



Parin Furniture Limited

(Converted from Parin Furniture Private Limited w.e.f 04/04/2018)

To,
National Stock Exchange of India Limited,
Exchange Plaza, C-1, Block – G,
Bandra Kurla Complex [BKC],
Bandra [East], Mumbai – 400 051,
Maharashtra, India.

Date: 19-08-2019

Symbol : PARIN

Subject : Submission of 13th Annual Report for the year ended on 31st March, 2019 under regulation 34(1) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015.

Respected Sir/Madam,

As per captioned subject, we hereby submit 13th Annual Report for the year ended on 31st March, 2019 as per Regulation 34(1) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015.

You are requested to take the same in your record.

Yours faithfully,

Thanking you

For and behalf of

Parin Furniture Limited

Umesh D Nandani

**[Umesh D. Nandani]
Managing Director
DIN: 00039757**



Enclosure: 13th Annual Report of the Company PARIN FURNITURE LIMITED



PARIN FURNITURE LIMITED

ANNUAL REPORT

F.Y. | 2018-19

PARIN FURNITURE LIMITED
F.Y.2018-19



Parin Furniture Limited
(formerly Parin Furniture Private Limited)

Board of Directors

Name & Designation

DIN



Mr. Umesh Dhirajlal Nandani

Chairman & Managing Director

00039757



Mr. Parin Umeshbhai Nandani

Whole Time Director

02343309



Mr. Deven Dipesh Nandani

Director

07576542



Mr. Dayalal Harjivanbhai Kesharia

Independent Director

08114818



Ms. Shweta Chirag Kathrani

Independent Director

08114974



Parin Furniture Limited
(formerly Parin Furniture Private Limited)

CHAIRMAN & MANAGING DIRECTOR'S MESSAGE



DEAR SHAREHOLDERS,

It is my honour and privilege to interact with you as the Chairman of the Board. On behalf of Board it gives me great pleasure to welcome you to 13th Annual General Meeting of your Company "**PARIN FURNITURE LIMITED**". It is very successful year for all of us.

Your Company has Converted From Private Limited Company to Public Limited Company and thereafter Listed on NSE SME Portal on 09th October, 2018. This is all due to your constant support and utmost faith. Our key assets are the quality and range of products we offer and thereby satisfying the expectations of our customers.

During the year, we Express the stability of our business model and also showcased our flexibility with consistent top line and bottom line growth. Our strategies have made us increase our focus on product differentiation that will continue to be our backbone.

I would like to thank all our customers, Investors, bankers, Stakeholders for their continuous support. I would also like to thank our team for their outstanding work and the progress that they have achieved in the course of the year.

Warm Regards.

Sd/-

Umesh Nandani

DIN - 00039757

Chairman & Managing Director



Parin Furniture Limited
(formerly Parin Furniture Private Limited)

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Parin Furniture Limited
(formerly Parin Furniture Private Limited)

COMPANY INFORMATION

BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

NAME	DIN NO.	DESIGNATION
Mr. Umesh Dhirajlal Nandani	00039757	Chairman & Managing Director
Mr. Deven Dipesh Nandani	07576542	Whole-Time Executive Director UPTO 09 th JUNE,2019 Non- Executive Director W.E.F 10 th JUNE,2019
Mr. Parin Umeshbhai Nandani	02343309	Non- Executive Director UPTO 09 th JUNE,2019 Whole-Time Executive Director W.E.F 10 th JUNE,2019
Mr. Dayalal Harjivanbhai Kesharia	08114818	Independent Director
Ms. Shweta Chirag Kathrani	08114974	Independent Director
Ms. Krishna S. Lodhiya	-	Company Secretary & Compliance Officer upto 01 st July, 2019 (ACS: A48628)
Ms. Kajal Shah	-	Company Secretary & Compliance Officer w.e.f 02nd July, 2019 (ACS: A51907)
Mr. Kamal M. Shah	-	CFO upto 01 st July, 2019
Mr. Roshan Gupta	-	CFO w.e.f 02 nd July, 2019

AUDIT COMMITTEE

NAME	DIN NO.	DESIGNATION
Mr. Dayalal Harjivanbhai Kesharia	08114818	Chairman
Ms. Shweta Chirag Kathrani	08114974	Member
Mr. Parin Umeshbhai Nandani	02343309	Member UPTO 09 th JUNE,2019
Mr. Deven Dipesh Nandani	07576542	Member W.E.F 10 th JUNE,2019



Parin Furniture Limited
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COMPANY INFORMATION

NOMINATION AND REMUNERATION COMMITTEE

NAME	DIN NO.	DESIGNATION
Ms. Shweta Chirag Kathrani	08114974	Chairman
Mr. Dayalal Harjivanbhai Kesharia	08114818	Member
Mr. Parin Umeshbhai Nandani	02343309	Member UPTO 09 th JUNE,2019
Mr. Deven Dipesh Nandani	07576542	Member W.E.F 10 th JUNE,2019

STAKEHOLDERS RELATIONSHIP COMMITTEE

NAME	DIN NO.	DESIGNATION
Mr. Parin Umeshbhai Nandani	02343309	Chairman UPTO 09 th JUNE,2019
Mr. Deven Dipesh Nandani	07576542	Member W.E.F 10 th JUNE,2019
Ms. Shweta Chirag Kathrani	08114974	Member
Mr. Dayalal Harjivanbhai Kesharia	08114818	Member



Parin Furniture Limited
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COMPANY INFORMATION

STATUTORY AUDITORS

M/S. BHAVIN ASSOCIATES

Chartered Accountants,
709- Everest Complex,
Opp. Shastri Ground, Rajkot 360 001.
Tel: 0281-2220123 /2223153
Firm Registration No.: 101383W

SECRETARIAL AUDITORS

K.P. Rachchh & Co.

Company Secretaries
317, Krishna Con - Arch-II, 3rd Floor,
Tagore Road, Rajkot - 360002.
Tel: 0281-2483899/63520 23152
Member No. - 5156

BANKERS

HDFC BANK LIMITED

Ground Floor ,
Jai Hind Press Building,
Shroff Road, Opp. Shardabaug
Rajkot -360001, Gujarat, India.

STATE BANK OF INDIA

Commercial Branch,
Nr. Jalaram Petrol Pump,
Kalawad Road,
Rajkot -360001, Gujarat, India.



Parin Furniture Limited
(formerly Parin Furniture Private Limited)

COMPANY INFORMATION

REGISTER OFFICER & HEAD OFFICE

PARIN FURNITURE LIMITED.

Plot No. 6, Revenue Survey No. 149,
National Highway, at Vavdi, Gondal Road,
Rajkot, Gujarat-360004, India.

Phone: 0281-3300777.

Email: info@parinfurniture.com

Website: www.parinfurniture.com

LISTING DETAILS

Listed at SME NSE Emerge Platform

ISIN: INE00U801010

Symbol: PARIN

REGISTER & SHARE TRANSFER AGENT

KARVY FINTECH PRIVATE LIMITED

(Formerly known as KCPL Advisory Services
Private Limited)

SEBI Registration No.: INR000000221

Karvy Selenium Tower B, Plot 31-32,

Financial District, Nanakramguda,

Gachibowli, Hyderabad - 500 032.

Ph.: +91 40 6716 2222

Website : www.karvyfintech.com

Email : umesh.pandey@karvy.com

INVESTOR RELATION EMAIL IDS

Contact Person For Company

Ms. Kajal Shah - Company Secretary

Email : cs@parinfurniture.com

RTA : parinfurniture.ipo@karvy.com



Parin Furniture Limited
(formerly Parin Furniture Private Limited)

COMPANY INFORMATION

BRANCHES

MUMBAI

PARIN FURNITURE LIMITED.

Building No. C-2, Gala No.1 to 6, Chamunda Complex,
Nr. Kasheli Bridge, Thane, Bhiwandi Road,
Village. Kasheli, Tal. Bhiwandi, Dist. Thane,
Mumbai-421302.

Phone : 08000051600

Email : mumbai@parinfurniture.com

AHEMDABD

PARIN FURNITURE LIMITED.

"Circle P", Opp. Nima Farm, 100 Feet Road Corner,
Nr. Prahalad Nagar Corner, Above Honest Restaurant,
SG Road, Ahmedabad-3800015.

Phone: 079-40067819

Email: ahmedabad@parinfurniture.com

KOLKATA

PARIN FURNITURE LIMITED.

Ghosh & Ghosh Compound, Near Khal Pool,
Anil Nagar, Mahestale BBT Road, Near Mollar Gate,
Kolkata-700141.

Phone: 033-24017006

Email: kolkata@parinfurniture.com

SURAT

PARIN FURNITURE LIMITED.

Hirachand Industrial Estate, Plot -1,
Near Sosyo Circle, B/H Pratap Press,
Udhani, Magdhalla Road,
Surat - 395002 (Guj) India.

Phone: 033-24017006

Email: kolkata@parinfurniture.com

NOTICE

NOTICE IS HERE BY GIVEN THAT THE 13TH ANNUAL GENERAL MEETING OF PARIN FURNITURE LIMITED (FORMERLY PARIN FURNITURE PRIVATE LIMITED) WILL BE HELD ON MONDAY, 16TH DAY OF SEPTEMBER, 2019 AT 11:00 A.M. AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT PLOT NO. 6, REVENUE SURVEY NO.149, NATIONAL HIGHWAY AT. VAVDI, GONDAL ROAD RAJKOT 360004 GUJARAT TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

- 1. TO RECEIVE, CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY (INCLUDING AUDITED CONSOLIDATED FINANCIAL STATEMENTS) FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2019 AND THE REPORTS OF THE BOARD OF DIRECTORS' AND AUDITORS THEREON.**
- 2. TO APPOINT A DIRECTOR IN PLACE OF MR. UMESH NANDANI (DIN: 00039757) WHO RETIRE BY ROTATION AND BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT.**

SPECIAL BUSINESS:

- 3. TO APPROVE THE TERM OF APPOINTMENT INCLUDING REMUNERATION OF MR. PARIN UMESHBHAI NANDANI (DIN - 02343309) AS WHOLE TIME DIRECTOR OF THE COMPANY AND IN THIS REGARD, TO CONSIDER AND IF THOUGHT FIT, TO PASS, WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS SPECIAL RESOLUTION:**

“RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 including any statutory modification or re-enactment thereof, approval of the members of the company be and is hereby accorded to Board of Directors for the appointment made of Mr. Parin Umeshbhai Nandani as the Whole-Time Director of the Company for a period of five years with effect from 10th June, 2019 to 09th June, 2024, who is liable to retire by rotation and upon the terms and conditions including remuneration as set out below and with the authority to the Board of directors of the Company to alter and vary the terms and conditions of the said appointment in such manner as the Board may deem fit and which shall not exceed the overall ceiling of the total managerial remuneration as provided under Schedule V and Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

The details of remuneration payable to Mr. Parin Umesh Nandani (DIN: 02343309) and the terms and conditions of the appointment are given below:

I. Remuneration:

Rs. 1,50,000/- (Rupees One Lac Fifty Thousand) per month subject to revision from time to time.

II. Perquisites:

- 1. Medical Re-imbursement:** Reimbursement of medical expenses incurred, including premium paid on health insurance policies, whether in India or abroad, for self and family including hospitalization, surgical charges, and nursing charges and domiciliary charges for self and for family.
- 2. Leave Travel Concession:** For self and family every year incurred in accordance with the rules of the Company.

3. **Club Fees:** Fees of clubs, subject to a maximum of two clubs.
4. **Personal Accident Insurance/Group Life Insurance:** Premium to be paid by company.
5. **Provident Fund/Pension:** Contribution to Provident Fund and Pension Fund to the extent such contributions, either singly or put together are exempt under the Income Tax Act, 1961. Contribution to Pension Fund will be paid on basic salary and commission.
6. **Use of Car with Driver:** The Company shall provide a car with driver for business use. In addition, the Company shall also reimburse running and maintenance expenses of car owned by, or leased/ rented to, the Whole Time Director for business use.

III. Duties:

Subject to the superintendence, direction, and control of the Board of Directors of the Company, the Whole Time Director shall be entrusted with substantial power of management and also such other duties and responsibilities as may be entrusted to him By the Board of Directors from time to time.

IV. Termination:

Whole Time Director may be removed from his office for gross negligence, breach of duty or trust if a special Resolution to that effect is passed by the Company in its General Meeting.

V. Other terms and conditions:

- a. In the event of absence or inadequacy of profits in any financial year during the tenure of the Whole Time Director, salary and perquisites subject to the limits stipulated under Schedule V read with Section 196 and 197 of the Companies Act, 2013, are payable.
- b. "Family" means the spouse and dependent children of Mr. Parin Umeshbhai Nandani.
- c. Leave with full pay and allowances shall be allowed as per the Company's rules.
- d. Reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company shall be allowed."

"**RESOLVED FURTHER THAT** the Board of directors of the company be and is hereby authorized to do all such acts, deeds and things as may be required to give effect to the aforesaid resolution."

4. TO AUTHORIZE BOARD TO EXERCISE POWER UNDER SECTION 180(1)(A) OF THE COMPANIES ACT, 2013 AND IN THIS REGARD, TO CONSIDER AND IF THOUGHT FIT, TO PASS, WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS SPECIAL RESOLUTION:

"**RESOLVED THAT** Pursuant to Provision of section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any Statutory modification(s) or re-enactment thereof for the time being in force), the Consent of the Members be and is hereby accorded to hypothecate/mortgage and/or create charges and/or encumbrances by the Company, in such form and manner and with such ranking and at such time(s) and on such terms as the Board may determine, on all or any part of the movable and/or immovable properties of the Company wherever situated both present and future, and/or create a fixed/floating charge on all or any part of movable and/or immovable properties of the Company and the whole or any part of the undertaking(s) of the Company, for securing any loan obtained or as may be obtained from time to time from any Banks, financial institution and any others upto Rs. 10,00,00,00,000(Rupees One Thousand Crores)."

"**RESOLVED FURTHER THAT** the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as it may think fit and deemed proper for the benefit of the Company and to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required."

5. TO AUTHORIZE BOARD TO BORROW IN EXCESS OF AGGREGATE OF THE PAID-UP CAPITAL OF THE COMPANY AND ITS FREE RESERVES, UNDER SECTION 180(1)(C) OF THE COMPANIES ACT, 2013 AND IN THIS REGARD, TO CONSIDER AND IF THOUGHT FIT, TO PASS, WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS SPECIAL RESOLUTION:

“RESOLVED THAT pursuant to provision of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, the consent of the Members be and is hereby accorded to the Board of Directors of the Company for borrowing from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business) and which may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total outstanding amount so borrowed shall not at any time exceed the limit of Rs. 10,00,00,00,000(Rupees One Thousand Crores).”

“RESOLVED FURTHER THAT the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and deemed proper for the benefit of the Company and to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required.”

6. AUTHORITY FOR GIVING CORPORATE GUARANTEE TO SUBSIDIARY COMPANY UNDER SECTION 185 OF THE COMPANIES ACT, 2013 AND IN THIS REGARD, TO CONSIDER AND IF THOUGHT FIT, TO PASS, WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS SPECIAL RESOLUTION :

“RESOLVED THAT pursuant to the provisions of Section 185 of the Companies Act, 2013 and as amended by the Companies (Amendment) Act, 2017, approval of members of the Company be and is hereby accorded for giving guarantee(s), and/or providing of security(ies) in connection with Loan availed/ to be availed by PEARL FURNITURE PRIVATE LIMITED(CIN: U36100GJ2013PTC073483), a Subsidiary Company of Rs. 9.30 Crores from STATE BANK OF INDIA.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to negotiate, finalize and agree to the terms and conditions of the aforesaid Loan/ Guarantee/ security, and to take all necessary steps, to execute all such documents, instruments and writings and to do all necessary acts, deed and things in order to comply with all the legal and procedural formalities and to do all such acts, deeds or things incidental or expedient thereto and as the Board may think fit and suitable.”

7. TO AUTHORIZE BOARD TO PROVIDE LOAN/GUARANTEE & MAKING INVESTMENT IN EXCESS OF LIMIT PRESCRIBED UNDER SECTION 186 OF THE COMPANIES ACT, 2013 AND IN THIS REGARD, TO CONSIDER AND IF THOUGHT FIT, TO PASS, WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS SPECIAL RESOLUTION :

“RESOLVED THAT Pursuant to provision of section 186 of the Companies Act, 2013 and any other applicable provision of the Companies Act, 2013 and rules made there under (including any statutory modification thereof for the time being in force and as may be enacted from time to time) and any other provisions of Companies Act, 2013, if applicable, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company for giving loan to any other person or other body corporate whether in India or in any other country and for giving guarantees or provide security in connection with the loan to any other body corporate or person whether in India or in any other country and for making investment in any other bodies corporate or any other entities whether in India or in any other country up to Rs. 10,00,00,00,000(Rupees One Thousand Crores), notwithstanding that the aggregate of the loans or guarantees or securities so far given or to be given exceeds the limits prescribed under Section 186 of the Companies Act, 2013.”

“RESOLVED FURTHER THAT the Board of directors of the Company be and is hereby authorized to finalize, settle and execute such documents, deeds, writings, papers, and/or agreements as may be required and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem fit, necessary or appropriate for the giving effect to the aforesaid resolution.”

**for and on behalf of
Parin Furniture Limited**

Sd/-

**Date: 10th August 2019
Place : Rajkot**

**Umesh Dhirajlal Nandani
Chairman & Managing Director
(DIN:00039757)**

Notes :

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 for Item No. 3 to 7, which sets out details relating to Special Business at the meeting, is annexed hereto. The relevant details, pursuant to Regulations 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this Annual General Meeting (“AGM”) is also annexed as Annexure – I to this notice.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

The instrument of Proxy in order to be effective and valid, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, Trust, society etc., must be supported by an appropriate resolution/authority, as applicable.

Members are requested to note that a person can act as a proxy on behalf of Members not exceeding 50 members provided shareholding of those members in aggregate should not be more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

3. All documents referred to in the notice and the explanatory statement requiring the approval of the Members at the meeting and other statutory registers shall be available for inspection by the Members at the Registered Office of the Company during office hours on all working days between 10.00 a.m. to 6.00 p.m. from the date of hereof up to the date of the Annual General Meeting.
4. Corporate Members intending to send their authorized representative to attend the meeting pursuant to section 113 of the Companies Act, 2013 are requested to send to the Company, a certified true copy of Board resolution together with their specimen signature authorizing their representative to attend and vote on their behalf at the meeting.
5. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
6. The Securities and Exchange Board of India (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 Participants with whom they are maintaining their demat accounts.
7. The notice of AGM along with Annual Report for 2018-19 is being sent by electronic mode to all the members whose email IDs are registered with the Company/Depository Participant(s) unless any member has requested for a physical copy of the same. For members who have not registered their email addresses, physical copies are being sent by the permitted mode.

8. Non-resident Indian members are requested to inform the Company or its RTA or to the concerned DPs, as the case may be, immediately the change in the residential status on return to India for permanent settlement.
9. Members are requested to make all correspondence in connection with shares held by them by addressing letters directly to the Company or its RTA quoting their Folio number or their Client ID number with DPID number, as the case may be.
10. This notice along with Annual Report for 2018-19 is being sent to all members of the Company whose name appears in the Register of Members/ list of beneficiaries received from the depositories on the end of 9th August, 2019.
11. The entry to the meeting venue will be regulated by means of attendance slips. For attending the meeting, members, proxies and authorized representatives of the members, as the case may be, are requested to bring the enclosed attendance slip completed in all respects, including client ID and DP ID, and signed. Duplicate attendance slips will not be issued.
12. All members are requested to support Green Initiative of the Ministry of Corporate Affairs, Government of India and register their email addresses to receive all these documents electronically from the Company in accordance with Rule 18 of the Companies (Management & Administration) Rules, 2014 and Rule 11 of the Companies (Accounts) Rules, 2014. All the aforesaid documents have been uploaded on and are available for download from the Company's website: www.parinfurniture.com. Kindly bring your copy of Annual Report to the meeting.
13. Rule 3 of the Companies (Management and Administration) Rules, 2014 mandates that the register of members of all companies should include details pertaining to email address, permanent account number (PAN) or CIN, unique identification number, if any; father's/ mother's/ spouse's name, occupation, status, nationality; in case member is a minor, name of guardian and the date of birth of the member, and name and address of nominee. All members are requested to update their details as aforesaid with their respective depository.
14. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them.
15. Members may pursuant to section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014 file nomination in prescribed form SH- 13 with the respective depository participant.
16. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
17. Members seeking any information with regard to the accounts, are requested to write to the Company at an early date i.e. atleast 10 days before the Meeting, so as to enable the Management to keep the information ready at the AGM.
18. A route map showing direction to reach the venue of the 13th AGM is given at the end of this notice as per the requirement of Secretarial Standards -2 on General Meeting.
19. The books (Register of members) will remain close from 10.09.2019 to 16.09.2019 (Both Days inclusive) for the purpose of 13th Annual General Meeting of the Company.
20. Pursuant to provision of section 139 of the Companies Act, 2013, in 12th Annual General Meeting convened on 8th September, 2018, Members have ratified the appointment of M/s. Bhavin Associates, (FRN: 101383W), Chartered Accountants as Statutory Auditor of the Company to hold office till the conclusion of Annual General Meeting of the Financial year 2019-20. Accordingly, no resolution is being proposed for appointment/ re-appointment of statutory auditors at this 13th AGM.
21. Voting system:
Pursuant to the provisions of section 108 of the Companies Act, 2013, rules 20 and 21 of the Companies (Management & Administration) Rules, 2014 and sub Reg. (1) & (2) of Reg. 44 of SEBI (LODR) Regulations, 2015, the Company is not required to provide mandatorily to its members the electronic facility to exercise their right to vote at the AGM. Therefore, in terms the provisions of section 108 of the Companies Act, 2013, at any general meeting, a resolution put to the vote of the meeting shall, unless a poll is demanded under section 109, be decided on a show of hands. A declaration by the Chairman of the meeting of the passing of a resolution or otherwise by show of hands under sub-section (1) and an entry to that effect in the books containing the minutes of the meeting of the Company shall be conclusive evidence of the fact of passing of such resolution or otherwise.

