852***
***Firm Reg. No. 154571W***

**Date : 11th June, 2021**
**Place : Ahmedabad**

**For Parsoli Corporation Limited**

**Habib Zafar Sareshwala**
**Managing Director**
**DIN: 03282280**

**Nazima Saiyed**
**Director**
**DIN: 07958783**

**Mohammed Kothawala**
**Chief Financial Officer**

**Maheshkumar Amritlal Patel**
**CS & Compliance Officer**

# PARSOLI CORPORATION LIMITED

## Statement of changes in Equity for the year ended 31st March, 2021

### A. Equity Share Capital

| Particulars | Number of shares | Amount in ruppes |
|---|---|---|
| Equity shares of Rs. 10 each issued,subcribed and fully paid | | |
| As at 31st March, 2020 | 2,80,27,127 | 28,02,71,270 |
| As at 31st March, 2021 | 2,80,27,127 | 28,02,71,270 |

### B. Other Equity

(In rupees)

| Particulars | Reserves and Surplus | | | | | OCI | |
|---|---|---|---|---|---|---|---|
| | Capital Redemption Reserve | Special Reserve - Section 451C of RBI Act 1934 | Security Premium | Retained Earnings | Total | Other items of other comprehensive income | Total |
| **Balance as at April 1, 2019** | **45,700** | **31,20,886** | **45,51,04,030** | **(80,51,67,415)** | **(34,68,96,799)** | **-** | **-** |
| Profit for the year | - | - | - | (1,41,69,176) | (1,41,69,176) | - | - |
| Other comprehensive income for the year | - | - | - | - | - | - | - |
| **Total Comprehensive Income for the year** | **-** | **-** | **-** | **(1,41,69,176)** | **(1,41,69,176)** | - | - |
| Dividends | - | - | - | - | - | - | - |
| Transfer during the year | - | - | - | - | - | - | - |
| Transfer to retained earnings | - | - | - | - | - | - | - |
| **Balance as at March 31, 2020** | **45,700** | **31,20,886** | **45,51,04,030** | **(81,93,36,591)** | **(36,10,65,975)** | **-** | **-** |
| **Balance as at April 1, 2020** | **45,700** | **31,20,886** | **45,51,04,030** | **(81,93,36,591)** | **(36,10,65,975)** | **-** | **-** |
| Profit for the year | - | - | - | (2,00,79,739) | (2,00,79,739) | - | - |
| Other comprehensive income for the year | - | - | - | - | - | - | - |
| **Total Comprehensive Income for the year** | **-** | **-** | **-** | **(2,00,79,739)** | **(2,00,79,739)** | - | - |
| Dividends | - | - | - | - | - | - | - |
| Transfer to retained earnings | - | - | - | - | - | - | - |
| **Balance as at March 31, 2021** | **45,700** | **31,20,886** | **45,51,04,030** | **(83,94,16,330)** | **(38,11,45,714)** | **-** | **-** |

**For Parin Patwari & Co.**
**Chartered Accountants**

***Proprietor***
***Membership No. 193852***
***Firm Reg. No. 154571W***

**Date : 11th June, 2021**
**Place : Ahmedabad**

**For Parsoli Corporation Limited**

| | |
|---|---|
| **Habib Zafar Sareshwala** | **Nazima Saiyed** |
| **Managing Director** | **Director** |
| **DIN: 03282280** | **DIN: 07958783** |
| **Mohammed Kothawala** | **Maheshkumar Amritlal Patel** |
| **Chief Financial Officer** | **CS & Compliance Officer** |

# PARSOLI CORPORATION LIMITED

## NOTES ANNEXED TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021

**Note - 1 Property, Plant and Equipments**

**(In rupees)**

| Sr. No. | Description of assets | Gross Carrying Value | | | | Accumulated Depreciation | | | | Net Carrying Value | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Balance as at 01-04-2020 Rs. | Additions Rs. | Deduction Rs. | Balance as at 31-03-2021 Rs. | Balance as at 01-04-2020 Rs. | Provision Rs. | Deduction Rs. | Balance as at 31-03-2021 Rs. | Balance as at 31-03-2021 Rs. | Balance as at 31-03-2020 Rs. |
| 1 | BSE Membership Card | 1,12,55,000 | - | - | 1,12,55,000 | - | - | - | - | 1,12,55,000 | 1,12,55,000 |
| 2 | Furniture & Fixtures | 23,56,412 | - | - | 23,56,412 | 23,56,412 | - | - | 23,56,412 | - | - |
| 3 | Office Equipments | 48,84,631 | 2,809 | - | 48,87,440 | 48,64,910 | 4,026 | - | 48,68,936 | 18,504 | 19,722 |
| 4 | Electrical Installation | 8,35,993 | - | - | 8,35,993 | 8,35,993 | - | - | 8,35,993 | - | - |
| 5 | Computer Systems | 3,64,73,001 | | - | 3,64,73,001 | 3,64,68,964 | 1,279 | - | 3,64,70,243 | 2,758 | 4,037 |
| | **Total** | **5,58,05,037** | **2,809** | **-** | **5,58,07,846** | **4,45,26,279** | **5,305** | **-** | **4,45,31,583** | **1,12,76,263** | **1,12,78,759** |
| | **Previous year** | **5,57,92,637** | **12,400** | **-** | **5,58,05,037** | **4,45,18,805** | **7,474** | **-** | **4,45,26,279** | **1,12,78,759** | **--** |

# PARSOLI CORPORATION LIMITED

## NOTES ANNEXED TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021

**Note - 2 Other intangible assets**

**(In rupees)**

| Sr. No. | Description of assets | Gross Carrying Value | | | | Accumulated Amortization | | | | Net Carrying Value | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Balance as at 01-04-2020 Rs. | Additions Rs. | Deduction Rs. | Balance as at 31-03-2021 Rs. | Balance as at 01-04-2020 Rs. | Provision Rs. | Deduction Rs. | Balance as at 31-03-2021 Rs. | Balance as at 31-03-2021 Rs. | Balance as at 31-03-2020 Rs. |
| 1 | Computer software | 69,040 | - | - | 69,040 | 69,040 | - | - | 69,040 | - | - |
| 2 | Website | - | 18,750 | - | 18,750 | - | 144 | - | 144 | 18,606 | - |
| | **Total** | **69,040** | **18,750** | **-** | **87,790** | **69,040** | **144** | **-** | **69,184** | **18,606** | **-** |
| | **Previous year** | **69,040** | **-** | **-** | **69,040** | **69,040** | **-** | **-** | **69,040** | **-** | **-** |

# PARSOLI CORPORATION LIMITED

## NOTES ANNEXED TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021

### Note - 3 Other non- current assets

(In rupees)

| Particulars | As at 31st March, 2021 | As at 31st March, 2020 |
|---|---|---|
| **Unsecured, considered good** | | |
| Deposits with | | |
| - Bombay Stock Exchange (BSE) | 50,00,000 | 50,00,000 |
| - CDSL Securities Deposit | 2,50,000 | 2,50,000 |
| - SEBI | 79,32,094 | - |
| - Others | 1,22,999 | 1,22,999 |
| **Total** | **1,33,05,093** | **53,72,999** |

### Note - 4 Inventories

(In rupees)

| Particulars | As at 31st March, 2021 | As at 31st March, 2020 |
|---|---|---|
| **(As taken, valued and certified by a director)** | | |
| Shares in Indian listed companies | 21,525 | 28,924 |
| **Total** | **21,525** | **28,924** |

# PARSOLI CORPORATION LIMITED

## NOTES ANNEXED TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021

### Note - 5 Financial assets - Current : Cash and cash equivalents

(In rupees)

| Particulars | As at 31st March, 2021 | As at 31st March, 2020 |
|---|---|---|
| Balances in current account with banks | 3,90,913 | 16,77,142 |
| Cash on hand | 1,09,460 | 3,246 |
| **Total** | **5,00,373** | **16,80,388** |

### Note - 6 Financial assets - Current : Other bank balances

(In rupees)

| Particulars | As at 31st March, 2021 | As at 31st March, 2020 |
|---|---|---|
| Balances in term deposit accounts with bank (pledged) | 10,00,000 | 10,00,000 |
| Accrued interest on term deposit | 6,18,308 | 5,18,768 |
| **Total** | **16,18,308** | **15,18,768** |

### Note - 7 Financial assets - current : Loans

(In rupees)

| Particulars | As at 31st March, 2021 | As at 31st March, 2020 |
|---|---|---|
| **Unsecured, considered good** | | |
| Loans and advances to others | 4,50,000 | 10,00,000 |
| Loans and advances to related parties | 3,50,946 | 3,56,151 |
| **Total** | **8,00,946** | **13,56,151** |