- Every Member entitled to vote on a Resolution and present in person shall, on a show of hands, have only one vote irrespective of the number of shares held by him.

- A Proxy cannot vote on a show of hands.
- A Member who is a related party is not entitled to vote on a Resolution relating to approval of any contract or arrangement in which such Member is a related party.
- The Members of the Company holding shares on the “cut-off date” of 9th September, 2019 are entitled to vote on the resolutions proposed. Cut-off date means the date on which the right of voting of the members shall be reckoned and a person who is not a member as on the cut-off date should treat this notice for information purposes only.
- The results of the voting will be placed by the Company on its website <http://www.parinfurniture.com/>. within 48 hours from the conclusion of the AGM and also communicated to the stock exchanges, where the shares of the Company are listed.
- The resolutions proposed will be deemed to have been passed on the date of the AGM subject to the receipt of the requisite number of votes in favor of the resolutions.

**For and on Behalf of
Parin Furniture Limited**

Sd/-

Date: 10th August, 2019

Place : Rajkot

Umesh Dhirajlal Nandani
Chairman & Managing Director
(DIN:00039757)

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

The following Explanatory Statement sets out all material facts relating to the special business:

Item No. 3

The Board of directors of the Company at their meeting held on 10th June, 2019 has appointed Mr. Parin Umesh Nandani(DIN: 02343309) as the Whole-Time Director of the Company for a period of five years effective from 10th June, 2019 on the terms and conditions including remuneration as specified in the Special resolution at Item No.3.

Pursuant to provision of section 196(4) of the Companies Act, 2013 the terms and conditions of appointment and remuneration of Whole-Time Director approved by the Board of Directors is required to be approved by a resolution at the next general meeting of the members of the company and as such the Resolution as at Item No. 3 of the Notice is therefore set out as Special Resolution for approval and ratification by the Members.

None of the directors, their relatives and Key Managerial Personnel of the Company except Mr. Parin Umesh Nandani, Whole Time Director are concerned or interested financially or otherwise in the resolution set out at Item No 3.

Your Directors recommend the resolution as at Item No 3 for your approval and to be passed as Special Resolution.

Item No. 4

For securing any loan obtained or as may be obtained from time to time from any Banks, financial institution, Company will require to Hypothecate/mortgages and/or create charges and/or encumbrances in such form and manner and with such ranking and at such time(s) and on such terms on all or any part of the movable and/or immovable properties of the Company wherever situate both present and future, and/or create a fixed/floating charge on all or any part of movable and/or immovable properties of the Company and the whole or any part of the undertaking(s) of the Company.

The above power can be exercised by the Board with the approval of members of the Company pursuant to section 180(1)(a) of the Companies Act, 2013 and as such your Directors for availing approval to hypothecate/mortgage and/or to create charges and/or encumbrances by the Company, in such form and manner and with such ranking and at such time(s) and on such terms as the Board may determine, all or any part of the movable and/or immovable properties of the Company wherever situate both present and future, and/or create a fixed/floating charge on all or any part of movable and/or immovable properties of the Company and the whole or any part of the undertaking(s) of the Company, for securing any loan obtained or as may be obtained from time to time from any Banks, financial institution and any others upto Rs. 10,00,00,00,000(Rupees One Thousand Crores), recommends the resolution set out at Item No. 4 to be passed as Special Resolution.

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

Your Directors recommend the resolution as at Item No 4for your approval and to be passed as Special Resolution.

Item No. 5

Taking into consideration the requirement of additional financial resources for carrying the business activities, Company will require to borrow funds from Banks, Financial Institution and any other Sources from time to time and the moneys to be borrowed by the Company may exceed the aggregate of paid-up capital and its free reserves. Pursuant to provision of section 180(1)(c), Board can exercise power to borrow money exceeding the Paid-Up Capital and its free reserves only after approval of Members by way of passing of Special Resolution and as such aforesaid Special Resolution is put up before the Members for their consent to borrow amount exceeding the aggregate of Paid-up Capital and its free Reserves uptoRs. 10,00,00,00,000(Rupees One Thousand Crores).

None of the directors, their relatives and Key Managerial Personnel of the Company are concerned or interested financially or otherwise in the resolution set out at Item No 5.

Your Directors recommends the resolution at Item No. 5 to be passed as Special Resolution.

Item No. 6

PEARL FURNITURE PRIVATE LIMITED(CIN: U36100GJ2013PTC073483), a subsidiary Company has availed various Credit Facilities upto Rs. 9.30 Crores from STATE BANK OF INDIA and the subsidiary company has requested to provide Corporate Guarantee for the said below mentioned various credit facilities:

Sr No	Facility	Limit (Amt. in Rs. In Crores)	Margin	Details of Primary Security	Rate of Interest	Purpose
A) FUND BASED LIMITS:						
1	Cash Credit	5.50	Raw Materials (imported/Indigenous), Semi Finished Goods, Finished Goods – 25% Domestic Receivables 90 days- 35%	Hypothecation of Companies entire current assets including stock of raw material, stock in progress finish goods, spares etc. Bills/Book Debts/Receivables and other current Assets.	10.75%	For business Use
2	Term Loan	1.80	25%		10.95%	
Total of Fund Based Limits		7.30	--		--	
B) NON-FUND BASED LIMITS:						
1	Letter of Credit(Inland/Foreign)	1.00	Cash Margin-20%		Hypothecation charge of all existing and future fixed assets of Company.	
2	Bank Guarantee	1.00	Cash Margin-20%	--		
Total of Non- Fund Based Limits		2.00	--	--		
	Total Limits	9.30	--	--		

PEARL FURNITURE PRIVATE LIMITED, is carrying on the business of manufacture, sell, purchase, import, export all types of furniture, fixtures, wooden products, articles for various use and Company intends to avail all aforesaid credit facilities for their principal business activity.

Your Director intends to avail consent of the members of the Company to give guarantee or to provide security to its subsidiary Company i.e. PEARL FURNITURE PRIVATE LIMITED for the aforesaid Credit facilities of Rs. 9.30 Crores, pursuant to provision of section 185 of the Companies Act, 2013 and accordingly the Special Resolution as set out at Item No. 6 is put before the Members for approval.

The documents pertaining to the Agenda i.e Sanction letter and other related documents are available for inspection at the corporate office of the Company between 10.30 am to 12.30 p.m. on any working day prior to the annual general meeting.

None of the directors, their relatives and Key Managerial Personnel of the Company are concerned or interested financially or otherwise in the resolution set out at Item No.6.

Your Directors recommends the resolution at Item No. 6for your approval and to be passed as Special Resolution.

Item No. 7

The Board has proposed to avail consent for making investment, giving loans or to provide guarantee or security to any other person or Bodies Corporate or any other entity upto Rs. 10,00,00,00,000(Rupees One Thousand Crores). As per the provisions of Section 186 of the Companies Act, 2013, the Board of Directors of a Company can make investment, give loans or give guarantee or provide any security beyond the prescribed ceiling of i) Sixty per cent of the aggregate of the paid-up capital and free reserves and securities premium account or, ii) one Hundred per cent of its free reserves and securities premium account, whichever is more, only with the approval of members by passing special resolution at the general meeting of the Company.

Hence, the Board recommend the special resolution at Item No.7 to Increase the Limit under section 186 of the Companies Act, 2013 for the approval of Members.

None of the directors, their relatives and Key Managerial Personnel of the Company are concerned or interested financially or otherwise in the resolution set out at Item No 7.

Your Directors recommends the resolution at Item No. 7 to be passed as Special Resolution.

ANNEXURE- I

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT
13TH ANNUAL GENERAL MEETING**

Name of Director	MR. UMESH NANDANI	MR. PARIN U. NANDANI
Date of Birth	21/05/1966	08/04/1990
Age	53	29
Date of Appointment on the Board of Company	12/09/2006 19.04.2018 - Appointed as CMD	03/03/2018
Education Qualification	12th	F.Y. B.B.A
Relationship with other KMPs, Directors etc.	As prescribed in Board's Report	As prescribed in Board's Report
Shareholding In Company	No. of Shares - 913120 (8.21%)	No. of Shares - 1342280 (12.07%)
Experience (in years)	35 years	7 years
Area of Expertise	Management & Administration	Business Development and Sales
Directorship in other public company	NIL	Pearl Furniture Pvt. Ltd
Membership in Committee of other Public Company	NIL	NIL

**For and on Behalf of
Parin Furniture Limited**

Sd/-

**Date: 10th August, 2019
Place : Rajkot**

**Umesh Dhirajlal Nandani
Chairman & Managing Director
(DIN:00039757)**

BOARD'S REPORT

**TO,
THE MEMBER,**

Your Directors have pleasure in presenting the 13th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended on March 31, 2019.

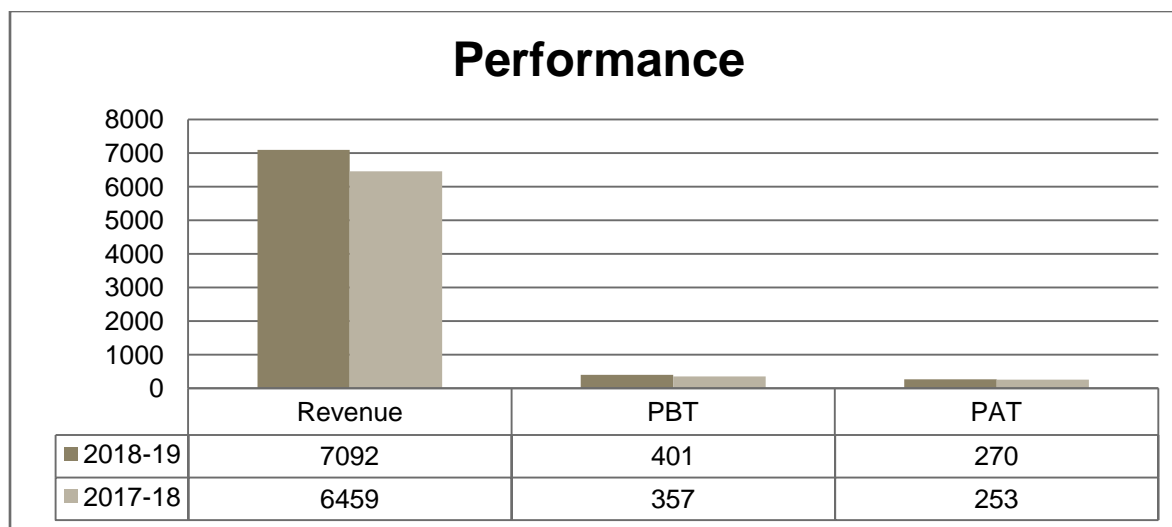
SUMMARY OF FINANCIAL HIGHLIGHTS:

The standalone and consolidated performance of the Company for the financial year ended on March 31, 2019 is summarized below:

FINANCIAL SUMMARY OF THE COMPANY :

(Amount in Rs)

Particulars	STANDALONE		CONSOLIDATED	
	2018-19	2017-18	2018-19	2017-18
Revenue from Operations	70,58,67,040	64,15,67,066	71,25,45,310	64,85,31,809
Other Income	33,55,720	43,67,154	32,95,694	47,33,564
Total Revenue	70,92,22,760	64,59,34,220	71,58,41,004	65,32,65,373
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	6,59,39,978	7,19,67,215	9,60,11,741	10,29,43,014
Less Depreciation /Amortization	49,27,428	68,06,040	81,14,560	98,59,328
Profit/Loss before Finance Costs, Exceptional items and Tax Expense	6,10,12,550	6,51,61,175	8,78,97,181	9,30,83,686
Less: Finance Costs	2,09,61,714	2,58,30,051	2,66,26,131	3,28,89,885
Profit/Loss before Exceptional items and Tax Expense	4,00,50,836	3,93,31,124	6,12,71,050	6,01,93,801
Add/(Less): Exceptional Items	--	35,99,000	--	40,17,520
Profit (Loss) before tax Expense	4,00,50,836	3,57,32,124	6,12,71,050	5,61,76,281
<i>Less: Tax Expenses</i>				
Current Tax	82,52,780	1,36,00,000	1,39,87,780	1,92,50,000
Previous Year Tax	12,29,455	(4,238)	19,72,826	(4,238)
Deferred Tax	35,39,440	(31,31,879)	42,88,397	(7,79,746)
Profit (Loss) After tax	2,70,29,160	2,52,68,241	4,10,22,048	3,77,10,265
Earning Per Equity Share	2.83	3.84	4.27	5.70



PERFORMANCE AND OPERATION REVIEW

➤ STAND ALONE FINANCIAL RESULTS:

Despite recession and acute competition, performance of your Company for the year under review has remained very encouraging. Total income was Rs. 70,92,22,760 (previous year Rs. 64,59,34,219). Tax expenses were Rs.94,82,235 (previous year Rs. 1,35,95,762). The net profit after tax was Rs.2,70,29,160 (previous year Rs. 2,52,68,241).

➤ CONSOLIDATED FINANCIAL STATEMENT:

Pursuant to the provisions of Section 129 and 134 and 136 of the Companies Act, 2013 read with rules framed there under and pursuant to Regulation 33 of SEBI (LODR) Regulations, 2015, your Company had prepared consolidated financial statements of the Company and its subsidiary i.e. PEARL FURNITURE PRIVATE LIMITED (CIN: U36100GJ2013PTC073483). The annual financial statements and related detailed information of the subsidiary company will be provided on specific request made by any shareholders and the said financial statements and information of subsidiary companies are open for inspection at the registered office of the company during office hours on all working day except Saturday, Sunday and Public holidays. The separate audited financial statement in respect of the subsidiary company is also available on the website of the Company. As required under Regulation 33 of SEBI (LODR) Regulations, 2015 and in accordance with the requirements of AS 21, the Company has prepared Consolidated Financial Statements of the Company and its subsidiary and is included in the Annual Report. Consolidate Performance and Operation review are as shown above. A report on the performance and financial position of Associate and wholly owned subsidiary of your Company including capital, reserves, total assets, total liabilities, details of investment, turnover, etc., pursuant to Section 129 of the Companies Act, 2013 in the Form **AOC-1** which forms part and parcel of this Annual Report.

CONVERSION OF COMPANY TO PUBLIC LIMITED COMPANY :

Company has been converted from PARIN FURNITURE PRIVATE LIMITED to PARIN FURNITURE LIMITED w.e.f. April 04, 2018.

RESERVES:

The Board of Directors of your Company, has decided not to transfer any amount to the reserves for the year under review.

DIVIDEND :

The Board of Directors of your Company with a view of Ploughing back of profit have not recommend any Dividend for the year ended on March 31,2019.

PUBLIC DEPOSIT :

During the year under review, the company has not accepted or renewed any deposit from the public falling within the ambit of section 73 of Companies Act 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

SHARE CAPITAL:

At present, the Company has Equity shares having face value of Rs. 10 each. The authorized share capital of the company is Rs. 12,50,00,000/- comprising of 1,25,00,000 Equity shares of Rs. 10 each. The paid up share capital of the company is Rs. 11,11,80,000/- comprising 1,11,18,000 equity shares of Rs. 10 each.

EQUITY INFUSION BY ALLOTMENT OF 30,00,000 EQUITY SHARES TO PUBLIC THROUGH INITIAL PUBLIC OFFER (IPO):

The IPO of the Company was subscribed. The Company after obtaining necessary approvals and finalization the Basis of allotment in consultation with NSE SME have allotted 30,00,000 Equity Shares of Rs. 10/- each at an issue price of Rs. 63/- per share including premium of Rs. 53/- per share to the public through Initial Public Offer (IPO) after complying with the provisions and guidelines under the Companies Act, 2013, SEBI (ICDR) & SEBI (LODR). The Post IPO Paid up Share capital of the Company is 11,11,8000 Equity Shares of Rs. 10/- each.

Hence, During the financial year, the Equity share capital of the company is increased from Rs. 8,11,80,000 comprising of 81,18,000 Fully Paid Up Equity Share of Rs. 10 each to Rs. 11,11,80,000 comprising of 1,11,18,000 fully paid up equity share of Rs. 10 Each.

LISTING:

In response to the company's application, the National Stock Exchange of India Limited (NSE) has given its final approval for listing and trading of Securities on NSE e- Merge (SME Emerge Platform). The Equity Shares of the Company are listed on SME Emerge Platform of NSE Limited w.e.f. **9th October, 2018**. The Company is regular in payment of Annual Listing Fees and other compliance fees.

DEMATERIALISATION OF EQUITY SHARES:

All the Equity Shares of the Company are in dematerialized form with either of the depositories viz. NSDL and CDSL. The ISIN No. allotted is INE00U801010.

USE OF PROCEEDS FROM IPO :

The proceeds from the issue of the Company vide prospectus have been utilized for the purpose for which they were raised and there is no deviation in the utilization of proceeds.

DIRECTORS & KEY MANAGERIAL PERSON [KMP]:

During the Year under review, Following Independent Directors and Key Managerial Personnel(s) were appointed and resigned from the board of the Company:

➤ Independent Directors

Mr. Dayalal Harjivanbhai Kesharia (Din:08114818) and Dr. Shweta Chirag Kathrani (Din: 08114974), appointed as Independent Directors of the company w.e.f. 19.04.2018.

➤ Chief Financial Officer and Company Secretary

Company has appointed Mr. Kamal M. Shah as Chief Financial Officer (CFO) and Ms. Krishna Lodhiya(ACS :A48628) as Company Secretary(CS) w.e.f. 16.04.2018.

Ms. Krishna Lodhiya, Company Secretary and Mr. Kamal Shah, (CFO) has resigned w.e.f. 02.07.2019 due to personal reasons and in place of them, Company has appointed Ms. Kajal Shah (ACS: A51907) as Company Secretary and Mr. Roshan Gupta as CFO of the Company w.e.f. 2nd July, 2019.

➤ Managing Director & Whole Time Director

Mr. Umesh Nandani's designation is changed from Director to Managing Director w.e.f. 19.04.2018. Mr. ParinUmeshbhaiNandani, has been appointed as Whole Time Director w.e.f. 10.06.2019. Mr. Deven D. Nanadani was appointed as Whole – Time Director of the Company w.e.f. 23.02.2019 thereafter his designation is changed to Non- Executive Director w.e.f. 10th June, 2019.

DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE:

Name of Directors	Relationship with other Directors
Umesh D. Nandani	He is Father of WTD Mr. Parin U. Nandani
Parin U. Nandani	He is Son of Managing Director Mr. Umesh D. Nandani
Deven Dipesh Nandani	None(As per definition of Relative)
Dayalal Harjivanbhai Kesharia	None
Shweta Chirag Kathrani	None

RETIREMENT BY ROTATION :

In terms of Section 152 of the Companies Act, 2013, Mr. Umesh Dhirajlal Nandani (DIN: 00039757), Managing Director of the Company is liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, offered himself for re-appointment. Brief profile of Director seeking Appointment/Re-appointment is given in **Annexure I** of the Notice and also presented in Board's Report.

The Board confirms that none of the Directors of the Company is disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and necessary declaration has been obtained from all the Directors in this regard.

BOARD EVALUATION:

Pursuant to the section 134(3)(p) of Companies Act, 2013 read with Rule 8 (4) of Companies Account Rule, 2014 and SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, the Board has carried out an annual performance evaluation of its own performance, the Directors individually, as well as the Board Committees.

DECLARATION BY INDEPENDENT DIRECTORS:

Every Independent Director, at the first meeting of the Board in which he participates as a Director and hereafter at the first meeting of the Board in every Financial Year, gives a declaration that he meets the criteria of independence as provided under section 149(7) of the Companies Act, 2013 and accordingly the Company has received necessary declaration from each Independent Director under section 149(7) of the Companies Act, 2013 that he/she meets with the criteria of Independence laid down in Section 149(6) of the Companies Act, 2013.

COMMITTEES OF BOARD:

1. AUDIT COMMITTEE:

The Board of Directors of the Company has constituted an Audit Committee on 20.04.2018. The Constitution, composition and functioning of the Audit Committee also meets with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Composition of the Committee is as under:

Sr. No.	Name	Designation
1.	Mr. Dayalal Harjivanbhai Kesharia – Independent Director	Chairperson
2.	Ms. Shweta Chirag Kathrani – Independent Director	Member
3.	Mr. Parin Umeshbhai Nandani Non Executive – Non Independent Director	Member (UPTO 09 TH JUNE, 2019)
4	Mr. Deven Dipesh Nandani Non Executive – Non Independent Director	Member (W.E.F. 10 TH JUNE, 2019)

Meeting:

During the financial year ended March 31, 2019, the Members of the Audit Committee met 6 (Six) Times on (1) 25-04-2018, (2) 21-05-2018, (3) 17-09-2018, (4) 01-10-2018, (5) 31-12-2018 and (6) 15-03-2019 and all the members have attended the meeting. Ms. Krishna Lodhiya, Company Secretary acted as secretary of the Committee meetings and CFO Mr. Kamal Shah has also attended the meetings.

Terms & Reference of audit committee:

The Role of Audit Committee together with its powers as Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013 shall be as under:

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval, with particular reference to;
 - matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - changes, if any, in accounting policies and practices and reasons for the same;
 - major accounting entries involving estimates based on the exercise of judgment by management;
 - significant adjustments made in the financial statements arising out of audit findings;
 - compliance with listing and other legal requirements relating to financial statements;
 - disclosure of any related party transactions;
 - modified opinion(s) in the draft audit report
6. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.
16. Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
18. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
19. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177(4) of Companies Act 2013 or referred to it by the Board.
20. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

21. To review the functioning of the whistle blower/Vigil mechanism;
22. Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and;
23. Audit committee shall oversee the vigil mechanism.
24. Audit Committee will facilitate KMP/auditor(s) of the Company to be heard in its meetings.
25. Carrying out any other function as is mentioned in the terms of reference of the audit committee or containing into SEBI Listing Regulations 2015.