### Loans and advances to related parties

(In rupees)

| Particulars | As at 31st March, 2021 | As at 31st March, 2020 |
|---|---|---|
| Parsoli Motor Works Private Limited | 44,446 | 40,151 |
| Habib Zafar Sareshwala - Advance for expenses | 3,06,500 | 3,16,000 |
| **Total** | **3,50,946** | **3,56,151** |

# PARSOLI CORPORATION LIMITED

## NOTES ANNEXED TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021

### Note - 8 Current tax assets (net)

(In rupees)

| Particulars | As at 31st March, 2021 | As at 31st March, 2020 |
|---|---|---|
| Advance payments of income tax (net of provision) | 64,50,748 | 82,86,904 |
| **Total** | **64,50,748** | **82,86,904** |

### Note - 9 Other current assets

(In rupees)

| Particulars | As at 31st March, 2021 | As at 31st March, 2020 |
|---|---|---|
| **Unsecured, considered good** | | |
| Advance to suppliers | 2,15,000 | 5,30,800 |
| Prepaid expenses | 10,400 | - |
| Balances with government authorities | | |
| GST/Service tax credit receivable | 1,77,468 | 1,19,960 |
| **Total** | **4,02,868** | **6,50,760** |

# PARSOLI CORPORATION LIMITED

## NOTES ANNEXED TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021

### Note - 10 Equity Share Capital

(In rupees)

| Particulars | As at 31st March, 2021 | As at 31st March, 2020 |
|---|---|---|
| **Authorised share capital** | | |
| 5,00,00,000 equity shares of Rs.10 each | 50,00,00,000 | 50,00,00,000 |
| **Total** | **50,00,00,000** | **50,00,00,000** |
| **Issued , subscribed and fully paid share capital** | | |
| 2,80,27,127 equity shares of Rs.10 each fully paid up | 28,02,71,270 | 28,02,71,270 |
| Of the above equity shares | | |
| 1) 1,00,00,000 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) 3,50,000 shares issued to M/s. Baader Wertpapierhandelsbank AG for consideration other than cash for Technical Services/support provided by M/s.Baader 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 ) | | |
| **Total** | **28,02,71,270** | **28,02,71,270** |

### Reconciliation of Share capital

(In rupees)

| Particulars | As at 31st March, 2021 | As at 31st March, 2020 |
|---|---|---|
| 2,80,27,127 equity shares of Rs.10 each at the beginning of the year | 28,02,71,270 | 28,02,71,270 |
| Add : Shares issued during the year | Nil | Nil |
| 2,80,27,127 equity shares of Rs.10 each at the end of the year | | |
| **Total** | **28,02,71,270** | **28,02,71,270** |

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

| Name | No. of shares held |
|---|---|
| Baader Wertpapierhandelsbank AG | 66,19,098 |
| Gulf Investment Services Company | 59,08,468 |
| M. Yunus M. Habib Sareswala | 20,01,000 |
| Talha Yunus Sareshwala | 15,00,000 |
| Uves Yunus Sareshwala | 16,84,800 |
| Zafar Mohd. Yunus Sareshwala | 50,00,000 |

## Note - 11 Other Equity

(In rupees)

| Particulars | As at 31st March, 2021 | As at 31st March, 2020 |
|---|---|---|
| **Reserves and Surplus** | | |
| **Capital Redemption Reserve** | | |
| Balance as per last year | 45,700 | 45,700 |
| | 45,700 | 45,700 |
| **Special Reserve - Section 451C of RBI Act 1934** | | |
| Balance as per last year | 31,20,886 | 31,20,886 |
| | 31,20,886 | 31,20,886 |
| **Security Premium** | | |
| Balance as per last year | 45,51,04,030 | 45,51,04,030 |
| | 45,51,04,030 | 45,51,04,030 |
| **Retained Earnings** | | |
| Balance as per last year | (81,93,36,591) | (80,51,67,415) |
| Add: Profit/(loss) for the year | (2,00,79,739) | (1,41,69,176) |
| Other comprehensive income for the year | - | - |
| Balance at the year end | (83,94,16,330) | (81,93,36,591) |
| **Total** | **(38,11,45,714)** | **(36,10,65,975)** |

# PARSOLI CORPORATION LIMITED

## NOTES ANNEXED TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021

### Note - 12 Financial liabilities - Non current: Borrowings

(In rupees)

| Particulars | As at 31st March, 2021 | As at 31st March, 2020 |
|---|---|---|
| **Unsecured** | | |
| Deposits from directors and their relatives | 2,30,89,572 | 80,60,835 |
| Deposits from body corporates | 6,85,33,993 | 6,47,98,126 |
| **Total** | 9,16,23,565 | 7,28,58,961 |

### Note - 13 Other current liabilities

(In rupees)

| Particulars | As at 31st March, 2021 | As at 31st March, 2020 |
|---|---|---|
| Unpaid duties and taxes | 56,223 | 96,590 |
| Other current liabilities | 3,81,19,805 | 3,67,50,596 |
| **Total** | 3,81,76,028 | 3,68,47,186 |

### Note - 14 Current provisions

(In rupees)

| Particulars | As at 31st March, 2021 | As at 31st March, 2020 |
|---|---|---|
| **Provisions for employee benefits** | | |
| Unpaid salaries and wages | 51,19,501 | 6,41,210 |
| **Total** | **51,19,501** | **6,41,210** |

# PARSOLI CORPORATION LIMITED

## NOTES ANNEXED TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021

### Note - 15 Revenue From Operations

(In rupees)

| Particulars | Year Ended 31st March, 2021 | Year Ended 31st March, 2020 |
|---|---|---|
| Sales of Shares | 32,775 | - |
| **Total** | **32,775** | **-** |

### Note - 16 Other income

(In rupees)

| Particulars | Year Ended 31st March, 2021 | Year Ended 31st March, 2020 |
|---|---|---|
| Interest income | 1,06,771 | 1,05,880 |
| Sundry balances written back | 255 | 847 |
| Interest income on income tax refund | - | 492 |
| **Total** | **1,07,026** | **1,07,219** |

### Note - 17 Cost of shares / securities sold

(In rupees)

| Particulars | Year ended 31st March, 2021 | Year ended 31st March, 2020 |
|---|---|---|
| Opening stock of shares / securities sold | 28,924 | 40,478 |
| Add: Purchases | - | - |
| | 28,924 | 40,478 |
| Less: Closing stock | 21,525 | 28,924 |
| **Total** | **7,399** | **11,554** |

# PARSOLI CORPORATION LIMITED

## NOTES ANNEXED TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021

### Note - 18 Employee benefits expense

(In rupees)

| Particulars | Year Ended 31st March, 2021 | Year Ended 31st March, 2020 |
|---|---|---|
| **Employee benefits expenses** | | |
| Salaries and wages | 47,23,918 | 54,22,487 |
| Staff welfare expenses | 1,495 | 196 |
| | 47,25,413 | 54,22,683 |
| **Directors' remuneration** | | |
| Director's sitting fees | 75,000 | 90,000 |
| Mr Habib Zafar Sareshwala | 18,00,000 | 18,00,000 |
| Mr Umar Uves Sareshwala | 10,80,000 | 11,20,000 |
| | 29,55,000 | 30,10,000 |
| **Total** | **76,80,413** | **84,32,683** |

### Note - 19 Finance costs

(In rupees)

| Particulars | Year Ended 31st March, 2021 | Year Ended 31st March, 2020 |
|---|---|---|
| Interest paid to body corporates | - | - |
| Interest on custodial fees | 5,063 | - |
| Interest paid to others | 27,571 | 47,531 |
| Interest to SEBI | 74,22,977 | - |
| | **74,55,611** | **47,531** |

# PARSOLI CORPORATION LIMITED

## NOTES ANNEXED TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021

### Note - 20 Other expenses

(In rupees)

| Particulars | Year Ended 31st March, 2021 | Year Ended 31st March, 2020 |
|---|---|---|
| Advertisement expenses | 47,238 | 40,656 |
| Bank charges | 1,600 | 3,701 |
| Business promotion expenses | 2,23,910 | - |
| Exchange related expenses | 2,51,117 | 6,54,092 |
| Prior period expenses | 62,500 | 2,500 |
| Office and other expenses | 16,021 | 37,469 |
| Insurance premia | 7,000 | - |
| Payments to auditors | 50,000 | 60,000 |
| Power and fuel | 17,307 | 73,868 |
| Postage and courier expenses | 9,164 | 7,170 |
| Printing and stationery expenses | 34,279 | 23,511 |
| Legal and professional fees and expenses | 17,04,355 | 18,40,125 |
| Rent, rates and taxes | 20,68,819 | 22,24,765 |
| Repairs and maintenance to other fixed assets | 73,402 | 1,01,767 |
| GST expenses | 7,023 | 27,000 |
| Telephone expenses | 1,07,841 | 1,42,941 |
| Travelling, vehicle and conveyance expenses | 3,02,358 | 5,37,589 |
| Sundry balances written off (net) | 86,734 | - |
| **Total** | **50,70,668** | **57,77,153** |