Further, the Audit Committee shall mandatorily review the following:

- a) Management discussion and analysis of financial condition and results of operations;
- b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- f) Statement of deviation

2. NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors of the Company has constituted Nomination and Remuneration Committee (“NRC”) on 20.04.2018. The Constitution, composition and functioning of the Nomination and Remuneration Committee also meets with the requirements of Section 178(1) of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Composition of the Committee is as under:

Sr. No.	Name	Designation
1.	Ms. Shweta Chirag Kathrani Independent Director	Chairperson
2.	Mr. Dayalal Harjivanbhai Kesharia Independent Director	Member
3.	Mr. Parin Umeshbhai Nandani Non Executive – Non Independent Director	Member (UPTO 09 TH JUNE, 2019)
4	Mr. Deven Dipesh Nandani Non Executive – Non Independent Director	Member (W.E.F 10 TH JUNE, 2019)

Meeting

During the financial year ended on March 31, 2019, the Members of the Nomination and Remuneration Committee met **3 (Three)** Times on (1) 21-05-2018, (2) 31-12-2018 and (3) 01-02-2019 all the members have attended the meeting. Ms. Krishna Lodhiya, Company Secretary acted as secretary of the Committee meetings and CFO Mr. Kamal Shah has also attended the meeting.

Terms & Reference of Nomination and Remuneration committee:

1. Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the Criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
2. Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the board a policy relating to the remuneration for directors, KMPs and other employees.
3. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
4. Devising a policy on diversity of board of directors;
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

6. Determine our Company's policy on specific remuneration package for the Managing Director / Executive Director including pension rights.
7. Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors.
8. Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
9. Decide the amount of Commission payable to the Whole time Directors.
10. Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc.
11. To formulate and administer the Employee Stock Option Scheme.

3. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Board of Directors of the Company has constituted Stakeholders' Relationship Committee on 20.04.2018. The Constitution, composition and functioning of the Stakeholders' Relationship Committee also meets with the requirements of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Composition of the Committee is as under:

Sr. No.	Name	Designation
1.	Mr. Parin Umeshbhai Nandani Non Executive- Non Independent Director	Chairman (UPTO 09 TH JUNE, 2019)
2.	Mr. Deven Dipesh Nandani Non Executive – Non Independent Director	Chairman (W.E.F. 10 TH JUNE, 2019)
3.	Ms. Shweta Chirag Kathrani Independent Director	Member
4.	Mr. Dayal Harjivanbhai Kesharia Independent Director	Member

Meeting

During the financial year ended on March 31, 2019, the Members of the Stakeholders' Relationship Committee met **4 (Four)** Times on (1) 01-06-2018, (2) 06-09-2018, (3) 01-01-2019 and (4) 25-03-2019 and all the members have attended the meeting. Ms. Krishna Lodhiya, Company Secretary acted as secretary of the Committee meetings and CFO Mr. Kamal shahhas also attended the meetings.

Terms & Reference of Stakeholders' Relationship Committee:

Redressal of shareholders' and investors' complaints, including and in respect of:

1. Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the cages in the reverse for recording transfers have been fully utilized.
2. Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.; and
3. Review the process and mechanism of redressal of Shareholders /Investors grievance and suggest measures of improving the system of redressal of Shareholders /Investors grievances.
4. non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
5. Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
6. Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 1992 as amended from time to time.
7. Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting,

8. Carrying out any other function contained in the equity listing agreements as and when amended from time to time.”

SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANIES :

Your company has acquired 19 lacs Equity Share of Rs. 10 each of M/s. Pearl Furniture Pvt. Ltd.(CIN: U36100GJ2013PTC073483) out of 19.30 Lacs Equity shares i.e. holding 98.45%and thereby M/s. Pearl Furniture Pvt. Ltd. is a Subsidiary Company u/s 2(87)of the Companies Act, 2013 w.e.f. 01st June, 2017.

Our subsidiary company i.e.Pearl Furniture Private Limited is engaged in manufacturing of furniture items like Bed Room furniture, Chairs, Hospital Furniture, School Furniture etc. It has achieved revenue of Rs. 2698.59 Lacs, PBT of Rs. 212.20 Lacs and PATRs. 139.92 Lacs for the FY 2018-19. Attached Annual Report on Statement Containing Salient features of the financial statement of Subsidiaries as AOC –I with the Annual Report.

NUMBER OF BOARD MEETINGS:

During the financial year ended on March 31, 2019, the Board of Directors met **19 (Nineteen) Times**, the details of which is given below. The maximum interval between any two meetings did not exceed 120 days. The prescribed quorum was presented for all the Meetings and Directors of the Company actively participated in the meetings and contributed valuable inputs on the matters brought before the Board of Directors from time to time.

Name of Directors		Mr. Umesh D. Nandani	Mr. Parin U. Nandani	Mr. Deven D. Nandani	Mr. Dayalal H. Kesharia	MS. Shweta C. Kathrani
Designation as on 31-03-2019		Managing Director	Non-Executive Director upto 09 th June, 2019 and Whole Time Director w.e.f. 10-06-2019	Whole-Time Direct or Executive Director upto 09 th June, 2019and Non-Executive Director w.e.f. 10-06-2019	Independent Director	Independent Director
Date of Board Meeting & Attendance of meeting (Y/N/NA) (*NA: as the Directors were appointed on 19-04-2018)						
1	02-04-2018	Y	Y	Y	NA	NA
2	16-04-2018	Y	Y	Y	NA	NA
3	20-04-2018	Y	Y	Y	--	--
4	25-04-2018	Y	Y	Y	Y	Y
5	30-04-2018	Y	Y	Y	--	Y
6	04-05-2018	Y	Y	Y	--	Y
7	21-05-2018	Y	Y	Y	Y	Y
8	28-05-2018	Y	Y	Y	--	Y
9	01-06-2018	Y	Y	Y	--	Y
10	01-08-2018	Y	Y	Y	--	Y
11	30-08-2018	Y	Y	Y	--	Y
12	06-09-2018	Y	Y	Y	--	Y
13	17-09-2018	Y	Y	Y	Y	Y
14	01-10-2018	Y	Y	Y	Y	Y
15	04-10-2018	Y	Y	Y	Y	Y
16	13-11-2018	Y	Y	Y	--	Y
17	31-12-2018	Y	Y	Y	--	Y
18	23-02-2019	Y	Y	Y	Y	Y
19	25-03-2019	Y	Y	Y	Y	Y

EXTRACT OF THE ANNUAL RETURN:

Pursuant to Section 134(3)(a) of the Companies Act, 2013 read with rules 12(1) of the Companies (Management and Administration) Rules, 2014, the extract of annual return is annexed herewith as **Annexure III** in **MGT-9** and forming part of the report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

The Company has not granted any loan and has not given any guarantee and has not made any investment during the year under review and details of existing investment is given in the note 11 of notes to the Financial Statements and also disclosed herewith:

DETAILS OF EXISTING INVESTMENT				
Name& CIN of Company	Type of Investment	No. of Shares Acquired	Amount of Investment	Extent of Holding
PEARL FURNITURE PVT. LTD (CIN: 36100GJ2013PTC073483)	In Equity Shares	19,00,000	4,05,58,000	98.45%

As stated aforesaid, by virtue of this Investment, the Company Pearl Furniture Pvt. Ltd has become subsidiary Company.

CHANGES IN THE NATURE OF BUSINESS:

For sustained growth in future, Company wants to rely on the main business of Company; there is **NO** change in nature of business during the financial Year 2018-19.

WEB SITE:

www.parinfurniture.com is the website of the company. All the requisite details, policy are placed on this website of the Company.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENT RELATES AND THE DATE OF THE REPORT:

There are no such Material Changes occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of the report which can affect the financial position of the Company.

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

No such Order have been passed by the Regulators/Court or Tribunals which can impact the going concern status and Company's operation in future.

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION:

The salient features of the Policy on Directors' appointment and remuneration of Directors, KMP & senior employees and other related matters are as provided under Section 178(3) of the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and any other re-enactment(s) for the time being in force. Nomination and Remuneration policy is available at the website of the Company. <http://www.parinfurniture.com/>.

INVESTOR GRIEVANCE REDRESSAL POLICY:

The Company has adopted an internal policy for Investor Grievance handling, reporting and solving.

PARTICULARS OF EMPLOYEES AND REMUNERATION:

The information required under Section 197 & Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given below.

a) Ratio of Remuneration of each Director to the Employees' median remuneration:

Particulars	Designation	Remuneration (p.a.)	Median Remuneration (p.a.)	Ratio
Umesh Nandani	Managing Director	18,00,000	1,98,900	9.05
Deven Nandani	Executive Director	9,60,000	1,98,900	4.83

b) the percentage increase in remuneration of Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year are as under:

- Company Secretary & Compliance Officer and Chief Financial Officer of the Company Appointed w.e.f. 16.04.2019 and as such no increase in remuneration.
- The percentage increase in remuneration of each directors :

Particulars	Designation	Remuneration (p.a.) 2018-19	Remuneration (p.a.) 2017-18	Increase/ Decrease (p.a.)
Umesh Nandani	Managing Director	18,00,000	15,60,000	2,40,000
Deven Nandani	Executive Director	9,60,000	9,60,000	NIL

c) Number of permanent Employees on the rolls of the Company as on 31st March, 2019 - 126

d) Sub-clause (xii) of Rule 5(1): It is hereby affirmed that the remuneration paid is as per the Remuneration policy of the Company.

e) The percentage increase in the median remuneration of employees for the financial year 2018-19 is 8.69%

f) The average increase in the managerial remuneration for the F.Y 2018-19 is 9.52% and the average increase in the salary of employees other than managerial personnel for the FY 2018-19 is 5.45%.

g) Information relating to Top 10 Employees as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and amendments thereof:

Sr No	Employee Name	Designation	Nature of Employment (Whether contractual or otherwise)	Educational Qualification	Age	Experience (In Years)	Date of joining	Gross Remuneration Paid (For the year 18-19) in Rs.	Previous employment	the percentage of equity shares held by the employee in the company	Relative of any director/ Manager (Yes/No) If yes then name of such director and manager
1	Mr. Kumar Anjaria	VP	On roll	Graduate	54	27	01/01/2011	132000	Automotive Pvt Ltd	No	No
2	Rohan Thakkar	DGM-Project	On roll	Master	36	19	01/02/2011	110000	Maruti Architectural Products Pvt Ltd	No	No
3	Roshan Gupta	CFO	On Roll	CA	30	7	16/04/2018	82600	Maahi Milk Ltd	No	No
4	Krishnan Majumder	Regional Manager	On roll	Master	40	14	15/11/2018	80000	Saaj	No	No
5	Hardik Thakkar	Divisional Head	On roll	Master	35	14	01/01/2012	62000	Future Group	No	No
6	Keyur Manek	Divisional Head	On Roll	Graduate	35	18	28/06/2002	57000	Poonam Furniture	No	No
7	Raj Raichrui	Manager/Accounts	On roll	B.Com CA	29	7	01/09/2017	53600	J. M Baxi	No	No
8	Mukesh Ramchandani	Asst. Branch Manager	On Roll	Under Graduate	30	15	01/03/2014	44000	Shree Ram Furniture	No	No
9	Ajay Kalaria	MIS Manager	On Roll	LLB	38	19	12/06/2016	43600	Kothari & Company	No	No
10	Kishan Bhatt	Manager Project Sales	On Roll	Master	31	12	15/08/2018	40000	J.K Machine Tools	No	No

INSURANCE:

All the assets of the company are adequately insured and the Company has developed proper system for taking insurance on all its insurable assets in order to mitigate the risk.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All transactions entered into with the related parties as defined under the Companies Act, 2013 during the financial year were in the ordinary course of business and on arm's length pricing basis. Form AOC-2 is attached to Board's Report as **Annexure - II**.

FUTURE OUTLOOK :

Our Company is a provider of wide and exclusive range of furniture and lifestyle products for several consumers. Our Company is managed by experienced and dedicated promoters to address the changing needs of customers in furniture industry. We are consistent in supplying of quality products round the year as customized products are made available to them as per the market demand.

Our core purpose is —To serve the world with better lifestyle. Our business network is spread in 18 States. We have COCO Flagship Retail Stores and around 900 dealers associated with us. We have huge stock keeping facilities having storage area with strong supply chain management. In addition to this, we have created spacious, specially designed showrooms for display of our various products like home furniture, office furniture, hospital furniture, institutional furniture etc.

SECRETARIAL AUDITOR:

M/s. K. P. Rachchh & Co., Practicing Company Secretaries(Membership No. FCS: 5156; CP No: 3974), Rajkot has been appointed by board as a secretarial auditor of Company for Financial Year 2018-19. There has been no qualification, reservation or adverse remark or disclaimer made by secretarial auditor.

The Secretarial Audit report for Financial Year is attached herewith as **Annexure V**.

The observations and comments, if any, appearing in the Secretarial Audit Report are self-explanatory and do not call for any further explanation / clarification. The Secretarial Auditors Report does not contain any qualification, reservation or adverse remark.

SECRETARIAL STANDARDS AND STATEMENT FOR COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS:

Secretarial Standards issued by the Institute of Company Secretaries of India as applicable to the Company were followed and complied with during 2018-19. The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively

We hereby states the Company has complied all applicable Secretarial Standards to the extend its applicable.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has in all material respects, an adequate Internal Financial Control System over Financial Reporting and such Internal Financial controls over financial reporting were operating effectively.

The company has proper and adequate system of Internal control to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that transaction are authorized, recorded and reported correctly. The company has effective system in place for achieving efficiency in operations, optimum and effective utilization of resources, monitoring thereof and compliance with applicable laws. Company has also appointed Mr. Ajay Kalaria as Internal Auditor who will look at Internal Control and report to the Audit Committee and Board.

STATUTORY AUDITORS :

M/s. Bhavin Associates., Chartered Accountants, Rajkot holds office until the conclusion of Annual General Meeting for the financial year 2019-2020. The Company has obtained a written confirmation under section 139 of the Companies Act, 2013 from M/s. Bhavin Associates. that their appointment is in conformity with the limits specified under the said section.

STATUTORY AUDITORS REPORT:

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditor's Report does not contain any qualification or reservation. No fraud has been reported by the Auditors under section 143(12) of the Companies Act, 2013 requiring disclosure in the Board's Report.

CORPORATE SOCIAL RESPONSIBILITY(CSR):

The Company is not coming under the criteria as mentioned in Section 135 of the Companies Act, 2013 which specifies the requirement of forming the Corporate Social Responsibility Committee and for spending as CSR Expense.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE:

In accordance with the provisions of section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, the relevant information pertaining to conservation of energy, technology absorption, foreign exchange earning and outgo are as follows:

[A] Conservation of Energy

- (i) the steps taken or impact on conservation of energy; :
Conservation of energy is always been an area of priority in the Company's operations. The Company has consumed power of Rs 26,90,183.37/- (P. Y. Rs. 25,37,482/-) for the year under review.
- (ii) the steps taken by the company for utilising alternate sources of energy - NIL
- (iii) The Capital Investment or Energy conservation Equipments: NIL

[B] Technology Absorption:

Conservation of energy is always been an area of priority in the Company's operations.

- (i) The efforts made towards technology absorption;
The Company has adopted indigenous technology. The Company has derived benefits like product improvement, cost reduction and product development
- (ii) The Company has not imported any technology during the last three years reckoned from the beginning of the financial year
- (iii) the expenditure incurred on Research and Development- NIL
The company has not initiated any research and development activities and thus no Expenditure has been incurred on Research and Development.

[C] Foreign Exchange Earnings and Outgo:

Foreign Earnings :Rs. NIL

Foreign Out Go : Rs. 61,582.50

DIRECTORS' RESPONSIBILITY STATEMENT [DRS]:

In accordance with the provisions of sub-section (5) of Section 134 of the Companies Act, 2013, Your Directors state that—

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had 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 31.3.2019 and of the profit and loss of the company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis; and

- e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013. :

The Company has always believed in providing a safe and harassment free workplace for every individual working in premises and always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. During the year ended on 31st March, 2019, the Company has not received any complaint pertaining to sexual harassment. Company has also framed and adopted policy and It is hereby stated that the company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 [14 of 2013]. The Said Policy is also available at the Website of the Company.

RISK MANAGEMENT:

In today's economic environment, Risk Management is a very important part of business. The main aim of risk management is to identify, monitor and take precautionary measures in respect of the events that may pose risks for the business. Your Company's risk management is embedded in the business processes. Your company has identified the certain risk like price risk, uncertain global economic environment, interest rate, human resource, competition, compliance and industrial health and safety risk and also planned to manage such risk by adopting best management practice.

ENVIRONMENT, HEALTH AND SAFETY:

The Company accords the highest priority to Environment, Health and Safety. The management is constantly reviewing the safety standards of the employees and the management believes in the concept of sustainable development.

VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES- WHISTLE BLOWER MECHANISM:

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors has formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177(10) of the Companies Act, 2013. Through this policy, Employees can raise concerns without any regarding any discrimination, harassment, victimization, any other unfair practice being adopted against them or any instances of fraud by or against your Company. Any incidents that are reported are investigated and suitable action taken in line with the Whistle Blower Policy. The said policy is available at the website of the Company.

POLICY ON PRESERVATION OF THE DOCUMENTS:

The Company has formulated a Policy pursuant to Regulation 9 of the Securities Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 ("Regulations") on Preservation of the Documents to ensure safekeeping of the records and safeguard the Documents from getting manhandled, while at the same time avoiding superfluous inventory of Documents.

POLICY ON CRITERIA FOR DETERMINING MATERIALITY OF EVENTS:

The Policy is framed in accordance with the requirements of the Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Regulations). The objective of the Policy is to determine materiality of events or information of the Company and to ensure that such information is adequately disseminated in pursuance with the Regulations and to provide an overall governance framework for such determination of materiality.

CORPORATE GOVERNANCE:

Since the Company is listed on SME Emerge Platform of NSE, by virtue of Regulation 15 of SEBI (Listing Obligation And Disclosure Requirements) Regulation, 2015 ("LODR") the compliance with the corporate governance provisions as specified in regulations 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 and Para C, D and E of Schedule V are not applicable to the Company. Hence, Corporate Governance Report does not form part of this Annual Report.

EMPLOYEE RELATIONS:

The relationship with the staff and workers continued to be cordial during the entire year. The Directors wish to place on record their appreciation of the valuable work done and co-operation extended by them at all levels. Further, the Company is taking necessary steps to recruit the required personnel from time to time.

COST AUDIT:

Central Government has notified rules for Cost Audit and as per new Companies (Cost Records and Audit) Rules, 2014 issued by Ministry of Corporate Affairs; Company is not falling under the Industries, which will subject to Cost Audit. Therefore filing of cost audit report for the FY 2018-19 is not applicable to the Company.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis report has been furnished herewith to Board's Report as **Annexure –IV**

ACKNOWLEDGEMENT:

Your Directors take this opportunity to express their gratitude for the co-operation and support from its customers, vendors, bankers and business associates and look forward to their continued support.

The Directors are also grateful to the shareholders for the confidence reposed in the Company. Your Directors also wish to place on record their sincere appreciation of the valuable contribution and efforts made by all the employees to achieve in these trying times.

**For and on behalf of the Board of Directors
Parin Furniture Limited**

Sd/-

Date: 10th August, 2019

Place : Rajkot

Umesh Dhirajlal Nandani
Chairman & Managing Director
(DIN:00039757)

ANNEXURE- I

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT
13TH ANNUAL GENERAL MEETING**

Name of Director	MR. UMESH NANDANI	MR. PARIN U. NANDANI
Date of Birth	21/05/1966	08/04/1990
Age	53	29
Date of Appointment on the Board of Company	12/09/2006 19.04.2018 - Appointed as CMD	03/03/2018
Education Qualification	12th	F.Y. B.B.A
Relationship with other KMPs, Directors etc.	As prescribed in Board's Report	As prescribed in Board's Report
Shareholding In Company	No. of Shares - 913120 (8.21%)	No. of Shares - 1342280 (12.07%)
Experience (in years)	35 years	7 years
Area of Expertise	Management & Administration	Business Development and Sales
Directorship in other public company	NIL	Pearl Furniture Pvt. Ltd
Membership in Committee of other Public Company	NIL	NIL

**For and on Behalf of
Parin Furniture Limited**

Sd/-

**Date: 10th August, 2019
Place : Rajkot**

**Umesh Dhirajlal Nandani
Chairman & Managing Director
(DIN:00039757)**

ANNEXURE-II

Form No. AOC-2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis: Not Applicable

2. Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party and nature of relationship:	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangement/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any (Value in Rs. In Lacs)	Date(s) of approval by the Board	Amount paid as advances, if any
Poonam Furniture (Entity Significantly influenced by Director)	Sale of Goods	Ongoing transaction approved yearly	2.57	02-04-2018	NIL
	Purchase	Ongoing transaction approved yearly	20.96	02-04-2018	NIL
Parin Motors (Entity Significantly influenced by Director)	Sale of Goods	Ongoing transaction approved yearly	0.72	02-04-2018	NIL
Paradise Furniture (Entity Significantly influenced by Director)	Purchase	Ongoing transaction approved yearly	229.6	02-04-2018	NIL
Pearl Furniture Pvt. Ltd. (Subsidiary Company)	Purchase	Ongoing transaction approved yearly	2631.71	02-04-2018	NIL
DevenImpex (Entity Significantly influenced by Director)	Purchase	Ongoing transaction approved yearly	633.70	02-04-2018	NIL
Deven D. Nandani Director	Rent	Approved yearly	15.00	02-04-2018	NIL

**For and on behalf of the Board of Directors
Parin Furniture Limited**

Sd/-

Date: 10th August, 2019
Place : Rajkot

Umesh Dhirajlal Nandani
Chairman & Managing Director
(DIN:00039757)

ANNEXURE - III

Form No. MGT-9

EXTRACT OF ANNUAL RETURN as on the financial year ended on 31st, March 2019.