### Payments to auditors

(In rupees)

| Particulars | Year Ended 31st March, 2021 | Year Ended 31st March, 2020 |
|---|---|---|
| Audit fees | 50,000 | 50,000 |
| Other matters | - | 10,000 |
| **Total** | **50,000** | **60,000** |

## NOTES ANNEXED TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021

### Note 21 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 useful life that 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 Recognition.

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 pricipal market for the assest 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.

**h) 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 seperately 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**

**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 restrospective - Restrospectively to each prior period presented applying Ind AS 8 Accounting policies,Changes in accounting estimates and errors
2> Modified restrospective - 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 remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:
> 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.
Effective April 01, 2019, the company has adopted Ind AS 116 'Leases' using modified restropective appraoch. The adoption of the standard did not have any material impact on the financial results.

**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 restrospective approach - under this approach,Appendix C will be applied restrospectively 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

Effective April 01, 2019, the company has adopted Ind AS 12 Appendix C using Restrospectively, with the cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives. The adoption of the standard did not have any material impact on the financial results.

**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 / materialised.

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 financials 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

| Particulars | Fy 2020-21 | Fy 2019-20 |
|---|---|---|
| | | |
| 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, 2021

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

| Sr No | Director | Nature of relationship |
|---|---|---|
| 1 | Umar Uves Sareshwala | Director |
| 2 | Habib Zafar Sareshwala | Managing Director |
| 3 | Rama Singh | Director |
| 4 | Sadaf Farid | Director |
| 5 | Nazima Irshadali Saiyed | Director |
| 6 | Amber Zaidi | Director |
| 7 | Sareshwala Enterprise Private Limited | Associate company |
| 8 | Uves Sareshwala | Shareholder having significant |
| 9 | Zafar Sareshwala | Shareholder having significant |
| 10 | Asiya Zafar Sareshwala | Relative of shareholder having |
| 11 | Talha Sareshwala | Relative of shareholder having |
| 12 | Vajiha Talha Sareshwala | Relative of shareholder having |
| 13 | Mohammed Alibhai Kothwala | CFO(KMP) |
| 14 | Ishaque Ali Babu Farid | Director |
| 15 | Parsoli Motor Works Private Limited | Group entity |
| 16 | Parsoli Corporate Services Limited | Group entity |
| 17 | Ahmed Zafar Sareshwala | Relative of Director |
| 18 | Fatema Uves Sareshwala | Relative of Director |
| 19 | Khadija Zafar Sareshwala | Relative of Director |
| 20 | Saleha Yunus Sareshwala | Relative of Director |
| 21 | Taskeen Uves Sareshwala | Relative of Director |
| 22 | Sumaiya T. Sareshwala | Relative of Director |
| 23 | Zainab Umar Sareshwala | Relative of Director |

**b) Transaction with related parties:**

**(in rupees)**

| Sr no | Name of the related parties | Nature of transaction | Transaction during the year | | Balance as at | |
|---|---|---|---|---|---|---|
| | | | 2020-21 | 2019-20 | 2020-21 | 2019-20 |
| 1 | Rama Singh | Director's sitting fees | 45,000 | 50,000 | (2,15,000) | (2,45,000) |
| 2 | Sadaf Fareed | Director's sitting fees | - | 40,000 | - | (628) |
| 3 | Amber Zaidi | Director's sitting fees | 30,000 | - | 15,000 | - |
| 4 | Habib Zafar Sareshwala | Managing director's remuneration | 18,00,000 | 18,00,000 | 13,12,185 | 1,07,310 |
| | | Advances given | (9,500) | 3,16,000 | 3,06,500 | 3,16,000 |
| 5 | Umar Uves Sareshwala | Director's salary | 10,80,000 | 11,20,000 | 8,30,552 | (2,800) |
| | | Unsecured loan | 6,30,000 | - | 6,30,000 | - |
| 6 | Sareshwala Enterprise Private Limited | Unsecured loan | 55,93,110 | 1,52,27,124 | 5,76,50,848 | 5,20,57,738 |
| 7 | Zafar Sareshwala | Unsecured loan | 30,762 | 11,73,652 | 74,31,930 | 74,01,168 |
| | | Other liabilities | - | 16,939 | 1,65,42,252 | 1,65,42,252 |
| 8 | Uves Sareshwala | Unsecured loan | 72,894 | (1,00,000) | 2,02,561 | 6,59,667 |
| | | Other liabilities | 15,955 | 43,464 | 1,93,79,813 | 1,93,63,858 |
| | | Salary | 11,74,864 | 11,99,600 | 4,81,264 | 1,01,400 |
| 9 | Asiya Zafar Sareshwala | Unsecured loan | 14,13,030 | - | 70,267 | (13,42,763) |
| 10 | Talha Sareshwala | Professional fees | 5,55,000 | 1,80,000 | 1,80,000 | 45,000 |
| | | Unsecured loan | 1,41,98,501 | - | 1,41,98,501 | - |
| 11 | Vajiha Talha Sareshwala | Professional fees | 5,55,000 | 1,80,000 | 6,00,000 | 45,000 |
| 12 | Mohammed Alibhai Kothwala | Salary | 2,01,600 | 2,01,600 | 1,39,400 | 16,800 |
| 13 | Nazima Irshadali Saiyed | Salary | 21,800 | 2,61,600 | 13,600 | 21,800 |
| 14 | Ishaque Ali Babu Farid | Salary | 1,18,200 | - | 58,550 | - |
| 15 | Parsoli Motor Works Private Limited | Loans and advances given | 4,295 | 40,151 | 44,446 | 40,151 |
| 16 | Ahmed Zafar Sareshwala | Unsecured loan | 2,50,000 | - | 2,50,000 | - |
| 17 | Fatema Uves Sareshwala | Unsecured loan | 8,000 | - | 8,000 | - |
| 18 | Khadija Zafar Sareshwala | Unsecured loan | 1,24,000 | - | 1,24,000 | - |
| 19 | Saleha Yunus Sareshwala | Unsecured loan | 1,41,000 | - | 1,41,000 | - |
| 20 | Taskeen Uves Sareshwala | Unsecured loan | 5,000 | - | 5,000 | - |
| 21 | Sumaiya T. Sareshwala | Unsecured loan | 28,313 | - | 28,313 | - |
| 22 | Zainab Umar Sareshwala | Salary | 1,18,200 | - | 1,18,200 | - |

**(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.

**(Amount in rupees)**

| Sr No | Particulars | As at 31st March,2021 | As at 31st March,2020 |
|---|---|---|---|
| **(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) | | |
| > | Principal amount due to micro and small enterprise | 3,50,078 | 6,21,000 |
| > | 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 interets specified under the Micro,Small and Medium Enterprises Act,2006 | Nil | Nil |
| **(d)** | The amount of interest accured 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)** Previous year's figures have been regrouped wherever necessary to make them comparable with those of the current year.

**(14)** The balance of SEBI account is subject to reconciliation.

**(15) Risk due to outbreak of COVID 19 pandemic**

The Company has considered the possible effects that may arise out of the still unfolding COVID-19 pandemic on the carrying amounts of property,plant & equipment, intangible assets, investments, inventories, trade receivables, profits etc. For this purpose, the company has considered internal and external sources of information up to the date of approval of the Standalone Financial Results including related information, economic forecasts, etc. Based on the current estimates, the company does not expect any significant impact on such carrying values. The company will continue to monitor developments to identify significant uncertainties in future periods if any.

The Company has evaluated the impact of COVID-19 on its financial statements based on the internal and external information up to the date of approval of these financial statements and expect to recover the carrying amount of inventories, receivables and investments. The Company does not foresee any material impact on liquidity and assumption of going concern. Till the time business operations at customers' end get fully functional and supplies chain with vendors totally restored, business operations of the Company will remain at sub-optimal level. The Company will continue to monitor the future market conditions and update its assessment.

**(16) Capital Management**

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

As at 31st March, 2021, the Company has only one class of equity shares. Consequent to such capital structure, there are no externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Company allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

**(18) Financial risk management**

The Company's financial liabilities comprise mainly of borrowings and trade payables. The Company's financial assets comprise mainly of cash and cash equivalents, other balances with banks, loans and other receivables.