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS :

(i)	CIN	U36101GJ2006PLC049074
(ii)	Registration Date	12/09/2006
(iii)	Name of the Company	PARIN FURNITURE LIMITED
(iv)	Category/Sub-Category of the Company	Company Limited By Shares/Non-govt company
(v)	Address of the Registered office and contact details	Plot No. 6, Revenue Survey No.149, National Highway At. Vavdi, Gondal Road, Rajkot GJ 360004 Phone: 0281 - 330077 E Mail : Info@Parinfurniture.Com Website : Wwww.Parinfurniture.Com
(vi)	Whether listed company	YES
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	KarvyFintech Private Limited 7th Floor, 701, Hallmark Business Plaza, SantDnyaneshwarMarg, off. BandraKurla Complex, Bandra East, Mumbai - 400 051 Mail - einward.ris@karvy.com Phone - 022 - 33055000

II. BUSINESS ACTIVITIES OF THE COMPANY :

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Sale of Furniture Products	46493 (As per NIC Code- 2008)	100.00

III. PRINCIPAL PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1.	PEARL FURNITURE PRIVATE LIMITED Address: Survey No. 26, Shapar Road Village - ShaparTalukaKotdaSangani Rajkot GJ 360024	U36100GJ2013PTC073483	Subsidiary	98.45%	SECTION 2(87)

IV. SHARE HOLDING PATTERN :

(Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Promoter									
(1) Indian									
Individual/ HUF	--	6718000	6718000	82.75%	6718000	--	6718000	60.42%*	(22.32)
Central Govt	--	--	--	--	--	--	--	--	--
State Govt(s)	--	--	--	--	--	--	--	--	--
Bodies Corp	--	1400000	1400000	17.25%	1400000	--	1400000	12.59%*	(4.66)
Banks / FI	--	--	--	--	--	--	--	--	--
Any Other	--	--	--	--	--	--	--	--	--
Sub-total (1)	--	8118000	8118000	100%	8118000	0	8118000	73.02*	(26.98)
(2) Foreign									--
NRIs-Individuals	--	--	--	--	--	--	--	--	--
Other-Individuals	--	--	--	--	--	--	--	--	--
Bodies Corp.	--	--	--	--	--	--	--	--	--
Banks / FI	--	--	--	--	--	--	--	--	--
Any Other....	--	--	--	--	--	--	--	--	--
Sub-total (2)	--	--	--	--	--	--	--	--	--
Total Shareholding of Promoters (1) + (2) = (A)	--	8118000	8118000	100%	8118000	0	8118000	73.02*	(26.98)
B. Public Shareholding									
1. Institutions	--	--	--	--	--	--	--	--	--
Mutual Funds	--	--	--	--	--	--	--	--	--
Banks / FI	--	--	--	--	--	--	--	--	--
Central Govt	--	--	--	--	--	--	--	--	--
State Govt(s)	--	--	--	--	--	--	--	--	--
Venture Capital Funds	--	--	--	--	--	--	--	--	--
Insurance Companies	--	--	--	--	--	--	--	--	--

FII's	--	--	--	--	--	--	--	--	--
Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
Others (specify)	--	--	--	--	--	--	--	--	--
Sub-total (1)	--	--	--	--	--	--	--	--	--
2. Non Institutions	--	--	--	--	--	--	--	--	--
Bodies Corp. i) <i>Indian</i>	--	--	--	--	324027	--	324027	2.91%	2.91%
Individuals	--	--	--	--	--	--	--	--	--
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	--	--	--	--	299973	--	299973	2.91	2.70
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	--	--	--	--	1568000	--	1568000	14.10	14.10
Others (Specify) : NRI	--	--	--	--	708000	--	708000	6.37	6.37
HUF	--	--	--	--	100000	--	100000	0.90	0.90
Sub-total (2)	--	--	--	--	3000000	0	3000000	26.98	26.98
Total Shareholding of Promoters (1) + (2) = (B)	--	--	--	--	--	--	--	--	--
C. Shares held by Custodian for GDRs & ADRs (C)	--	--	--	--	--	--	--	--	--
GRAND TOTAL (A+B+C)	--	8118000	8118000	100%	11118000	0	11118000	100%	00.00

*After IPO, there are no changes in Number of shares held by Promoters but percentage of holding of shares are changed due to allotment of 3000000 No. of Equity Shares.

ii. Shareholding of Promoters

SR. NO	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in Share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged /encumbered to total shares	No. of Shares	% of total Shares of the company*	% of Shares Pledged /encumbered to total shares	
1	Darshil U. Nandani	1343600	16.55	-	1343600	12.08	-	(4.47)
2	Deven D. Nandani	2687200	33.10	-	2687200	24.17	-	(8.93)
3	Umesh Dhirajlal Nandani	913120	11.25	-	913120	8.21	-	(3.04)
4	Parin Umeshbhai Nandani	1342280	16.53	-	1342280	12.07	-	(4.46)
5	Neha Umesh Nandani	430480	5.30	-	430480	3.87	-	(1.43)
6	Pooja Parin Nandani	1320	0.02	-	1320	0.01	-	(0.01)
7	P.P. Furniture Private Limited	1400000	17.25	-	1400000	12.59	-	(4.66)
	TOTAL SHARE HOLDING	8118000	100%		8118000	73.02%	--	26.98

*After IPO, there are no changes in Number of shares held by Promoters but percentage of holding of shares are changed due to allotment of 3000000 No. of Equity Shares Change.

iii. Change in Promoters' Shareholding

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	There is no change during the year under review.*			
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the End of the year				

* After IPO, there are no changes in Number of shares held by Promoters but percentage of holding of shares are changed due to allotment of 3000000 No. of Equity Shares.

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

Sl. No.	Top 10 Shareholders			Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the Year (31.03.2019)	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	HEMANG BADIANI						
	At the beginning of the year			00	00		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			---	---	---	---
	Sr.	Date	Reason	---	---	---	---
	1	05.10.2018	Allotment	708000	6.37%	708000	6.37%
	At the End of the year			---	---	708000	6.37%
2.	GULSHAN KISHORECHAND BANSAL						
	At the beginning of the year			00	00		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			---	---	---	---
	Sr.	Date	Reason	---	---	---	---
	1	08.02.2019	Transfer/Purchase	234000	2.10	234000	2.10
	At the End of the year			---	---	234000	2.10

3.	KISHORECHAND KAKARAM BANSAL						
	At the beginning of the year			00	00		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			---	---	---	---
	Sr.	Date	Reason	---	---		
	1	19.10.2018	Transfer/Purchase	208000	1.87	208000	1.87
	2	26.10.2018	Transfer/Purchase	20000	0.18	228000	2.05
	3	08.02.2019	Transfer/Purchase	228000	2.05	456000	4.10
	4	08.02.2019	(Transfer)/Sale	(228000)	(2.05)	228000	2.05
	5	15.02.2019	Transfer/Purchase	6000	0.05	234000	2.10
	At the End of the year			---	---	234000	2.10%
4.	SHREE MARUTI COURIER SERVICES PRIVATE LIMITED						
	At the beginning of the year			00	00		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			---	---	---	---
	Sr.	Date	Reason	---	---	---	---
	1	05.10.2018	Allotment	114000	1.03	114000	1.03
	2	09.11.2018	Transfer/Purchase	46000	0.41	160000	1.44
	At the End of the year			---	---	160000	1.44%
5	KEYA DHARMESH HARIYANI						
	At the beginning of the year			00	00		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			---	---	---	---
	Sr.	Date	Reason				
	1	19.10.2018	Transfer/Purchase	80000	0.72	80000	0.72
	At the End of the year			---	---	80000	0.72
6.	HARIYANI DHARMESH HARSHADRAY HUF						
	At the beginning of the year			00	00		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			---	---	---	---
	Sr.	Date	Reason				
	1	19.10.2018	Transfer/Purchase	76000	0.68	76000	0.68
	At the End of the year			---	---	76000	0.68%
7	PANKAJ DHIRAJLAL RACHCHH						
	At the beginning of the year			00	00		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			---	---	---	---
	Sr.	Date	Reason	---	---	---	---
	1	05.10.2018	Allotment	28000	0.25	28000	0.25
	2	12.10.2018	Transfer/Purchase	48000	0.43	76000	0.68

8	At the End of the year			---	---	76000	0.68%
	RISHWA D HARIYANI						
	At the beginning of the year			00	00		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			---	---	---	---
	Sr.	Date	Reason	---	---	---	---
	1	19.10.2018	Transfer/Purchase	76000	0.68	76000	0.68
9	At the End of the year			---	---	76000	0.68%
	JAYESH HARJIVANBHAI KESARIYA						
	At the beginning of the year			00	00		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			---	---	---	---
	Sr.	Date	Reason	---	---	---	---
	1	19/10/2018	Transfer/Purchase	3973	0.04	3973	0.04
	2	26/10/2018	Transfer/Purchase	24000	0.22	27973	0.25
	3	21/12/2018	Transfer/Purchase	74000	0.67	101973	0.92
	4	11/01/2019	Transfer/Purchase	6000	0.05	107973	0.97
	5	18/01/2019	(Transfer/Sale)	(40000)	(0.36)	67973	0.61
	At the End of the year			---	---	67973	0.61
10	HEM FINLEASE PVT. LTD.						
	At the beginning of the year			00	00		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			---	---	---	---
	Sr.	Date	Reason	---	---	---	---
	1	05/10/2018	Allotment	160000	1.44	160000	1.44
	2	12/10/2018	(Transfer/sale)	(2000)	-0.02	158000	1.42
	3	26/10/2018	Transfer/Purchase	24000	1.44	182000	1.64
	4	26/10/2018	(Transfer/Sale)	(24000)	-0.02	158000	1.42
	5	09/11/2018	(Transfer/Sale)	(24000)	0.22	134000	1.21
	6	16/11/2018	(Transfer/Sale)	(104000)	-0.22	30000	0.27
	7	14/12/2018	(Transfer/Sale)	(4000)	-0.22	26000	0.23
	8	18/01/2019	Transfer/Purchase	2000	-0.94	28000	0.25
	9	18/01/2019	(Transfer/Sale)	(2000)	-0.04	26000	0.23

10	08/02/2019	Transfer/Purchase	2000	0.02	28000	0.25
11	22/02/2019	(Transfer/Sale)	(2000)	-0.02	26000	0.23
12	08/03/2019	Transfer/Purchase	2000	0.02	28000	0.25
13	08/03/2019	(Transfer/Sale)	(2000)	-0.02	26000	0.23
14	29/03/2019	Transfer/Purchase	74000	0.02	100000	0.90
At the End of the year			---	---	100000	0.90%

v. Shareholding of Directors and Key managerial Personnel:

Sl. No.	For each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the Year (31.03.2019)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	UMESH DHIRAJLAL NANDANI				
	At the beginning of the year	913120	11.25	---	---
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	---	---	---	---
	At the End of the year	---	---	913120	8.21*
2.	PARIN UMESHBHAI NANDANI				
	At the beginning of the year	1342280	16.53	---	---
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	---	---	---	---
	At the End of the year	---	---	1342280	12.07*
3.	DEVEN DIPESH NANDANI				
	At the beginning of the year	2687200	33.10	---	---
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	---	---	---	---
	At the End of the year	---	---	2687200	24.17*

* After IPO, there are no changes in Number of shares held by Promoters but percentage of holding of shares are changed due to allotment of 3000000 No. of Equity Shares.

V. INDEBTEDNESS

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

(Rs. in Lakhs)

PARTICULARS	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2018)				
(i) Principal Amount	1867.41	492.69	--	2360.10
(ii) Interest due but not paid	--	--	--	--
(iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	1867.41	492.69	--	2360.10
Change in Indebtedness during the financial year				
Addition	--	356.74	--	356.74
Reduction	(813.45)	(579.10)	--	(1392.55)
Net Change	(813.45)	(222.36)	--	(1035.81)
Indebtedness at the end of the financial year (31.03.2019)				
(i) Principal Amount	1053.96	270.33	--	1324.29
(ii) Interest due but not paid	--	--	--	--
(iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	1053.96	270.33	--	1324.29

VI. REMUNERATION OF DIRECTORS AND KEYMANAGERIAL PERSONNEL

a. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration	Name of MD/MTD/ Manager			Total Amount
		Umesh D. Nandani Managing Director	DevenD.Nandani Whole Time Director*	Parin U. Nandani Director*	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of The Income-tax Act, 1961	1800000	960000	--	2760000
2.	Stock Option	--	--	--	--
3.	Sweat Equity	--	--	--	--
4.	Commission - as% of profit - Others, specify...	--	--	--	--
5.	Others, please specify	--	--	--	--
	Total (A)	1800000	960000	--	2760000
	Ceiling as per the Act	Maximum Ceiling is 84 Lacs p.a. as per Schedule read with Section 196, 197 & 198 of Companies Act.			

*As on 31.03.2019 Mr. Parin Nandani was Non-Executive Director and Mr. Deven Nandani was Whole Time Director of the Company.

b. Remuneration to Other Directors

Independent Directors				
Fee for attending board/ committee meetings	--	--	--	--
Commission				
Others, please specify				
Total (1)	--	--	--	--
Other Non-Executive Directors				
Fee for attending board committee meetings	--	--	--	--
Commission				
Others, please specify				
Total (2)	--	--	--	--
Total (B)=(1+2)	--	--	--	--
Total Managerial Remuneration (A) + (B)	--	--	--	--
Ceiling as per the Act				

c. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

Sl. No	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary *Ms Krishna Lodhiya	CFO *Mr. Kamal Shah	Total
	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of The Income-tax Act, 1961	--	240000	592000	832000
	Stock Option	--	--	--	--
	Sweat Equity	--	--	--	--
	Commission -as % of profit -others, specify...	--	--	--	--
	Others, please specify	--	--	--	--
	Total	--	240000	592000	832000

* CS Ms. Krishna Lodhiya and CFO Mr. Kamal Shah has been resigned w.e.f. 2nd July, 2019

VII. PENALTIES / PUNISHMENT/COMPOUNDING OF OFFENCES:

<i>Type</i>	<i>Section of the companies Act</i>	<i>Brief description</i>	<i>Details of Penalty/ Punishment/Compounding fees imposed</i>	<i>Authority [RD/NCLT/Court]</i>	<i>Appeal made. If any (give details)</i>
A. Company					
Penalty	NONE				
Compounding					
B. Directors					
Penalty	NONE				
Punishment					
Compounding					
C. Other Officers In Default					
Penalty	NONE				
Punishment					
Compounding					

**For and on behalf of the Board of Directors
Parin Furniture Limited**

Sd/-

Date: 10th August, 2019
Place : Rajkot

Umesh Dhirajlal Nandani
Chairman & Managing Director
(DIN:00039757)

ANNEXURE –IV

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS:

Our Company is dealing in the business of sale of various Furniture products and the Country's furniture market is projected to cross USD32 billion by 2019. The country's furniture market is expected to grow at a rapid pace due to rising disposable income, expanding middle class and growing number of urban households. In addition, the anticipated rise in tourism and hospitality sectors is also expected to spur the furniture demand in the country through 2019. Western and Southern region would continue to be the leading revenue generators due to expanding distribution network of furniture manufacturers in these regions. Uttar Pradesh, Kerala, Punjab, West Bengal and Andhra Pradesh are the major suppliers of wood, which is the most widely used raw material in the country's furniture market. Wooden furniture is expected to continue its dominance in the Indian furniture market. The market is also witnessing a growing trend, wherein, an increasing number of domestic manufacturers are entering into tie ups with foreign manufacturers in order to improve product design and quality with growing employment opportunities, purchasing power of the Indian consumers is increasing, which is consequently expected to continue and boost the demand for designer as well as standardized furniture in the country over the next five years.

Moreover, the popularity of traditional furniture has strengthened the demand for wood in the manufacturing of furniture in India. Over the past few years, the utilization of wooden goods in home has increased as people have started using wood for furnishing cupboards, decorating and for other purposes.

OVERVIEW AND OUTLOOK OF COMPANY'S BUSINESS :

Our Company is a provider of wide and exclusive range of furniture and lifestyle products for several consumers. Our Company is managed by experienced and dedicated promoters to address the changing needs of customers in furniture industry. We are consistent in supplying of quality products round the year as customized products are made available to them as per the market demand.

Our Subsidiary Company namely Pearl Furniture Private Limited has well established manufacturing unit located at Survey No. 26, Shapar Main Road, Village, Shapar, Taluka – Kotada Sangani, Dist – Rajkot-360024, having high tech equipment's and design facility to manufacture various combination and size of products as per specification and needs of the customers. It is equipped with all facilities to execute all types of manufacturing activities such as panel cutting, edge bidding, post forming, painting line, fabrication, moulding, cutting and polishing & packaging, etc. The company is using latest machineries & technology and keeps on up-grading its manufacturing set-up, design capabilities and workmanship to deliver superior quality products with on-time deliveries and with emphasis on quality.

Our core purpose is —To serve the world with better lifestyle. Our business network is spread in 18 States. We have COCO Flagship Retail Stores and around 900 dealers associated with us. We have huge stock keeping facilities having storage area with strong supply chain management. In addition to this, we have created spacious, specially designed showrooms for display of our various products like home furniture, office furniture, hospital furniture, institutional furniture etc.

We consistently introduce new design in our products. We have integrated in-house capabilities to market, distribute and retail our conceptualized furniture. We also have team of experienced, highly professional and skilled manpower. Our Subsidiary has hired an international designer from Turkey who develops new product design. To maintain space and remain competitive in today's changing market place, we have various business verticals like B2B, Projects – Government & Private, Retail and E-Commerce. Through our subsidiary, we have a complete control over the entire business cycle from manufacturing to consumption, which gives an edge in furniture industry. We also have accounting system for smooth business operations. We follow the regime of honest price policy for our customers.

We understand the customer needs, market trends mapping and provide value for money products. Our diversified product portfolio enables us to cater a wide range of preferences & consumer segment.

Our Company has obtained certifications like ISO- 9001:2015, ISO-14001:2015, ISO-13485:2012, OHSAS 18001:2007 & Assured Green Guard Business. Apart from this, we also have registered membership of BIFMA Certification.

OUR PRODUCT RANGE :

The furniture manufactured by our subsidiary / purchased by us are marketed under brand name "**PARIN**". Our product portfolio offers diversified product range which includes variety of furniture like home furniture, office furniture, hospital furniture, institutional furniture and education furniture. Our major range of industry presence and major products within such presence are (1) Home Furniture & Décor (2) Office Furniture (3) Hospital Furniture (4) Institutional Furniture (5) Education Furniture

STRENGTH, OPPORTUNITIES, RISK & CONCERNS :

Strength

Our core purpose is "To serve the world with better lifestyle". Our business network is spread in 18 States. We consistently introduce new design in our products. We have integrated in-house capabilities to market, distribute and retail our conceptualized furniture. We also have team of experienced, highly professional and skilled manpower. Our Subsidiary has hired an international designer from Turkey who develops new product design. To maintain space and remain competitive in today's changing market place.

We understand the customer needs, market trends mapping and provide value for money products. Our diversified product portfolio enables us to cater a wide range of preferences & consumer segment.

Challenges i.e. Risk and Concern :

The prime challenges faced by the Company are Legal Boundaries, Economical Changes, Globalization and Regulatory proceedings, Technological and Political changes are the key challenges for the growth of Business.

Our Company operates under several statutory and regulatory permits, licenses and approvals. Our inability to obtain, renew or maintain the statutory and regulatory licenses, permits and approval required to operate our business may have a material adverse effect on our business & operations.

Quality of our product is key aspect to sustain in the Market. Any failure to maintain the quality of the product may affect adversely to our business. Third Party like **Transportation** facilities, **Market Trends** include Customers' Change in test, preferences, choices, fashion, designs, patterns, **Fluctuation** in price and **supply of product**, **failure in obtaining additional source of finance**, **Business Rivals**, **Competition**, **delay and defaults in clients payments**, **inadequate insurance coverage to protect against uncertain hazards**, **Some Commitments and liabilities all are adversely affect the growth of Business**.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY :

As Stated in Board's Report, the Company has in all material respects, an adequate Internal Financial Control System over Financial Reporting and such Internal Financial controls over financial reporting were operating effectively.

The Company has proper and adequate system of Internal control to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that transaction are authorized, recorded and reported correctly. The company has effective system in place for achieving efficiency in operations, optimum and effective utilization of resources, monitoring thereof and compliance with applicable laws. The Company has also appointed Internal Auditor to check the Internal Control System and their adequacy.

DISCLOSURE OF ACCOUNTING TREATMENT

The Company has followed all the treatments in the Financial Statements as per the prescribed Accounting Standards.

FINANCIAL PERFORMANCE:

During the year under review, Financial performance from Operation activities are as follow:

(In Rs.)

Particulars	2018 - 2019	2017-2018
Total Revenue	70,92,22,760	64,59,34,219
Profit (Loss) before tax	4,00,50,836	3,57,32,124
Less: Tax Expenses	--	--
Current Tax	82,52,780	1,36,00,000
Previous Year Tax	12,,29,455	(4,238)
Deferred Tax	35,39,440	(31,31,879)
Profit (Loss) After tax	2,70,29,160	2,52,68,241
Earning Per Equity Share	2.83	3.84

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE :

The Company has identified its business segment as Primary Reportable Segment. There are no other Primary Reportable Segment and as such Segment wise reporting is not given.

PRODUCT WISE PERFORMANCE IS AS UNDER:

Row Labels	Sum of Total
Education Furniture	94,19,123
Home Furniture	42,62,03,049
Hospital Furniture	5,76,11,054
Institutional Furniture	10,84,28,415
Office Furniture	10,42,05,399
Total	70,58,67,040

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:

Human resource area valuable asset of our business and the relationship with the staff and workers continued to be cordial during the entire year. The Directors wish to place on record their appreciation of the valuable work done and co-operation extended by them at all levels. Further, the Company is taking necessary steps to recruit the required personnel from time to time.

Company has framed requisite policies through which Healthy environment remains amongst the Employees and help us improve quality of life of our employees. Employees are given freedom to share their views to the Management. We are committed to fair employment practices and freedom of expression, supported by a strong, Company wide value system. During the year there was no instance of Strike, Lock out or another issues related to Human Resources.

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS :

In following Ratios there are significant changes in Key Financial Ratios in comparison to Previous year:

Sr. No.	Type of Financial Ratios	2018-19	2017-18	Explanations
1	Debtor Turnover Ratio (In Days)	67.00	98.00	Debtor Turnover ratio improve as compared to last year which shows that recovery is doing fast.
2	Inventory Turnover Ratio (Month)	4.00	3.48	Inventory turnover ratio increases slightly due to new product held in inventory
3	Interest Coverage Ratio	3.15	2.65	Interest coverage ratio improves as compared to last year which shows that company has improved ability to pay its interest.
4	Current Ratio	3.43	2.47	Current ratio improved as compared to last year which shows that company has good resources and liquidity
5	Debt Equity Ratio	0.42	1.95	Operating profit margin decrease due to some of project obtained during this year was less profit margin

DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF:

The Net Worth of the Company has increased to Rs. 37,26,34,907 in comparison to previous year of Rs. 15,66,05,747 Increase in Net worth is due to Initial Public Issue i.e. Increase in the Paid- up capital structure of the Company.

CAUTIONARY STATEMENT:

Statement in this Management Discussion and Analysis Report, describing the Company's objectives, estimates and expectations may constitute 'Forward Looking Statements' within the meaning of applicable laws or Regulations. Actual results might differ materially from those either expressed or implied.

**For and on behalf of the Board of Directors
Parin Furniture Limited**

Sd/-

Date: 10th August, 2019
Place : Rajkot

Umesh Dhirajlal Nandani
Chairman & Managing Director
(DIN:00039757)

ANNEXURE - V

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2019

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

To,
The Members,
PARIN FURNITURE LIMITED
(Converted from PARIN FURNITURE PRIVATE LIMITED w.e.f 04-04-2018)
(CIN: U36101GJ2006PLC049074)
Plot No. 6, Revenue Survey no. 149,
National Highway, At Vavdi, Gondal Road,
Rajkot – 360004

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by PARIN FURNITURE 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 my opinion thereon.

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by PARIN FURNITURE LIMITED ("the Company") for the financial year ended on 31st March, 2019, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder and further amendments thereto and as per applicability to the company;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA'), Securities Contracts (Regulation) Amendment Act, 2007 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, transfer and transmission of shares;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
(Applicable w.e.f 09th October, 2018 i.e. the date on which the Equity Shares of the Company got listed on NSE SME Emerge)
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendments thereto;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments thereto;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **Not Applicable** as the Company has not made any ESOP.
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable** as the Company has not issued such debt securities.
- (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** and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable** as the Company has not processed any buy back of its securities.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into Company with National Stock Exchange of India Limited and the Company is listed on NSE SME Emerge and thereby Provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereto is applicable to the extent applicable to SME Listed Company.

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

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. During the period under review, Changes that took place in the composition of the Board of Directors were made in compliance with the applicable provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except certain Board meetings were called at shorter notice in due compliance with the provisions of the Act and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings have been carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be. There were no dissenting views on any matter.

We further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the respective Heads of Departments of the Company, we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

We further report that during the audit period Company has carried out following major events in compliance with the applicable provisions of the Companies Act, 2013 and other applicable provisions and regulations and with the approval of Shareholders, Registrar of Companies, Gujarat, Central Government and other authority as and when required :

- 1) Company has been converted from Private Limited Company to Public Company and thereby name of Company was changed from PARIN FURNITURE PRIVATE LIMITED having CIN: U36101GJ2006PTC049074 to PARIN FURNITURE LIMITED with CIN: U36101GJ2006PLC049074 w.e.f 04th April, 2018.
- 2) Company has made an Initial Public Offering (IPO) upto 30,00,000 Equity Shares of Face Value of Rs. 10/- each at a price of Rs. 63/- per Equity Shares and through this IPO, Company has allotted 30,00,000 Equity Shares of Rs. 10/- each at a Premium of Rs. 53/- per Share on 04th October, 2018.
- 3) Company got Listed on NSE SME Emerge Platform on 09th October, 2018.

For: K. P. Rachchh & Co.
Company Secretaries

Place : Rajkot
Date : 10th August, 2019

Sd/-
Kalpesh P. Rachchh
Proprietor
FCS No. : 5156
C P No.: 3974

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
The Members
PARIN FURNITURE LIMITED
(Converted from PARIN FURNITURE PRIVATE LIMITED w.e.f 04-04-2018)
(CIN: U36101GJ2006PLC049074)
Plot No. 6, Revenue Survey no. 149,
National Highway, At Vavdi, Gondal Road,
Rajkot – 360004

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express as opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records.

We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For: K. P. Rachchh & Co.
Company Secretaries

Place : Rajkot
Date : 10th August, 2019

Sd/-
Kalpesh P. Rachchh
Proprietor
FCS No. : 5156
C P No.: 3974

FORM AOC-I

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

Part "A": Subsidiaries

(Amount in Rs.)

SR. NO.	NAME OF SUBSIDIARY	PEARL FURNITURE PRIVATE LIMITED
1	The date since when subsidiary was acquired	01/06/2017
2	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	Reporting period 31-03-2019 (Same Reporting period)
3	Reporting Currency and Exchange Rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Reporting Currency - Indian Rupee Exchange Rate- N.A.
4	Share Capital	Authorized Capital - 2,00,00,000 Paid up Capital - 1,93,00,000
5	Reserves & Surplus	4,87,63,683
6	Total Assets	18,17,99,842
7	Total Liabilities	11,37,36,159
8	Investments	NIL
9	Turnover	26,98,59,441
10	Profit before taxation	2,12,20,215
11	Provision for taxation (includes current tax, Deferred tax, Excess/Short provision relating to earlier years)	72,27,327
12	Profit after taxation	1,39,92,888
13	Proposed Dividend	NIL
14	% of Shareholding	98.45%

1. Names of Subsidiaries which are yet to commence operations: N.A.
2. Names of Subsidiaries which have been liquidated or sold during the year.: N.A.

**For and on behalf of the Board of Directors
Parin Furniture Limited**

Sd/-

Date: 10th August, 2019
Place : Rajkot

Umesh Dhirajlal Nandani
Chairman & Managing Director
(DIN:00039757)

INDEPENDENT AUDITOR'S REPORT

Financial Year : 2018-19

INDEPENDENT AUDITOR'S REPORT

To,

The Members of PARIN FURNITURE LIMITED, RAJKOT

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **PARIN FURNITURE LIMITED**, which comprise the Balance Sheet as at 31st March 2019, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on audit.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March, 2019, and its profit/loss and its cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in term of sub-section (11) of section 143 of the Act (the "Order"), we enclose in the Annexure a statement on the matters specified in the paragraphs 3 and 4 of the said Order.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on 31st March, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) As per information & explanation given to us, the internal financial controls are effectively operating in the company.
 - g) With respect to the other matters 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 has disclosed the impact of pending litigations on its financial position in its financial statements, under notes on account of the financial statement.
- 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 during the year ended March 31, 2019.

Place : Rajkot
Date : 21st May, 2019.

For, Bhavin Associates.
Chartered Accountants
FRN. 101383W

Sd/-

Bhavin P. Bhansali
Partner
M. No.: 043796

ANNEXURE “A” TO THE AUDITOR’S REPORT

With Referred to in paragraph 3 of our report to the shareholders of **PARIN FURNITURE LIMITED** of even date, in our opinion and to the best of our knowledge and as per the information and explanations given to us, the books and the records examined by us in the normal course of audit, we report that:

1. a) The Company has maintained electronic records showing value of fixed assets.
b) As per information & explanation given to us by the management of the company, all the assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification.
c) As per information & explanation given to us by the management of the company, the title deeds of the immovable properties are held in the name of the company.
2. As explained to us, stock of inventories has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
3. In our opinion and according to the information and explanation given to us, The Company has not granted any loan secured or unsecured to any parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of clause 3(iii)(a) and 3(iii)(b) of the Companies [Auditor’s Report] Order, 2016 are not applicable to the company.
4. As per information & explanation given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loan, investment, guarantees, and security.
5. In our opinion and according to the information and explanation given to us, the company has not accepted/invited any deposits falling within the preview of provisions of section 73 to 76 of any other relevant provisions of the Companies Act, 2013 and rules framed the under.
6. In our opinion and according to the information and explanation given to us, the company is not required of maintain cost records as per the provisions of clause 3(vi) of the Companies [Auditor’s Report] order, 2016 specified by the Central Government under section 148(1) of the Companies Act, 2013.
7. In our opinion and according to the information and explanation given to us, the company has not defaulted in depositing undisputed statutory dues including provident fund, employee’s state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.
8. In our opinion and according to the information and explanation given to us, the Company has not defaulted in the repayment of dues to any financial institution of Bank or Debenture holders during the year.
9. In our opinion and according to the information and explanation given to us, the term loan is applied for the purpose for which loan was obtained.
10. According to the information and explanations given to us, neither any fraud by the company nor any fraud on the company by its officers and employees has been noticed or reported during the financial year.
11. According to the information and explanation given to us, the managerial remuneration paid or provided, are in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
12. As the company is not a Nidhi Company, the provisions of clause 3(xii) of the Companies [Auditor’s Report] Order, 2016 are not applicable to the company.
13. According to the information and explanation given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;
14. According to the information and explanation given to us, the company has complied with the requirement of section 42 of the companies Act, 2013 regarding preferential allotment and the amount raised have been used for the purposes for which the funds were raised.

15. Bases on the audit procedures performed and the company has not entered into any non-cash transactions with directors of persons connected with him. So the clause 3(xv) of the Companies [Auditor's Report] Order, 2016 is not applicable to the company.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence the clause 3(xvi) of the Companies (Auditor's Report) Order 2016 is not applicable to the Company.

Place : Rajkot
Date : 21st May, 2019.

For, Bhavin Associates.
Chartered Accountants
FRN. 101383W

Sd/-

Bhavin P. Bhansali
Partner
M. No.: 043796

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

of Even Date on the Standalone Financial Statements of PARIN FURNITURE LIMITED

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

We have audited the internal financial controls over financial reporting of **PARIN FURNITURE LIMITED** (“the Company”) as of 31st March, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s 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 I/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 authorizations of management and directors of the company; and

- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : Rajkot
Date : 21st May, 2019.

For, Bhavin Associates.
Chartered Accountants
FRN. 101383W

Sd/-

Bhavin P. Bhansali
Partner
M. No.: 043796

PARIN FURNITURE LIMITED

(Previously known as Parin Furniture Private Limited)

CIN : U36101GJ2006PLC049074

Balance Sheet as at 31st March 2019

(in Rupees)

Particulars		Note No.	31.03.2019	31.03.2018
1		2	3	4
I. EQUITY AND LIABILITIES				
1 Shareholders' funds				
(a) Share capital		1	111,180,000	81,180,000
(b) Reserves and surplus		2	261,454,907	75,425,747
2 Non-current liabilities				
(a) Long-term borrowings		3	27,033,164	144,481,948
(b) Long-term provisions		4	2,484,535	2,476,013
(c) Other Loan Term Liability		5	40,000	300,000
3 Current liabilities				
(a) Short-term borrowings		6	98,587,189	88,075,812
(b) Trade payables		7	8,104,553	49,382,014
(c) Other current liabilities		8	15,506,073	9,477,180
(d) Short-term provisions		9	4,894,126	10,561,881
TOTAL			529,284,547	461,360,594
II. ASSETS				
Non-current assets				
1 (a) Fixed assets				
(i) Property, Plant & Equipment		10	12,537,587	16,537,502
(ii) Intangible assets		10	500,000	500,000
(b) Non-current investments		11	40,558,000	40,558,000
(c) Deferred Tax Assets (Net)		12	577,439	4,116,879
(d) Long-term loans and advances		13	25,377,488	8,081,652
(e) Other non-current assets		14	14,214,771	3,216,143
2 Current assets				
(a) Inventories		15	235,342,375	186,311,383
(b) Trade receivables		16	129,888,790	172,277,573
(c) Cash and cash equivalents		17	28,260,980	19,271,345
(d) Short-term loans and advances		18	42,027,118	10,490,118
(e) Other current assets			-	-
TOTAL			529,284,547	461,360,594

The accompanying notes form an integral part of the standalone financial statements.

DATED 21st May, 2019, AT RAJKOT.

AS PER OUR REPORT ON EVEN DATE

**FOR & BEHALF OF Board of Directors of
PARIN FURNITURE LIMITED**

**M/S. BHAVIN ASSOCIATES
CHARTERED ACCOUNTANTS**

Sd/-

Sd/-
Umesh D. Nandani **Parin U.Nandani**
[CMD] **[Director]**
DIN : 00039757 **DIN : 02343309**

Bhavin P.Bhansali
[Partner]
Mem. No.: 043796

Sd/- **Sd/-**
Kamal Shah **Krishna Lodhiya**
[CFO] **[CS]**

PARIN FURNITURE LIMITED (Previously known as Parin Furniture Private Limited) CIN : U36101GJ2006PLC049074 Statement of Profit and loss for the year ended 31.03.2019 (in Rupees)			
Particulars	Refer Note No.	31/03/2019	31/03/2018
I. Revenue from operations	20	705,867,040	641,567,066
II. Other income	21	3,355,720	4,367,154
III. Total Revenue (I + II)		709,222,760	645,934,219
IV. Expenses:			
Purchases of Stock-in-Trade		581,373,684	458,195,247
Changes in inventories of Stock-in-Trade		(49,030,992)	13,716,166
Employee benefits expense	22	38,592,873	36,157,578
Finance costs	23	20,961,714	25,830,051
Depreciation and amortization expense		4,927,428	6,806,040
Other expenses	24	72,347,217	65,898,012
Total expenses		669,171,925	606,603,095
V. Profit before prior period, exceptional and extraordinary items and tax (III-IV)		40,050,836	39,331,124
VI. Prior period items			
Depreciatoin of earlier year	10	-	360,645
Gratuity Provision of earlier year			3,238,355
Profit Before Exeptional Items		40,050,836	35,732,124
VII. Profit before tax		40,050,836	35,732,124
Tax expense:			
VIII. (1) Current year tax		8,252,780	13,600,000
(2) Previous year tax		1,229,455	(4,238)
(3) Deferred tax		3,539,440	(3,131,879)
IX Profit (Loss) for the period (VII + VIII)		27,029,160	25,268,241
X Earnings per equity share:			
(1) Basic EPS/Adjusted Basic EPS		2.83	3.84
(2) Diluted EPS/Adjusted Diluted EPS		2.83	3.84
The accompanying notes form an intergral part of the standalone financial statements. DATED 21st May, 2019, AT RAJKOT. AS PER OUR REPORT ON EVEN DATE <div> FOR & BEHALF OF Board of Directors of PARIN FURNITURE LIMITED Sd/- Sd/- Sd/- Umesh D. Nandani Parin U.Nandani Bhavin P.Bhansali [CMD] [Director] [Partner] DIN : 00039757 DIN : 02343309 Mem. No.: 043796 Sd/- Sd/- Kamal Shah Krishna Lodhiya [CFO] [CS] </div>			

PARIN FURNITURE LIMITED Cash Flow Statement For The Year Ended 31st March, 2019 All amounts in rupees unless otherwise stated		
Particulars	For the Year March 31, 2019 Rs.	For the Year March 31, 2018 Rs.
A. CASH FLOW FROM OPERATING ACTIVITY		
Profit before tax and before exceptional items	40,050,836	35,732,124
<u>Add: Non Cash and Operating Expenses</u>		
Depreciation Expenses	4,927,428	7,166,685
Interest & Financial Charges	20,961,714	25,830,051
<u>Less: Non Operating Income</u>		
Interest Income	1,714,994	794,800
Operating profit before changes in current and non-current assets and liabilities	64,224,984	67,934,060
Adjustment for:		
(Increase) / Decrease in Inventories	(49,030,992)	13,716,166
(Increase) / Decrease in Trade Receivables	42,388,783	5,684,440
(Increase) / Decrease in Loans and Advances	(30,711,841)	(3,661,721)
(Increase) / Decrease in Other Current Assets	-	-
(Increase) / Decrease in Other Non Current Assets	(10,998,628)	(2,521,931)
(Increase) / Decrease in Long Term Loans & Advances	(1,530,768)	872,796
(Increase) / Decrease in Deposit with Customers	(15,765,067)	(4,006,081)
Increase / (Decrease) in Trade Payables	(41,277,461)	(7,634,363)
Increase / (Decrease) in Current Liabilities	6,028,893	(3,906,936)
Increase / (Decrease) in Short term Provisions	(320,535)	1,027,887
Increase / (Decrease) in Long Term Provisions	8,522	2,476,013
Increase / (Decrease) in Non Current Liabilities	(260,000)	(2,996,484)
IPO Proceeds by way of Issue of Equity Share Capital	99,000,000	-
<i>(For Working Capital & General Corporate Operational Activities)</i>		
Cash Generated from Operation	61,755,890	66,983,846
Taxes paid	(15,654,615)	(8,606,508)
Net Cash Flow from Operating Activities	46,101,275	58,377,338
B. CASH FLOW FROM INVESTING ACTIVITY		
(Increase) / Decrease in Fixed Assets (net)	(927,513)	(4,136,660)
Interest Income	1,714,994	794,800
Net Cash Flow from Investing Activities	787,481	(3,341,860)
C. CASH FLOW FROM FINANCING ACTIVITY		
Increase / (Decrease) in Secured Loans	(84,701,662)	8,922,455
Increase / (Decrease) in Unsecured Loans	(22,235,745)	(68,909,888)
IPO Proceeds by way of Issue of Equity Share Capital	90,000,000	-
<i>(For Repayment of Secured Borrowings)</i>		
<i>Issue of Equity Share Capital (Preferential Allotment)</i>	-	33,396,000
Interest Expenses	(20,961,714)	(25,830,051)
Net Cash Flow from Financing Activities	(37,899,121)	(52,421,485)
Net Increase / (Decrease) in Cash and Cash Equivalents	8,989,636	2,613,995
Opening Balance of Cash and Cash Equivalents	19,271,345	16,657,350
Closing Balance of Cash and Cash Equivalents	28,260,981	19,271,345
Components of Cash and Cash Equivalents	For the Year March 31, 2019 Rs.	For the Year March 31, 2018 Rs.
Cash on hand & Equivalents	3,279,593	301,497
- Cash on hand	-	-
- Cheque on hand	-	-
Balances with Scheduled Banks	1,270,127	477,153
- In Current Accounts	23,711,261	18,492,695
- In Fixed deposit	28,260,980	19,271,345
Notes :		
The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on "Cash Flow Statement" issued by ICAI.		
Figures of Cash & Cash Equivalents have been taken from Note 17		
As per our report of even date		

NOTE 1**Share Capital**

<u>Share Capital</u>	31.03.2019	31.03.2018
	Amount	Amount
<u>Authorised</u> 1,25,00,000 Equity Shares of Rs.10 each (Previous year 1,25,00,000 Equity Share of Rs. 10 each)	125,000,000	125,000,000
<u>Issued</u> 1,11,18,000 Equity Shares of Rs.10 each (Previous year 81,18,000 Equity Share of Rs. 10 each)	111,180,000	81,180,000
<u>Subscribed & Paid up</u> 1,11,18,000 Equity Shares of Rs.10 each (Previous year 81,18,000 Equity Share of Rs. 10 each)	111,180,000	81,180,000
Total	111,180,000	81,180,000

NOTE 1 A**Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period.**

Particulars	31.03.2019		31.03.2018	
	Number	Amount	Number	Amount
A) EQUITY SHARES				
Shares outstanding at the beginning of the year	8,118,000	81,180,000	300,000	3,000,000
Shares Issued during the year	3,000,000	30,000,000	1,718,000	17,180,000
Shares issued on conversion	-	-	-	-
Right shares issued	-	-	-	-
Bonus Shares issued	-	-	6,100,000	61,000,000
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	11,118,000	111,180,000	8,118,000	81,180,000

NOTE 1 B

Shares in the company held by each shareholder holding more than 5% shares specifying the number of shares held.

Share Holder Name	As on 31.03.2019	% of Holding	As on 31.03.2018	% of Holding
	Number of Share		Number of Share	
DARSHIL U. NANDANI	1343600	12.08%	1,343,600	16.55%
DEVEN D. NANDANI	2687200	24.17%	2,687,200	33.10%
NEHABEN UMESH NANDANI	430480	3.87%	430,480	5.30%
P.P. FURNITURE PVT LTD.	1400000	12.59%	1,400,000	17.25%
PARINBHAI U. NANDANI	1342280	12.07%	1,342,280	16.53%
POOJA PARIN NANDANI	1320	0.01%	1,320	0.02%
UMESHKUMAR D. NANDANI	913120	8.21%	913,120	11.25%
PUBLIC SHAREHOLDING	3000000	26.98%	-	0.00%
TOTAL	11118000		8118000	

NOTE 1 C

Details of Shares issued other than Cash, Bonus and shares bought back

Particular	No. of shares	
	2018-19	2017-18
Equity Shares:		
Fully paid up pursuant to contract (s) without payment being received in cash	-	200,000
Fully Paid up by way of bonus shares	-	6,100,000
Share bought Back	-	-

Notes:**1. Issue of Shares during the Year including Bonus Shares**

The Company is listed on NSE Emerge on 9th October, 2018. During the half year, the company has raised Rs. 18,90,00,000, by way of issue of 30,00,000 equity share of Rs. 10 each at premium of Rs. 53 per share, totaling to price of Rs. 63 Per share. Amount so raised has been utilized as per the object of the Issue.

The Company has issue 2,00,000 Equity Shares in exchange of Share of subsidiary company and allotment of this shares done on 01st June, 2017.

The Company issued 50,00,000 Equity shares as fully paid up Bonus Shares in the ratio of 10:1 by capitalization of surplus and allotment done on 17th March, 2018.

The Company issued 11,00,000 Equity shares as fully paid up Bonus Shares in the ratio of 1:5 by capitalization of surplus and allotment done on 24th March, 2018.

The company has issued 15,18,000 Equity Shares of Rs. 10 with a premium of Rs. 12 on preferential basis and allotment of these shares done on 29th March, 2018

2. Terms/Rights attached to Equity Shares

The company has only one class of equity shares having a par value of Rs. 10 per share which does not enjoy any preferential right or bear any restriction with regard to distribution of dividend or repayment of capita. Each holder of equity shares is entitled to one vote per share.