The Company is exposed to Market risk, Credit risk and Liquidity risk. The Board of Directors ('Board') oversee the management of these financial risks. The Risk Management Policy of the Company formulated by the Board, states the Company's approach to address uncertainties in its endeavor to achieve its stated and implicit objectives. It prescribes the roles and responsibilities of the Company's management, the structure for managing risks and the framework for risk management. The framework seeks to identify, assess and mitigate financial risks in order to minimize potential adverse effects on the Company's financial performance.The Board has been monitoring the risks that the Company is exposed to due to outbreak of COVID 19 closely. The Board has taken all necessary actions to mitigate the risks identified basis the information and situation present.

**1) Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk includes borrowings, investments, trade payables, trade receivables, loans and derivative financial instruments.

**a) Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since the Company has insignificant interest bearing borrowings, the exposure to risk of changes in market interest rates is minimal. The Company has not used any interest rate derivatives.

**b) Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates.The Company does not operate in addition to domestic markets, therefore, the exposure of foreign currency risk to the company is minimal.

**2) Credit Risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Company.To manage this, the Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.The Company considers Credit risk arises primarily from financial assets such as other balances with banks, loans etc.

Credit risk arising from Loans and other balances with banks is limited and there is no collateral held against these because the counterparties are banks.

Financial assests are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loan or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.

The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates.Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no provision considered.

**3) Liquidity Risk**

Liquidity risk is the risk that the company will encounter in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The approach of the company to manage liquidity is to ensure , as far as possible, that Company will have sufficient liquidity to meet their respective liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risk damage to their reputation. The company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods.The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

**(Amount in Rs.)**

| As at 31st March 2021 | 0-3 Months | 3-12 Months | Between 1 to 5 Years | Beyond 5 years | Total |
|---|---|---|---|---|---|
| Borrowings | - | - | 9,16,23,565 | - | 9,16,23,565 |
| Trade payables | - | 3,50,078 | - | - | 3,50,078 |
| **Total** | **-** | **3,50,078** | **9,16,23,565** | **-** | **9,19,73,643** |

# PARSOLI CORPORATION LIMITED

## NOTES ANNEXED TO FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021

**(19) FINANCIAL INSTRUMENTS FAIR VALUE AND RISK MEASUREMENTS**

**A. Financial instruments by category and their fair value**

**(Amount in Rs.)**

| As at 31st March 2021 | Carrying amount | | | | Fair value | | | |
|---|---|---|---|---|---|---|---|---|
| | FVTPL | FVTOCI | Amortised Cost | Total | Level 1 - Quoted price in active markets | Level 2 - Significant observable inputs | Level 3 - Significant unobservable inputs | Total |
| **Financial assets** | | | | | | | | |
| Current loans | - | - | 8,00,946 | 8,00,946 | - | - | - | - |
| Cash and cash equivalents | - | - | 5,00,373 | 5,00,373 | - | - | - | - |
| Bank balances other than above | - | - | 16,18,308 | 16,18,308 | - | - | - | - |
| **Total financial assets** | **-** | **-** | **29,19,627** | **29,19,627** | **-** | **-** | **-** | **-** |
| **Financial liabilities** | | | | | | | | |
| Borrowings | | | | | | | | |
| Non current | - | - | 9,16,23,565 | 9,16,23,565 | - | - | | - |
| Current | - | - | - | - | - | - | - | - |
| Trade Payable | - | - | 3,50,078 | 3,50,078 | - | - | - | - |
| **Total financial liabilities** | **-** | **-** | **9,19,73,643** | **9,19,73,643** | **-** | **-** | **-** | **-** |

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

**Level 1**: This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares, and mutual fund investments.The mutual funds are valued using the closing NAV.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

**For Parin Patwari & Co.**
**Chartered Accountants**

***Proprietor***
***Membership No. 193852***
***Firm Reg. No. 154571W***

**Date: 11th June, 2021**
**Place : Ahmedabad**

**For Parsoli Corporation Limited**

| | |
|---|---|
| **Habib Zafar Sareshwala** | **Nazima Saiyed** |
| **Managing Director** | **Director** |
| **DIN: 03282280** | **DIN: 07958783** |
| **Mohammed Kothawala** | **Maheshkumar Amritlal Patel** |
| **Chief Financial Officer** | **CS & Compliance Officer** |