NOTE 2

<u>Reserves & Surplus</u>	As at 31 March 2019	As at 31 March 2018
	Amount	Amount
a. Capital Reserves	-	-
b. Capital Redemption Reserve	-	-
c. Securities Premium Account		
Opening Balance	50,157,508	9,500,000
Add : Securities premium credited on Share issue	159,000,000	56,774,000
Less : Premium Utilized for Bonus issue	0	-16,116,492
Closing Balance	209,157,508	50,157,508
d. Debenture Redemption Reserve	-	-
e. Revaluation Reserve	-	-
f. Share Options Outstanding Account	-	-
g. Other Reserves	-	-
h. Surplus		
Opening balance	25,268,239	44,883,506
(+) Net Profit/(Net Loss) For the current year	27,029,160	25,268,241
(+) Transfer from Reserves	-	-
(-) Utilised for Bonus Issue	-	44,883,508
(-) Interim Dividends	-	-
(-) Transfer to Reserves	-	-
Closing Balance	52,297,399	25,268,239
Total	261,454,907	75,425,747

NOTE 3

<u>Long Term Borrowings</u>	31.03.2019	31.03.2018
	Amount	Amount
-		
<u>Secured</u>		
(a) Bonds/debentures		
(b) Term loans		
1. ICICI Bank - 9%	-	-
Terms of Repayment :- Repayable within 15 yrs from Balance Sheet date	-	66,032,460
Security Details: - Secured by equitable mortgage of residential property.		
2. Capital First Ltd.-10.80%	-	27,058,244
Terms of Repayment :- Repayable within 13.50 yrs from Balance Sheet date		
Security Details: - Secured by equitable mortgage of commercial Property.		
(c) Vehicle Loans		
1. Daimler Financial Services Pvt. Ltd.	-	2,122,334
Rate of Interest :- 11.62%		
Terms of Repayment :- Repayable within 1.5 yrs from Balance Sheet date		
Security Details: - Secured by hypothecation of vehicle.		
	-	95,213,039
<u>Unsecured</u>		
(a) Loans and advances from Directors	27,033,164	49,268,909
(b) Other loans and advances (specify nature)	-	-
	27,033,164	49,268,909
Total	27,033,164	144,481,948

NOTE 4

<u>Long-term provisions</u>	As at 31 March 2019	As at 31 March 2018
	Amount	Amount
Provision for Employee Benefits-Gratuity	2,484,535	2,476,013
Total	2,484,535	2,476,013

NOTE 5

<u>Other Long Term Liability</u>	As at 31 March 2018	As at 31 March 2017
	Amount	Amount
Security Deposit	40,000	300,000
Total	40,000	300,000

NOTE 6

<u>Short Term Borrowings</u>	As at 31 March 2019	As at 31 March 2018
	Amount	Amount
<u>Secured</u>		
(a) (1)Cash Credit from HDFC Bank Rate of Interest :- 9.95% Terms of Repayment :- Repayable on Demand Security details : Secured By Stock & Book Debts and guaranteed by Directors	98,587,189	88,075,812
-	98,587,189	88,075,812
Total	98,587,189	88,075,812

NOTE 7

<u>Trade Payable</u>	As at 31 March 2019	As at 31 March 2018
	Amount	Amount
(a) Due to Micro & Small Enterprise	-	-
(b) Dues to other than Micro & Small -Goods	8,104,553	49,382,014
Total	8,104,553	49,382,014

NOTE 8

<u>Other Current Liabilities *</u>	As at 31 March 2019	As at 31 March 2018
	Amount	Amount
(a) Current maturities of long-term debt		
(a) (1)Term loans :ICICI Term Loan repayable within 12 months	4,686,019	2,052,542
(a) (2)Term loans :Capital First repayable within 12 months	-	957,291
(a) (3)Term loans : Daimler Financial Services Pvt. Ltd.	2,122,335	442,736
(b) Advances received from customers	2,864,606	1,199,681
(c) Other payables (As per annexure)	5,833,113	4,824,930
Total	15,506,073	9,477,180

NOTE 9

<u>Short Term Provisions</u>	As at 31 March 2019	As at 31 March 2018
	Amount	Amount
(a) Gratuity Provision Payable with in one year	46,537	94,658
(b) Others	4,847,589	10,467,223
Total	4,894,126	10,561,881

NOTE 12

<u>Deferred tax Assets(Liability) (Net)</u>	As at 31 March 2019	As at 31 March 2018
	Amount	Amount
(a)Timing Difference Depreciation:		
Closing WDV as per Income Tax	24,051,516	26,918,451
Closing WDV as Companies Act	13,037,587	17,037,502
Timing Difference	11,013,929	9,880,949
Deferred tax Assets @ 27.82%(F.Y. 18-19) @33.063% (F.Y.17-18)	3,064,075	3,266,938
(b) Timing Difference on Gratuity Provision	2,531,072	2,570,671
Deferred tax Assets @ 27.82%(F.Y. 18-19) @33.063% (F.Y.17-18)	704,144	849,941
(b) Timing Difference on IPO Expense	11,469,377	-
Deferred tax Liability @ 27.82%(F.Y. 18-19) @33.063% (F.Y.17-18)	(3,190,781)	-
Deferred tax Assets @ 27.82%(F.Y. 18-19) @33.063% (F.Y.17-18)	577,439	4,116,879

NOTE 13

<u>Long Term Loans and Advances</u>	As at 31 March 2019	As at 31 March 2018
	Amount	Amount
<u>a. Capital Advances</u>	-	-
<u>b. Security Deposits</u>		
Unsecured, considered good	25,377,488	8,081,652
	25,377,488	8,081,652
<u>c. Loans and advances to related parties</u>	-	-
<u>d. Other loans and advances</u>	-	-
	-	-
Total	25,377,488	8,081,652

	Fixed Assets	Gross Block					Accumulated Depreciation					Net Block	
		As at 31 March 2018	Additions/ (Disposals)	Acquired through business combinations	Revaluations/ (Impairments)	As at 31 March 2019	Depreciation charge for the year	Depreciation related Prior years	Adjustment due to revaluations	On disposals	As at 31 March 2019	As at 31 March 2019	As at 31 March 2018
		Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
a	Property, Plant & Equipments												
	Equipments	4,870,811.00	110,629.00	-	-	4,981,440.00	245,120.00		-	-	4,143,905.50	837,534.50	972,025.50
	Air conditioner	4,540,277.03		-	-	4,540,277.03	191,329.00		-	-	3,745,700.33	794,576.70	985,905.70
	Furniture and Fixtures	13,099,661.00	248,068.00	-	-	13,347,729.00	1,075,719.00		-	-	10,145,936.50	3,201,792.50	4,029,443.50
	Vehicles	24,689,055.00	64,321.00	-	-	24,753,376.00	2,893,161.00		-	-	18,110,236.47	6,643,139.53	9,471,979.53
	Office equipment	2,203,417.72	278,491.64	-	-	2,481,909.36	238,592.22		-	-	1,952,029.41	529,879.95	489,980.53
	Others-Computer	5,388,779.07	226,003.00	-	-	5,614,782.07	283,506.00		-	-	5,084,119.85	530,662.22	588,165.22
	Hardware & Softwares												
	Round off						0.78				0.99	2.02	2.02
	Total	54,792,000.82	927,512.64	-	-	55,719,513.46	4,927,428.00	-	-	-	43,181,928.06	12,537,587.42	16,537,502.00
b	Intangible Assets	500,000.00	-	-	-	500,000.00	-		-	-	-	500,000.00	500,000.00
	Total											500,000.00	
	Capital Work In Progress												
c	Intangible assets under Development												
	Total												
	Grand Total	54,792,000.82	927,512.64	-	-	55,719,513.46	4,927,428.00	-	-	-	43,181,928.06	13,037,587.42	17,037,502.00

Note - 11

B. Details of Other Investments												
Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (₹)		Whether stated at Cost Yes / No	If Answer to Column (9) is 'No' - Basis of Valuation
			As at 31 March 2019	As at 31 March 2018			As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
(a)	Investment in Equity Instruments	Subsidiary	1900000	0	Unquoted	Fully paid	0.98	0	40,558,000.00	40,558,000.00	Yes	0
	Total								40,558,000.00	40,558,000.00		

NOTE 14

Other Non Current Assets	As at 31 March 2019	As at 31 March 2018
	Amount	Amount
IPO Expense	11,469,377	1,887,500
Interest Receivable on Fixed Deposit	2,745,394	1,328,643
Total	14,214,771	3,216,143

NOTE 15

Inventories	As at 31 March 2019	As at 31 March 2018
	Amount	Amount
a. Stock-in-trade	235,342,375	186,311,383
Grand Total	235,342,375	186,311,383

NOTE 16

Trade Receivables	As at 31 March 2019	As at 31 March 2018
	Amount	Amount
Trade receivables outstanding for a period less than six months, Unsecured and considered good	105,826,668	108,007,206
Trade receivables outstanding for a period exceeding six months, Unsecured and considered good	24,062,123	64,270,367
Total	129,888,790	172,277,573

NOTE 17

Cash and cash equivalents	As at 31 March 2019	As at 31 March 2018
	Amount	Amount
a. Balances with banks	1,270,127	477,153
b. Bank deposits with more than 12 months maturity	23,711,261	18,492,695
c. Cash on hand*	3,279,593	301,497
Total	28,260,980	19,271,345

NOTE 18

Short-term loans and advances	As at 31 March 2019	As at 31 March 2018
	Amount	Amount
a(1) Advance payment to Creditors for Goods	27,737,078	1,076,606
a(2) Advance payment to Creditors for Expense	1,025,882	273,627
	28,762,960	1,350,233
b. Others		
Custom Duty Refundable	183,022	183,022
Prepaid Expenses	2,915,579	1,641,659
Other Receivable	177,551	25,280
TDS & TCS Receivable	981,494	156,334
SGST -Cash Ledger	-	98,754
IGST -Cash Ledger	64,792	-
CGST - Input Tax	-	4,929,661
GST RCM	16,135	49,035
CST Refund	166,506	
GST Refund	593,308	448,687
Vat Receivable/Refundable	593,389	555,037
Loans & Advances to Staff	7,572,382	1,052,416
	13,264,158	9,139,885
Total	42,027,118	10,490,118

NOTE 19

<u>Contingent liabilities and commitments (to the extent not provided for)</u>	As at 31 March 2019	As at 31 March 2018
	Amount	Amount
(i) Contingent Liabilities		
(1)The appeal lying with Senior Joint Commissioner, Commercial Tax, West Bengal for demand for the FY 2013-14 (Case has been resolved in our favour)	-	163,952
(2)The appeal lying with Deputy Commissioner of Sales Tax, VAT Department, Maharashtra for demand for the FY 2012-13 (tax paid of 13,900)	294,020	294,020
(3)Performance Bank Guarantee issued against Work Order Received	43,381,138	53,335,594
(ii) Commitments		
	43,675,158	53,793,566

NOTE 20

Particulars	As at 31 March 2019	As at 31 March 2018
	Amount (Rs.)	Amount (Rs.)
Sale of furniture products	705,867,040	641,567,066
Total	705,867,040	641,567,066

NOTE 21

Other Income	As at 31 March 2019	As at 31 March 2018
	Amount (Rs.)	Amount (Rs.)
Interest Income	1,714,994	794,800
Short/Excess provision	213,551	-
Written Back	1,173,123	2,992,544
Profit on Sales of Assets and Other Misc Income	254,053	579,810
Total	3,355,720	4,367,154

NOTE 22

Employee Benefits Expense	As at 31 March 2019	As at 31 March 2018
	Amount (Rs.)	Amount (Rs.)
(a) Salaries, Wages and Incentives	36,882,296	35,427,720
(b) Contributions to -	-	-
(i) Provident fund/Labour welfare fund	903,098	622,030
(ii) Superannuation scheme	-	-
(c) Gratuity fund contributions	(39,599)	(667,684)
(d) Social security and other benefit plans for overseas employees	-	-
(e) Expense on Employee Stock Option Scheme (ESOP) and Employee Stock Purchase Plan (ESPP),	-	-
(f) Staff welfare expenses	847,078	775,513
Total	38,592,873	36,157,578

NOTE 23

Finance costs	As at 31 March 2019	As at 31 March 2018
	Amount (Rs.)	Amount (Rs.)
Interest expense	19,196,241	23,798,032
Other borrowing costs	1,763,593	2,001,707
Other	1,880.00	30,312.00
Total	20,961,714	25,830,051

NOTE 24

SR No	Other expenses	As at 31 March 2019	As at 31 March 2018
		Amount (Rs.)	Amount (Rs.)
1	Consumption of Stores & Spares	-	-
2	Power & Fuel	2,690,183.37	2,537,482.00
3	Repairs to building	197,590.94	20,976.00
4	Insurance	1,638,828.94	2,272,539.48
5	Rates & taxes	127,627.53	310,054.43
6	Legal & Professional Fees	1,108,506.70	680,826.00
7	Office Maintenance	624,714.51	564,346.16
8	Telephone & Internet Charges	1,001,025.23	1,046,033.99
9	Travelling Expense	8,191,901.95	5,122,825.87
10	Business Promotion	4,699,134.92	5,010,346.28
11	Rent	17,287,628.00	19,731,399.86
12	Project Expenses	15,716,895.18	12,303,448.74
13	Selling Expense	10,563,559.08	11,930,274.31
14	Freight Inward Expense	2,032,941.66	831,842.50
15	Other expenses(as per annexure)	6,416,678.78	3,485,616.32
Total		72,297,216.79	65,848,011.94

SR No	Audit fees	As at 31 March 2019	As at 31 March 2018
		Amount (Rs.)	Amount (Rs.)
1	Payments to the auditor as a. auditor,	50,000.00	50,000.00
Total		50,000.00	50,000.00

SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation of Financial Statements

The financial statements are prepared in accordance with India Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing standard requires a change in the accounting policy hitherto in use.

(b) Use of Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include computation of percentage of completion which requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended, provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes, post-sales customer support and the useful lives of fixed tangible assets and intangible assets.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

(c) Revenue Recognition

Revenue on sale of products is recognised when the products are delivered to customers, all significant contractual obligations have been satisfied and the collection of the resulting receivable is reasonably expected. Sales & Purchases are stated net of trade discount, returns and taxes collected.

(d) Provisions and contingent liabilities

A provision is recognized, if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date.

(e) Fixed Assets & Depreciation thereon

- i) Fixed assets are stated at cost of acquisition as reduced by accumulated depreciation. The cost of assets includes other direct/ indirect and incidental cost incurred to bring them into their present location.
- ii) Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II,

(f) Retirement benefits to employees

- Gratuity

The company provides for gratuity, a defined benefit retirement plan covering eligible employees. The gratuity plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and tenure of employment with the company.

- Provident Fund

Eligible employees receive benefits from a provident fund, which is a defined benefit plan. Both the employee and the company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary.

(g) Inventories

Inventories of Traded Goods are stated at cost or net realizable value, whichever is lower. Cost comprises all cost of purchase and other costs which are being incurred in bringing the inventories to their present location and condition.

(h) Provision for Current Tax & Deferred Tax

Provision for income tax is made on the basis of estimated taxable income for the year at current rates. Tax expenses comprises of Current Tax, and Deferred Tax at applicable enacted or substantively enacted rates. Current Tax represents the amount of Income Tax payable/recoverable in respect of the taxable income/loss for the reporting period. Deferred Tax represents the effect of timing difference between taxable income and accounting income for the reporting period that originates in one period and are capable of reversal in one or more subsequent periods. The Deferred Tax asset is recognized and carry forward to the extent that there is a reasonable certainty that the assets will be realise in future. However, where there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realisation of assets.

(i) Investments

Company's Investments are Non-Current Investments in nature being Investment in Subsidiary Company. Non-Current Investments are stated at cost. A provision for diminution in the value of Investments is made for each investment individually if such decline is other than temporary.

(j) Current Assets, Loans and Advances & Liabilities

In the opinion of the Board of Directors, the Current Assets, Loans and Advances and Current Liabilities are approximately stated if realized in the ordinary course of business. As no confirmatory letters were submitted from Debtors and Creditors, their balances are reflected in the Balance Sheet as appearing in the books. The provisions for all other liabilities is adequate and not in excess of the amount reasonably necessary.

(k) Regrouping of Previous Year figures

The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amount and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

NOTES ON ACCOUNTS AND OTHER DISCLOSURES :

(a) Earning Per Share :

Basic earning per share is calculated by dividing net profit for the period attributed to equity shareholders [after deducting tax expenses] by total number of equity shares outstanding at the end of year.

A. EPS As on 31.03.2019

	Net Profit after tax	2,70,29,160	=2.83
EPS	Weighted Average No. of Equity Shares Outstanding	95,48,137	

B. Adjusted EPS as on 31.03.2018

	Net Profit after tax	2,52,68,241	=3.84
EPS	Weighted Average No. of Equity Shares Outstanding	65,79,052	

(b) Contingent Liabilities :

Contingent Liabilities represents claims against the company not acknowledged as debts includes, a) the appeal lying with Deputy Commissioner of Sales Tax, VAT Department, Maharashtra for demand of Rs. 2,94,020 of FY 2012-13 (tax paid of 13,900). Further Bank Guarantee issued against Work Order Received Outstanding of Rs. 4,33,81,138 against which Margin @ 25% has paid

(c) Due to Micro and Small Enterprises :

We have sent letter to our creditors, however no response has been received from them. Therefore, we are unable to bifurcate creditors in to micro and small enterprises.

(d) Payment to Auditors :

Statutory Audit Fees :50,000/- Other capacity : 20,000/-

(e) IPO issue : The Company is listed on NSE Emerge on 9th October, 2018. During the half year, the company has raised Rs. 18,90,00,000, by way of issue of 30,00,000 equity share of Rs. 10 each at premium of Rs. 53 per share , totaling to price of Rs. 63 Per share. Amount so raised has been utilised as per the object of the Issue.

(f) Deferred IPO Expenses :

The Company has incurred Rs. 1,43,36,721 towards IPO expenses, in nature of Merchant banker Fees, Stock Exchange fees, Advisor Fees, Registrar to the Issue fees, Legal Advisor Fees, Travelling Exp., Forms Printing & Stationary and other expenses. n the opinion of the management of the company and as per their best estimate, benefit of such expenses will be available beyond 1 financial year to company and up to the approximate 5 financial years from the date of realization of IPO proceeds, hence looking to long term benefit IPO expenses has been deferred for next 5 years commencing from the realization of IPO proceeds.

(g) Related Party Disclosures

(1) Related parties & their relationship

i) Subsidiary/Entities significantly influenced by Directors and / or Relative of Directors

- Poonam Furniture
- Paradise Furniture
- Pearl Furniture Pvt. Ltd. (Subsidiary w.e.f. 1st June, 2017)
- Parin Motors
- Prince Furniture
- Deven Impex

ii) Key Managerial Personnel

- Umesh D Nandani - Managing Director
- Parin U Nandani - Director
- Deven D Nandani -
Director
- Kamal M Shah - Chief Financial Officer
- Krishna Lodhiya - Company Secretary

(2) Transactions with related parties

(Rs. in lacs)

	Particulars	Subsidiary/Entities significantly influenced by Directors and or Relative of Directors	Key Managerial Personnel & their relatives	Total
	Expenses paid	-	40.22	40.22
	Purchase of Goods (Excluding Tax)	3516.04	-	3516.04
	Remuneration	-	35.82	35.82
	Revenue/Sales (Excluding Tax)	3.29	-	3.29
	Loan Taken	-	356.74	356.74
	Loan Repaid	-	579.10	622.74

(3) Balances with Related Parties as at 31st March, 2019

(Rs. in lacs)

	Particulars	Subsidiary/Entities significantly influenced by Directors and or Relative of Directors	Key Managerial Personnel & their relatives	Total
	Trade Receivables, Loans & Advances, Advances to suppliers of	282.39	-	282.39
	Trade Payables for Goods , Expenses	19.00	-	19.00
	Investment	405.58	-	405.58
	Unsecured Loan	-	270.33	270.33

(4) Disclosure of material transactions/balances with related parties

(Rs. in lacs)

	Particulars	Nature of Transaction	FY 2018-19	FY 2017-18
	Investment - Pearl Furniture Pvt. Ltd	Share Purchase	405.58	405.58
	Revenue: (Basic Value)	Nature of Transaction		
	Poonam Furniture	Sales of Goods	2.57	1.42
	Perfect Industries	Sales of Goods	-	2.77
	Parin Motors	Sales of Goods	0.72	9.32
	Expense Paid:			
	Deven D Nandani	Rent	15.00	10.05
	Deven D. Nandani	Interest on Unsecured Loan	11.95	38.39
	Umesh D. Nandani	Interest on Unsecured Loan	13.27	2.08
	Umesh D Nandani - HUF	Interest on Unsecured Loan	-	10.99
	Dhirajlal L Nandani - HUF	Interest on Unsecured Loan	-	0.48
	Umesh D Nandani - HUF	Royalty	-	4.80
	Dipesh D Nandani - HUF	Royalty	-	4.80
	Remuneration:			
	Umesh D Nandani (Director)	Salary	18.00	15.60
	Deven D Nandani (Director)	Salary	9.60	9.60
	Kamal Shah (CFO)	Salary	5.92	-
	Krishna Lodhiya (CS)	Salary	2.30	-
	Purchase of Goods: (Basic Value)			
	Poonam Furniture	Purchase	20.96	4.88
	Paradise Furniture	Purchase	229.67	0.25
	Prince Furniture	Purchase	-	14.02
	Perfect Industries	Purchase	-	206.93
	Pearl Furniture Pvt. Ltd.	Purchase	2631.71	2354.09
	Deven Impex	Purchase	633.70	569.30
	Unsecured Loan:			
	Umesh D. Nandani	Loan Taken	57.87	226.69
	Deven D. Nandani	Loan Taken	298.87	110.89
	Umesh D. Nandani	Loan Repaid	183.00	111.80
	Deven D. Nandani	Loan Repaid	396.10	510.94

- (h) The company converted from Parin furniture Private Limited (CIN - U36101GJ2006PTC049074) to Parin furniture Limited (CIN - U36101GJ2006PLC049074) vide a fresh Certificate of Incorporation w.e.f. 4th April, 2018
- (i) The details of amount payable to Small Scale Industrial undertakings in excess of Rupees one Lacs and outstanding for a period of more than 30 days are not be possible to be given, as per company's management the suppliers do not disclose their status.
- (k) The foreign Exchange earning and out go during the year under review : NIL (P.Y. - NIL)
The previous year's figures have been regrouped / reclassified, wherever necessary to confirm to the current year presentation

**For, Bhavin Associates.
Chartered Accountants
FRN. 101383W**

Sd/-

**Bhavin P. Bhansali
Partner
M. No.: 043796**

Date : 21.05.2019

Place : Rajkot

**For and on behalf of Board of directors of
PARIN FURNITURE LIMITED**

Sd/-

**Umesh D. Nandani
Managing Director
DIN: 00039757**

Sd/-

**Parin U. Nandani
Director
DIN: 02343309**

Sd/-

**Krishna Lodhiya
Company Secretary**

Sd/-

**Kamal Shah
Chief Financial Officer**

INDEPENDENT AUDITOR'S REPORT

Financial Year : 2018-19

INDEPENDENT AUDITOR'S REPORT

To,

The Members of PARIN FURNITURE LIMITED, RAJKOT

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **PARIN FURNITURE LIMITED**, which comprise the Balance Sheet as at 31st March 2019, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on audit.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March, 2019, and its profit/loss and its cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in term of sub-section (11) of section 143 of the Act (the "Order"), we enclose in the Annexure a statement on the matters specified in the paragraphs 3 and 4 of the said Order.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on 31st March, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) As per information & explanation given to us, the internal financial controls are effectively operating in the company.
 - g) With respect to the other matters 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 has disclosed the impact of pending litigations on its financial position in its financial statements, under notes on account of the financial statement.
- 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 during the year ended March 31, 2019.

Place : Rajkot
Date : 21st May, 2019.

For, Bhavin Associates.
Chartered Accountants
FRN. 101383W

Sd/-

Bhavin P. Bhansali
Partner
M. No.: 043796

ANNEXURE “A” TO THE AUDITOR’S REPORT

With Referred to in paragraph 3 of our report to the shareholders of **PARIN FURNITURE LIMITED** of even date, in our opinion and to the best of our knowledge and as per the information and explanations given to us, the books and the records examined by us in the normal course of audit, we report that:

17. a) The Company has maintained electronic records showing value of fixed assets.
b) As per information & explanation given to us by the management of the company, all the assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification.
c) As per information & explanation given to us by the management of the company, the title deeds of the immovable properties are held in the name of the company.
18. As explained to us, stock of inventories has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
19. In our opinion and according to the information and explanation given to us, The Company has not granted any loan secured or unsecured to any parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of clause 3(iii)(a) and 3(iii)(b) of the Companies [Auditor’s Report] Order, 2016 are not applicable to the company.
20. As per information & explanation given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loan, investment, guarantees, and security.
21. In our opinion and according to the information and explanation given to us, the company has not accepted/invited any deposits falling within the preview of provisions of section 73 to 76 of any other relevant provisions of the Companies Act, 2013 and rules framed the under.
22. In our opinion and according to the information and explanation given to us, the company is not required of maintain cost records as per the provisions of clause 3(vi) of the Companies [Auditor’s Report] order, 2016 specified by the Central Government under section 148(1) of the Companies Act, 2013.
23. In our opinion and according to the information and explanation given to us, the company has not defaulted in depositing undisputed statutory dues including provident fund, employee’s state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.
24. In our opinion and according to the information and explanation given to us, the Company has not defaulted in the repayment of dues to any financial institution of Bank or Debenture holders during the year.
25. In our opinion and according to the information and explanation given to us, the term loan is applied for the purpose for which loan was obtained.
26. According to the information and explanations given to us, neither any fraud by the company nor any fraud on the company by its officers and employees has been noticed or reported during the financial year.
27. According to the information and explanation given to us, the managerial remuneration paid or provided, are in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
28. As the company is not a Nidhi Company, the provisions of clause 3(xii) of the Companies [Auditor’s Report] Order, 2016 are not applicable to the company.
29. According to the information and explanation given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;

30. According to the information and explanation given to us, the company has complied with the requirement of section 42 of the companies Act, 2013 regarding preferential allotment and the amount raised have been used for the purposes for which the funds were raised.
31. Bases on the audit procedures performed and the company has not entered into any non-cash transactions with directors of persons connected with him. So the clause 3(xv) of the Companies [Auditor's Report] Order, 2016 is not applicable to the company.
32. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence the clause 3(xvi) of the Companies (Auditor's Report) Order 2016 is not applicable to the Company.

Place : Rajkot
Date : 21st May, 2019.

For, Bhavin Associates.
Chartered Accountants
FRN. 101383W

Sd/-

Bhavin P. Bhansali
Partner
M. No.: 043796

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

of Even Date on the Consolidated Financial Statements of PARIN FURNITURE LIMITED

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

We have audited the internal financial controls over financial reporting of **PARIN FURNITURE LIMITED** (“the Company”) as of 31st March, 2019 in conjunction with our audit of the consolidated 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.

Auditor’s 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 I/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

- (4) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (5) 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 authorizations of management and directors of the company; and
- (6) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : Rajkot
Date : 21st May, 2019.

For, Bhavin Associates.
Chartered Accountants
FRN. 101383W

Sd/-

Bhavin P. Bhansali
Partner
M. No.: 043796

BALANCE SHEET
PARIN FURNITURE LIMITED
(Previously known as Parin Furniture Private Limited)
Consolidated Balance Sheet as at 31st March 2019

Particulars		Note No.	As At 31.03.2019	As At 31.03.2018
1		2		3
I.	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	1	111,180,000	81,180,000
	(b) Reserves and surplus	2	287,905,607	88,100,446
	(c) Minority Interest		1,054,987	838,097
2	Non-current liabilities			
	(a) Long-term borrowings	3	34,397,630	147,281,948
	(b) Deferred tax liabilities (Net)	11	2,523,651	-
	(c) Long-term provisions	4	3,310,680	3,042,002
	(d) Other Loag Term Liability	5	40,000	300,000
3	Current liabilities			
	(a) Short-term borrowings	6	148,806,579	138,491,291
	(b) Trade payables	7	34,018,833	71,577,784
	(c) Other current liabilities	8	15,905,776	21,600,280
	(d) Short-term provisions	9	8,190,100	17,005,957
	TOTAL		647,333,844	569,417,805
II.	ASSETS			
	Non-current assets			
1	(a) Fixed assets			
	(i) Property, Plant & Equipment	10	52,505,479	58,486,088
	(ii) Intangible assets	10	802,862	1,051,360
	(b) Non-current investments		-	-
	(c) Deferred tax Assets (Net)	11	-	1,764,746
	(d) Long-term loans and advances	12	26,291,386	8,081,652
	(e) Other non-current assets	13	14,460,341	5,155,457
2	Current assets			
	(a) Current investments		-	-
	(b) Inventories	14	366,269,687	284,200,890
	(c) Trade receivables	15	131,013,758	177,867,461
	(d) Cash and cash equivalents	16	28,263,373	19,424,868
	(e) Short-term loans and advances	17	27,026,958	13,385,284
	(f) Other current assets	18	700,000	-
	TOTAL		647,333,844	569,417,805

The accompanying notes form an integral part of the Consolidated Financial Statements.

DATED 21st May, 2019, AT RAJKOT.

AS PER OUR REPORT ON EVEN DATE

FOR & BEHALF OF BOD of PARIN FURNITURE LTD.

**M/S. BHAVIN ASSOCIATES
CHARTERED ACCOUNTANTS**

Sd/-

Sd/-

Sd/-

Umesh D. Nandani
[CMD]
DIN : 00039757

Parin U.Nandani
[Director]
DIN : 02343309

Bhavin P.Bhansali
[Partner]
Mem. No.: 043796

Sd/-

Sd/-

Kamal Shah
[CFO]

Krishna Lodhiya
[CS]

PARIN FURNITURE LIMITED (Previously known as Parin Furniture Private Limited) STATEMENT OF PROFIT AND LOSS Consolidated Profit and loss statement for the year ended 31.03.2019 (in Rupees)				
Particulars		Note No.	For the year 31.03.2019	For the year 31.03.2018
I.	Revenue from operations	20	712,545,310	648,531,809
II.	Other income	21	3,295,694	4,733,564
III.	Total Revenue (I + II)		715,841,005	653,265,373
IV.	Expenses:			
	Cost of materials consumed	22	200,493,894	172,357,831
	Purchases of Stock-in-Trade		318,202,906	222,786,451
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade		(55,448,641)	10,285,941
	Manufacturing Expenses	23	12,825,402	14,937,988
	Employee benefits expense	24	66,519,369	59,878,790
	Finance costs	25	26,626,131	32,889,885
	Depreciation and amortization expense	10	8,114,560	9,859,328
	Other expenses	26	77,236,334	70,075,357
	Total expenses		654,569,955	593,071,571
V.	Profit before prior period, exceptional and extraordinary items and tax (III-IV)		61,271,050	60,193,801
VI.	Prior period items			
	Depreciation of earlier year	10	-	360,645
	Gratuity Provision of earlier year		-	3,656,875
VII.	Profit before exceptional and extraordinary items and tax (III-IV) (V- VI-VII)		61,271,050	56,176,281
VIII.	Extraordinary Items		-	-
IX.	Profit Before Tax		61,271,050	56,176,281
iX.	Tax expense:			
	(1) Current year tax		13,987,780	19,250,000
	(2) Previous year tax		1,972,826	(4,238)
	(3) Deferred tax		4,288,397	(779,746)
	Profit (Loss) for the period (VIII- IX) before Minority Interest		41,022,048	37,710,265
XI	Minority Interest		216,890	192,851
XII.	Profit (Loss) for the period (X - XI)		40,805,162	37,517,416
XIII.	Earnings per equity share:			
	(1) Basic		4.27	5.70
	(2) Diluted		4.27	5.70

The accompanying notes form an integral part of the Consolidated Financial Statements.

DATED 21st May, 2019, AT RAJKOT.
FOR & BEHALF OF BOD of PARIN FURNITURE LTD.

AS PER OUR REPORT ON EVEN DATE
M/S. BHAVIN ASSOCIATES
CHARTERED ACCOUNTANTS

Sd/-

Sd/-

Sd/-

Umesh D. Nandani
[CMD]
DIN : 00039757

Parin U. Nandani
[Director]
DIN : 02343309

Bhavin P. Bhansali
[Partner]
Mem. No.: 043796

Sd/-

Sd/-

Kamal Shah
[CFO]

Krishna Lodhiya
[CS]

PARIN FURNITURE LIMITED Consolidated Cash Flow Statement For The Year Ended 31st March, 2019 All amounts in rupees unless otherwise stated		
Particulars	For the Year March 31, 2019 Rs.	For the Year March 31, 2018 Rs.
A. CASH FLOW FROM OPERATING ACTIVITY		
Profit before tax and before exceptional items	61,271,050	56,176,281
<u>Add: Non Cash and Operating Expenses</u>		
Depreciation Expenses	8,114,560	10,219,973
Interest & Financial Charges	26,626,131	32,889,885
<u>Less: Non Operating Income</u>		
Interest Income	1,714,994	794,800
Operating profit before changes in current and non-current assets and liabilities	94,296,747	98,491,339
Adjustment for:		
(Increase) / Decrease in Inventories	(82,068,797)	(84,173,340)
(Increase) / Decrease in Trade Receivables	46,853,703	94,552
(Increase) / Decrease in Loans and Advances	(12,816,514)	(4,753,269)
(Increase) / Decrease in Other Current Assets	(700,000)	-
(Increase) / Decrease in Other Non Current Assets	(9,304,884)	(5,245,079)
(Increase) / Decrease in Long Term Loans & Advances	(2,444,666)	-
(Increase) / Decrease in Deposit with Customers	(15,765,067)	(4,006,081)
Increase / (Decrease) in Trade Payables	(37,558,951)	14,561,407
Increase / (Decrease) in Current Liabilities	(5,694,504)	8,078,374
Increase / (Decrease) in Short term Provisions & Long Term Provisions	(134,959)	15,494,020
Increase / (Decrease) in Non Current Liabilities	(260,000)	(2,996,484)
IPO Proceeds by way of Issue of Equity Share Capital	99,000,000	-
<i>(For Working Capital & General Corporate Operational Activities)</i>		
Cash Generated from Operation	73,402,109	35,545,439
Taxes paid	(25,197,986)	(19,245,762)
Net Cash Flow from Operating Activities	48,204,123	16,299,678
B. CASH FLOW FROM INVESTING ACTIVITY		
(Increase) / Decrease in Fixed Assets (net)	(1,885,453)	(49,689,891)
Interest Income	1,714,994	794,800
(Increase) / Decrease in Investments	-	40,558,000
Net Cash Flow from Investing Activities	(170,459)	(8,337,091)
C. CASH FLOW FROM FINANCING ACTIVITY		
Increase / (Decrease) in Long Term Loan	(112,884,318)	(21,341,219)
Increase / (Decrease) in Short Term Loan	10,315,288	14,569,265
IPO Proceeds by way of Issue of Equity Share Capital	90,000,000	-
<i>(For Repayment of Secured Borrowings)</i>		
Issue of Share Capital (Preferential Allotment)	-	33,396,000
Change in Capital reserve	-	425,527
Change in Minority Interest	216,890	838,097
Share in profit of Subsidiary (Minority Interest)	(216,890)	(192,851)
Interest Expenses	(26,626,131)	(32,889,885)
Net Cash Flow from Financing Activities	(39,195,162)	(5,195,066)
Net Increase / (Decrease) in Cash and Cash Equivalents	8,838,506	2,767,518
Opening Balance of Cash and Cash Equivalents	19,424,868	16,657,350
Closing Balance of Cash and Cash Equivalents	28,263,374	19,424,868
Components of Cash and Cash Equivalents	For the Year March 31, 2019 Rs.	For the Year March 31, 2018 Rs.
Cash on hand & Equivalents		
- Cash on hand	3,281,985	455,020
- Cheque on hand	-	-
Balances with Scheduled Banks		
- In Current Accounts	1,270,127	477,153
- In Fixed deposit	23,711,261	18,492,695
	28,263,373	19,424,868
Notes :		
The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on "Cash Flow Statement" issued by ICAI.		
Figures of Cash & Cash Equivalents have been taken from Note 16		
As per our report of even date		

NOTE 1**Share Capital**

<u>Share Capital</u>	As At 31.03.2019	As At 31.03.2018
	Amount	Amount
-	-	
<u>Authorised</u>	-	
1,25,00,000 Equity Shares of Rs.10 each (Previous year 1,25,00,000 Equity Share of Rs. 10 each)	125,000,000	125,000,000
<u>Issued</u>	-	
1,11,18,000 Equity Shares of Rs.10 each (Previous year 81,18,000 Equity Share of Rs. 10 each)	111,180,000	81,180,000
<u>Subscribed & Paid up</u>	-	
1,11,18,000 Equity Shares of Rs.10 each (Previous year 81,18,000 Equity Share of Rs. 10 each)	111,180,000	81,180,000
Total	111,180,000	81,180,000

NOTE 1 A**Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period.**

Particulars	3/31/2019		3/31/2018	
	Number	Amount	Number	Amount
A) EQUITY SHARES				
Shares outstanding at the beginning of the year	8,118,000	81,180,000	300,000	3,000,000
Shares Issued during the year	3,000,000	30,000,000	1,718,000	17,180,000
Shares issued on conversion	-	-	-	-
Right shares issued	-	-	-	-
Bonus Shares issued			6,100,000	61,000,000
Shares bought back during the year		-	-	-
Shares outstanding at the end of the year	11,118,000	111,180,000	8,118,000	81,180,000

NOTE 1 B

Shares in the company held by each shareholder holding more than 5% shares specifying the number of shares held.

Share Holder Name	As on 31.03.2019	% of Holding	As on 31.03.2018	% of Holding
	Number of Share		Number of Share	
DARSHIL U. NANDANI	1343600	12.08%	1343600	16.55%
DEVEN D. NANDANI	2687200	24.17%	2687200	33.10%
NEHABEN UMESH ANDANI	430480	3.87%	430480	5.30%
P.P. FURNITURE PVT LTD.	1400000	12.59%	1400000	17.25%
PARINBHAI U. NANDANI	1342280	12.07%	1342280	16.53%
UMESHKUMAR D. NANDANI	913120	8.21%	913120	11.25%
PUBLIC SHAREHOLDING	3000000	26.98%		0.00%
POOJA PARIN NANDANI (SHARE)	1320	0.01%	1320	0.02%
TOTAL	11118000	100.00%	8118000	

NOTE 1 C

Details of Shares issued other than Cash, Bonus and shares bought back

Particular	No. of shares	
	2018-19	2017-18
Equity Shares:		
Fully paid up pursuant to contract (s) without payment being received in cash		200,000
Fully Paid up by way of bonus shares		6,100,000
Share bough Back		-

Notes:

1. Issue of Shares during the Year including Bonus Shares

The Company is listed on NSE Emerge on 9th October, 2018. During the half year, the company has raised Rs. 18,90,00,000, by way of issue of 30,00,000 equity share of Rs. 10 each at premium of Rs. 53 per share , totaling to price of Rs. 63 Per share. Amount so raised has been utilised as per the object of the Issue.

The Company has issue 2,00,000 Equity Shares in exchange of Share of subsidiary company and allotment of this shares done on 01st June, 2017.

The Company issued 50,00,000 Equity shares as fully paid up Bonus Shares in the ratio of 10:1 by capitalization of surplus and allotment done on 17th March, 2018.

The Company issued 11,00,000 Equity shares as fully paid up Bonus Shares in the ratio of 1:5 by capitalization of surplus and allotment done on 24th March, 2018.

The company has issued 15,18,000 Equity Shares of Rs. 10 with a premium of Rs. 12 on preferential basis and allotment of these shares done on 29th March, 2018

2. Terms/Rights attached to Equity Shares

The company has only one class of equity shares having a par value of Rs. 10 per share which does not enjoy any preferential right or bear any restriction with regard to distribution of dividend or repayment of capita. Each holder of equity shares is entitled to one vote per share.

NOTE 2

<u>Reserves & Surplus</u>	As at 31 March 2019	As at 31 March 2018
	Amount	Amount
-		
a. Capital Reserves		
	425,527	425,527.00
b. Capital Redemption Reserve		-
c. Securities Premium Account		
Opening Balance	50,157,508	9,500,000.00
Add : Securities premium credited on Share issue	159,000,000	56,774,000.00
Less : Premium Utilised for Bonus issue	-	-16,116,492.00
-		
Closing Balance	209,157,508	50,157,508.00
d. Debenture Redemption Reserve	-	-
e. Revaluation Reserve	-	-
f. Share Options Outstanding Account	-	-
g. Other Reserves	-	-
h. Surplus		
Opening balance	37,517,412	44,883,505.00
(+) Net Profit/(Net Loss) For the current year	40,805,161	37,517,415.47
(+) Transfer from Reserves		-
(-) Utilised for Bonus Issue		44,883,508.00
(-) Interim Dividends		-
Closing Balance	78,322,573	37,517,412
Total	287,905,607	88,100,446

NOTE 3

<u>Long Term Borrowings</u>	As at 31 March 2019	As at 31 March 2018
	Amount	Amount
-		
<u>Secured</u>		
(a) Bonds/debentures		
(b) Term loans		
1. ICICI Bank - 9%		66,032,460
Terms of Repayment :- Repayable within 15 yrs from Balance Sheet date		
Security Details: - Secured by equitable mortgage of residential properties.		
2. Capital First Ltd.-10.80%		27,058,244
Terms of Repayment :- Repayable within 13.50 yrs from Balance Sheet date		
Security Details: - Secured by equitable mortgage of commercial Property.		
(c) Vehicle Loans		
1. Daimler Financial Services Pvt. Ltd.		2,122,335
Rate of Interest :- 11.62%		
Terms of Repayment :- Repayable within 1.5 yrs from Balance Sheet date		
Security Details: - Secured by hypothecation of vehicle financed		
	-	95,213,039
<u>Unsecured</u>		
(a) Loans and advances from Directors	34,397,630	52,068,909
-	34,397,630	52,068,909
Total	34,397,630	147,281,948

NOTE 4

<u>Long-term provisions</u>	As at 31 March 2019	As at 31 March 2018
	Amount	Amount
Provision for Employee Benefits-Gratuity	3,310,680.00	3,042,002.00
Total	3,310,680.00	3,042,002.00

NOTE 5

<u>Other Long Term Liability</u>	As at 31 March 2019	As at 31 March 2018
	Amount	Amount
Security Deposit- The Furniture Town Mehsana	40,000.00	300,000.00
Total	40,000.00	300,000.00

NOTE 6

<u>Short Term Borrowings</u>	As at 31 March 2019	As at 31 March 2018
	Amount	Amount
-		
<u>Secured</u>		
(a) (1)Cash Credit		
from HDFC Bank		
Rate of Interest :- 9.95%		
Terms of Repayment :- Repayable on Demand		
Security details : Secured By Stock & Book Debtors and guaranteed by Directors		
from SBI Bank		
Rate of Interest :- 9.95%		
Terms of Repayment :- Repayable on Demand		
Security Details:- Secured by hypothecation of stock, book debts, other current assets, plant & machinery and other fixed assets, equitable mortgage of commercial property of Director's relative and guaranteed by Directors and relative		
-		
	148,806,578.51	138,491,290.90
Total	148,806,578.51	138,491,290.90

NOTE 7

<u>Trade Payable</u>	As at 31 March 2019	As at 31 March 2018
	Amount	Amount
(a) Due to Micro & Small Enterprise		-
(b) Dues to other than Micro & Small -Goods	34,018,833.34	71,577,784.00
Total	34,018,833.34	71,577,784.00

NOTE 8

<u>Other Current Liabilities *</u>	As at 31 March 2019	As at 31 March 2018
	Amount	Amount
(a) Current maturities of long-term debt		
(a) (1)Term loans :ICICI Term Loan repayable within 12 months	4,686,019.00	2,052,542.00
(a) (2)Term loans :Capital First repayable within 12 months	-	957,290.67
(a) (3)Term loans : Daimler Financial Services Pvt. Ltd.	2,122,335.37	442,736.41
(a) (4)Term loans : SBI T.L.	-	5,670,700.00
(b) Advances received from customers	2,864,606.08	1,211,791.94
(c) Other payables (As per annexure)	6,232,815.51	11,265,218.76
Total	15,905,775.96	21,600,279.78

NOTE 9

<u>Short Term Provisions</u>	As at 31 March 2019	As at 31 March 2018
	Amount	Amount
(a) Gratuity Provision Payable with in one year	62,011	118,494
(b) Others	8,128,089	16,887,463
Total	8,190,100	17,005,957

Note 10

	Fixed Assets	Gross Block						Accumulated Depreciation					Net Block	
		As at 31 March 2018	Additions/ (Disposals)	Acquired through business combinations	Revaluations/ (Impairments)	As at 31 March 2019	As at 31 March 2018	Depreciation charge for the year	Depreciation related Prior years	Adjustment due to revaluations	On disposals	As at 31 March 2019	As at 31 March 2019	As at 31 March 2018
		Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
a	Property, Plant & Equipments													
	Equipments	4,870,811.00	110,629.00	-	-	4,981,440.00	3,898,785.50	245,120.00		-	-	4,143,905.50	837,534.50	972,025.50
	Air conditioner	4,540,277.03		-	-	4,540,277.03	3,554,371.33	191,329.00		-	-	3,745,700.33	794,576.70	985,905.70
	Furniture and Fixtures	13,099,661.00	248,068.00	-	-	13,347,729.00	9,070,217.50	1,075,719.00		-	-	10,145,936.50	3,201,792.50	4,029,443.50
	Vehicles	24,689,055.00	64,321.00	-	-	24,753,376.00	15,217,075.47	2,893,161.00		-	-	18,110,236.47	6,643,139.53	9,471,979.53
	Office equipment	2,203,417.72	278,491.64	-	-	2,481,909.36	1,713,437.19	238,592.22		-	-	1,952,029.41	529,879.95	489,980.53
	Others-Computer	5,388,779.07	226,003.00	-	-	5,614,782.07	4,800,613.85	283,506.00		-	-	5,084,119.85	530,662.22	588,165.22
	Hardware & Softwares													
	Round off						0.21	0.78				0.99	2.02	2.02
	Total	54,793,000.82	927,512.64	-	-	55,719,513.46	38,254,500.84	4,927,428.00	-	-	-	43,181,928.06	12,537,587.42	16,537,502.00
b	Intangible Assets	500,000.00	-	-	-	500,000.00	0.00	-		-	-	-	500,000.00	500,000.00
	Total	-	-	-	-	-	-	-	-	-	-	-	500,000.00	500,000.00
	Capital Work In Progress													
c	Intangible assets under Development	-	-	-	-	-	-	-		-	-	-	-	-
	Total	-	-	-	-	-	-	-		-	-	-	-	-
	Grand Total	54,793,000.82	927,512.64	-	-	55,719,513.46	38,254,500.84	4,927,428.00	-	-	-	43,181,928.06	13,037,587.42	17,037,502.00

PEARL FURNITURE PVT. LTD.
NOTE 10 – FIXED ASSETS

PARTICULARS	%	GROSS BLOCK (AT COST)			DEPRECIATION			NET BLOCK	
		As At 01/04/18	Additions	Deductions	As At 31/31/2019	For the Year	On Deductions	As At 31/03/18	As At 31/31/2019
FIXED ASSETS - PLANT AND MACHINERY									
1 AIR CONDITION	6.30	118,878	-	-	118,878	7,525	-	118,878	111,353
2 C.C. TV CAMERA	6.30	244,146	1,000	-	245,146	15,491	-	244,146	229,655
3 FORK LIFT TRUCK: GX 300D (C)	6.30	900,991	-	-	900,991	57,033	-	900,991	843,958
4 INDUSTRIAL RO SYSTEM MODEL RO250LPH	6.30	68,966	-	-	68,966	4,366	-	68,966	64,600
5 PLANT AND MACHINERY	6.30	28,593,228	-	-	28,593,228	1,809,951	-	28,593,228	26,783,277
6 SUBMERGIBLE PUMP SET	6.30	17,823	-	-	17,823	1,128	-	17,823	16,695
Total of FIXED ASSETS - PLANT AND MACHINERY		29,944,033	1,000	-	29,945,033	1,895,494	-	29,944,033	28,049,539
FIXED ASSETS - FURNITURE AND FITTINGS									
7 CANTEN ASSETS	9.5	113,435	-	-	113,435	10,776	-	113,435	102,659
8 FURNITURE AND FITTINGS	9.5	645,354	-	-	645,354	61,309	-	645,354	584,045
9 PLASTIC CARTES	9.5	50,919	-	-	50,919	4,837	-	50,919	46,082
10 RACK	9.5	570,217	-	-	570,217	54,171	-	570,217	516,046
11 TROLLY / HAND PALLET TRUCK/ GRIL	9.5	82,969	-	-	82,969	7,882	-	82,969	75,087
12 WOODEN PALLET	9.5	530,367	-	-	530,367	50,385	-	530,367	479,982
13 WORKING TABLE	9.5	57,743	-	-	57,743	5,486	-	57,743	52,257
Total of FIXED ASSETS - FURNITURE AND FITTINGS		2,051,005	-	-	2,051,005	194,846	-	2,051,005	1,856,159
FIXED ASSETS - OFFICE EQUIPEMENTS									
14 FIRE EXTINGUISHER ASSETS	19	3,673	-	-	3,673	698	-	3,673	2,975
15 OFFICE EQUIPEMENTS	19	59,183	500	-	59,683	11,309	-	59,183	48,374
16 TELEPHONE INSTRUMENT	19	146,060	-	-	146,060	27,751	-	146,060	118,309
Total of FIXED ASSETS - OFFICE EQUIPEMENTS		208,916	500	-	209,416	39,758	-	208,916	169,658
FIXED ASSETS - COMPUTER AND PRINTERS									
17 COMPUTER AND PRINTERS	31.67	118,132	1,229	-	119,361	37,615	-	118,132	81,746
18 COMPUTER SERVERS & NETWORKS	15.83	106,010	300	-	106,310	16,781	-	106,010	89,529
Total of FIXED ASSETS - COMPUTER AND PRINTERS		224,142	1,529	-	225,671	54,396	-	224,142	171,275
FIXED ASSETS - ELECTRIC INSTALLATION									
19 AMPLIFIER AND SOUND SYSTEMS	9.5	10,012	1,400	-	11,412	1,020	-	10,012	10,392
20 ELECTRIC INSTALLATION	9.5	409,465	-	-	409,465	38,899	-	409,465	370,566
21 REFRIGERATOR	9.5	18,800	-	-	18,800	1,786	-	18,800	17,014
22 TELEVISION	9.5	24,005	-	-	24,005	2,280	-	24,005	21,725
Total of FIXED ASSETS - ELECTRIC INSTALLATION		462,282	1,400	-	463,682	43,985	-	462,282	419,697
FIXED ASSETS - MOTOR VEHICLES									
23 ENDEAVOUR CAR 2.2L TITANIUM BLACK	11.88	-	3,156,394	-	3,156,394	188,003	-	-	2,968,391
24 ENDEAVOUR CAR 2.2L TITANIUM 4X2	11.88	2,366,981	-	2,202,885	164,096	164,096	-	2,366,981	-
25 AUDI CAR	11.88	3,013,941	-	-	3,013,941	358,056	-	3,013,941	2,655,885
Total of FIXED ASSETS - MOTOR VEHICLES		5,380,922	3,156,394	2,202,885	6,334,431	710,155	-	5,380,922	5,624,276
CAPITAL WORK IN PROCESS									
BUILDING UNDER CONSTRUCTION	0	3,677,288	-	-	3,677,288	-	-	3,677,288	3,677,288
Total of FIXED ASSETS - BUILDING CONSTRUCTION		3,677,288	-	-	3,677,288	-	-	3,677,288	3,677,288
<<< TOTAL >>>>		41,948,588	3,160,823	2,202,885	42,906,526	2,938,634	-	41,948,588	39,967,892
FIXED ASSETS - INTANGIBLE ASSETS									
DESIGN BED SERIES	45.07	551,360	-	-	551,360	248,498	-	-	302,862
Total of FIXED ASSETS - INTANGIBLE ASSETS		-	-	-	551,360	248,498	-	-	302,862

NOTE 11

<u>Deferred tax Assets(Liability) (Net)</u>	As at 31 March 2019	As at 31 March 2018
	Amount	Amount
(a)Timing Difference Depreciation:		
Closing WDV as per Income Tax	24,051,515.93	56,613,596.15
Closing WDV as Companies Act	13,037,587.42	55,860,162.00
Timing Difference	11,013,928.51	753,434.15
Deferred tax Assets	(37,015.00)	752,308.00
	-	
(b) Timing Difference on Gratuity Provision	2,531,072.00	2,570,671.00
Deferred tax Assets	704,144.23	1,012,437.79
(b) Timing Difference on IPO Expense	11,469,377.11	-
Deferred tax Liability @ 27.82%(F.Y. 18-19) @33.063% (F.Y.17-18)	(3,190,780.71)	-
Deferred tax Assets (Net)	(2,523,651.48)	1,764,745.79

NOTE 12

Long Term Loans and Advances	As at 31 March 2019	As at 31 March 2018
	Amount	Amount
<u>a. Capital Advances</u>		-
<u>b. Security Deposits</u>		
Unsecured, considered good	26,291,385.54	8,081,652.16
	26,291,385.54	8,081,652.16
<u>c. Loans and advances to related parties (refer Note2)</u>	-	-
<u>d. Other loans and advances</u>	-	-
	-	-
Total	26,291,385.54	8,081,652.16

NOTE 13

Other Non current assets	As at 31 March 2019	As at 31 March 2018
	Amount	Amount
IPO Expense	11,469,377.11	1,887,500.00
Interest Receivable on Fixed Deposit	2,745,394.00	1,328,643.00
Other Non current Assets	245,570.00	1,939,314.00
Total	14,460,341.11	5,155,457.00

NOTE 14

Inventories	As at 31 March 2019	As at 31 March 2018
	Amount	Amount
a. Raw Materials	97,630,614.39	72,768,291.10
b. Work-in-Progress	4,297,087.46	11,899,666.94
c. Finished Goods	24,347,839.54	10,338,835.25
d. Stores & Spares	4,651,770.14	2,882,713.40
e. Stock-in-trade	235,342,375.00	186,311,383.00
Grand Total	366,269,686.53	284,200,889.69

NOTE 15

Trade Receivables	As at 31 March 2019	As at 31 March 2018
	Amount	Amount
Trade receivables outstanding for a period less than six months, Unsecured and considered good	105,826,668.00	114,130,416.00
Trade receivables outstanding for a period exceeding six months, Unsecured and considered good	25,187,090.00	63,737,045.00
Total	131,013,758.00	177,867,461.00

NOTE 16

Cash and cash equivalents	As at 31 March 2019	As at 31 March 2018
	Amount	Amount
a. Balances with banks	1,270,127.00	477,153.00
b. Bank deposits with more than 12 months maturity	23,711,261.00	18,492,695.00
c. Cash on hand	3,281,985.24	455,020.00
Total	28,263,373.24	19,424,868.00

NOTE 17

Short-term loans and advances	As at 31 March 2019	As at 31 March 2018
	Amount	Amount
a(1) Advance payment to Creditors for Goods	9,276,970.89	1,756,766.00
a(2) Advance payment to Creditors for Expense	1,025,882.00	273,626.95
	10,302,852.89	2,030,392.95
b. Others		
Custom Duty Refundable	183,022.00	183,022.00
Prepaid Expenses	2,915,579.16	1,641,659.02
DEPOSIT	-	783,834.00
Other Receivable	177,551.12	25,280.00
CST Refund	166,506.00	-
IGST -Cash Ledger	64,792.00	-
SGST -CASH LEDGER	-	98,754.00
SGST - INPUT TAX	1,351,255.00	-
CGST - INPUT TAX	279,991.00	4,929,660.88
GST RCM	28,787.00	176,489.00
GST REFUND	593,308.00	448,687.46
TDS & TCS Receivable	981,494.00	156,333.50
Vat Receivable/Refundable	593,388.98	555,036.98
Loans & Advances to Staff	9,388,431.22	2,356,133.74
	16,724,105.48	11,354,890.58
Total	27,026,958.37	13,385,283.53

NOTE 18

Other Current Asset		As at 31 March 2019	As at 31 March 2018
		Amount	Amount
	RECEIVABLES		
1	BALAJI AUTO CONSULTANT	700,000.00	-
Total		700,000.00	-

NOTE 19

Contingent liabilities and commitments (to the extent not provided for)		As at 31 March 2019	As at 31 March 2018
		Amount	Amount
(i) Contingent Liabilities			
(1)The appeal lying with Senior Joint Commissioner, Commercial Tax, West Bengal for demand for the FY 2013-14		-	163,952
(2)The appeal lying with Deputy Commissioner of Sales Tax, VAT Department, Maharashtra for demand for the FY 2012-13 (tax paid of 13,900)		294,020	294,020
(3)Performance Bank Guarantee issued against Work Order Received		43,381,138	53,335,594
(ii) Commitments			
Total		43,675,158	53,793,566

NOTE 20

In respect of a company other than a finance company revenue from operations shall disclose separately in the notes revenue from

Particulars	For the year 31.03.2019	For the year 31.03.2018
	Amount (Rs.)	Amount (Rs.)
Sale of furniture products	712,545,310	648,531,809
Total	712,545,310	648,531,809

NOTE 21

Other Income	For the year 31.03.2019	For the year 31.03.2018
	Amount (Rs.)	Amount (Rs.)
Interest Income (in case of a company other than a finance company)	1,714,994	794,800
Short/Excess provision	213,551	-
Written Back	1,102,705	3,301,907
Profit on Sales of Assets and Other Misc Income	264,445	636,857
Total	3,295,694	4,733,564

NOTE 22

COST OF MATERIALS & COMPONENTS CONSUMED	For the year 31.03.2019	For the year 31.03.2018
	Amount (Rs.)	Amount (Rs.)
Opening Stock	75,651,005	73,294,164
Add : Purchases	227,114,049	174,714,672
Less : Closing Stock	(102,271,160)	(75,651,005)
Total	200,493,894	172,357,831

NOTE 23

Manufacturing Expense	For the year 31.03.2019	For the year 31.03.2018
	Amount (Rs.)	Amount (Rs.)
Manufacturing Expenses	12,825,402	14,937,988
Total	12,825,402	14,937,988

NOTE 24

Employee Benefits Expense	For the year 31.03.2019	For the year 31.03.2018
	Amount (Rs.)	Amount (Rs.)
(a) Salaries, Wages and Incentives	61,621,618	56,359,918
(b) Contributions to -		
(i) Provident fund/Labour welfare fund	1,758,314	1,196,385
(c) Gratuity fund contributions	(39,599.00)	(667,684.00)
(d) Social security and other benefit plans for overseas employees	-	-
(e) Expense on Employee Stock Option Scheme (ESOP) and Employee Stock Purchase Plan (ESPP),	-	-
(f) Staff welfare expenses	3,179,036	2,990,171
Total	66,519,369	59,878,790

NOTE 25

Finance costs	For the year 31.03.2019	For the year 31.03.2018
	Amount (Rs.)	Amount (Rs.)
Interest expense	24,327,561	30,221,199
Other borrowing costs	2,164,383	2,568,688
Other	134,187	99,998
Total	26,626,131	32,889,885

NOTE 26

SR No	Other expenses	For the year 31.03.2019	For the year 31.03.2018
		Amount (Rs.)	Amount (Rs.)
1	Power & Fuel	2,690,183	2,537,482
2	Repairs to building	197,591	20,976
3	Insurance	1,952,632	2,485,122
4	Rates & taxes	127,628	335,746
5	Legal & Professional Fees	1,668,867	1,315,853
6	Office Maintenance	669,333	593,924
7	Telephone & Internet Charges	1,071,215	1,110,355
8	Travelling Expense	8,807,150	5,881,065
9	Business Promotion	4,705,265	5,022,011
10	Rent	17,287,628	19,731,400
11	Project Expenses	15,716,895	12,303,449
12	Selling Expense	10,752,769	12,195,524
13	Freight Inward Expense	2,032,942	831,843
14	Other expenses(as per annexure)	9,481,237	5,635,607
Total		77,161,334	70,000,357

SR No	Audit fees	For the year 31.03.2019	For the year 31.03.2018
		Amount (Rs.)	Amount (Rs.)
1	Payments to the auditor as a. auditor,	75,000	75,000
2	b. for taxation matters,	-	-
3	c. for company law matters,	-	-
4	d. for management services,	-	-
5	e. for other services,	-	-
6	f. for reimbursement of expenses;	-	-
Total		75,000	75,000

SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED FINANCIAL STATEMENT :

(a) Basis of Preparation of Financial Statements

The financial statements are prepared in accordance with India Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing standard requires a change in the accounting policy hitherto in use.

(b) Use of Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include computation of percentage of completion which requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended, provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes, post-sales customer support and the useful lives of fixed tangible assets and intangible assets.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

(c) Revenue Recognition

Revenue on sale of products is recognised when the products are delivered to customers, all significant contractual obligations have been satisfied and the collection of the resulting receivable is reasonably expected. Sales & Purchases are stated net of trade discount, returns and taxes collected.

(d) Provisions and contingent liabilities

A provision is recognized, if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date.

(e) Fixed Assets & Depreciation thereon

- i) Fixed assets are stated at cost of acquisition as reduced by accumulated depreciation. The cost of assets includes other direct/ indirect and incidental cost incurred to bring them into their present location.
- ii) Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II.

(f) Retirement benefits to employees

- Gratuity

The company provides for gratuity, a defined benefit retirement plan covering eligible employees. The gratuity plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and tenure of employment with the company.

- Provident Fund

Eligible employees receive benefits from a provident fund, which is a defined benefit plan. Both the employee and the company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary.

(g) Inventories

Inventories of Traded Goods are stated at cost or net realizable value, whichever is lower. Cost comprises all cost of purchase and other costs which are being incurred in bringing the inventories to their present location and condition.

(h) Provision for Current Tax & Deferred Tax

Provision for income tax is made on the basis of estimated taxable income for the year at current rates. Tax expenses comprises of Current Tax, and Deferred Tax at applicable enacted or substantively enacted rates. Current Tax represents the amount of Income Tax payable/recoverable in respect of the taxable income/loss for the reporting period. Deferred Tax represents the effect of timing difference between taxable income and accounting income for the reporting period that originates in one period and are capable of reversal in one or more subsequent periods. The Deferred Tax asset is recognized and carry forward to the extent that there is a reasonable certainty that the assets will be realise in future. However, where there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realisation of assets.

(i) Current Assets, Loans and Advances & Liabilities

In the opinion of the Board of Directors, the Current Assets, Loans and Advances and Current Liabilities are approximately stated if realized in the ordinary course of business. As no confirmatory letters were submitted from Debtors and Creditors, their balances are reflected in the Balance Sheet as appearing in the books. The provisions for all other liabilities is adequate and not in excess of the amount reasonably necessary.

(j) Regrouping of Previous Year figures

The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amount and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

NOTES ON ACCOUNTS AND OTHER DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENT :

(a) Principal of Consolidation :

The consolidated financial statement relate to Parin Furniture Limited, the holding company and its subsidiary Pearl Furniture Private Limited. The consolidation of accounts of the company with its subsidiary has been prepared in accordance with Accounting Standard (AS) 21 'Consolidated Financial Statement'. The financial statements of the parent and its subsidiary are combined on a line by line basis and intra group balances, intra group transactions and unrealised profit or loss are fully eliminated.

In the consolidated financial statement 'Capital Reserve' represent difference of the cost to the company of its investment in subsidiary over its share of equity, at the date on which the investment is made. Minority interest in the net income of the consolidated subsidiary is adjusted against the income of group in order to arrive at the net income attributable to shareholder's of the Company. Minority interest in the net assets of consolidated subsidiary consists of the amount of equity attributable to minority shareholders at the respective dates on which investments are made by company in the subsidiary company.

The consolidation comprises of 12 months period from 01st April, 2018 to 31st March, 2019 of Parin Furniture Limited (Holding Company) and Pearl Furniture Private limited (Subsidiary Company).

(b) Earning Per Share :

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

A. EPS As on 31.03.2019

	Net Profit after tax	4,08,05,162	=4.27
EPS	Weighted Average No. of Equity Shares Outstanding	94,48,137	

B. Adjusted EPS as on 31.03.2019

	Net Profit after tax	3,75,17,416	=5.70
EPS	Weighted Average No. of Equity Shares Outstanding	65,79,052	

(b) Contingent Liabilities :

Contingent Liabilities represents claims against the company not acknowledged as debts includes, a) the appeal lying with Deputy Commissioner of Sales Tax, VAT Department, Maharashtra for demand of Rs. 2,94,020 of FY 2012-13 (tax paid of 13,900). Further Bank Guarantee issued against Work Order Received Outstanding of Rs. 4,33,81,138 against which Margin @ 25% has paid

(c) Due to Micro and Small Enterprises :

We have sent letter to our creditors, however no response has been received from them. Therefore, we are unable to bifurcate creditors in to micro and small enterprises

(d) Payment to Auditors :

Statutory Audit Fees :75,000/- Other capacity : 20,000/-

(e) Deferred IPO Expense:

The Company has incurred Rs. 1,43,36,721 towards IPO expenses, in nature of Merchant banker Fees, Stock Exchange fees, Advisor Fees, Registrar to the Issue fees, Legal Advisor Fees, Travelling Exp., Forms Printing & Stationary and other expenses. In the opinion of the management of the company and as per their best estimate, benefit of such expenses will be available beyond 1 financial year to company and up to the approximate 5 financial years from the date of realization of IPO proceeds, hence looking to long term benefit IPO expenses has been deferred for next 5 years commencing from the realization of IPO proceeds.

(f) Related Party Disclosures

(1) Related parties & their relationship

i) Subsidiary/Entities significantly influenced by Directors and / or Relative of Directors

- Poonam Furniture
- Paradise Furniture
- Parin Motors
- Prince Furniture
- Deven Impex

ii) Key Managerial Personnel

- Umesh D Nandani -Managing Director
- Parin U Nandani - Director (Holding Company & Whole Time Director in Subsidiary)
- Darshil D Nandani - Director
- Deven D Nandani - Director
- Kamal M Shah - Chief Financial Officer
- Krishna Lodhiya - Company Secretary

(2) Transactions with related parties

(Rs. in lacs)

	Particulars	Subsidiary/Entities significantly influenced by Directors and or Relative of Directors	Key Managerial Personnel & their relatives	Total
	Expenses paid	-	43.71	43.71
	Purchase of Goods	884.33	-	884.33
	Remuneration	-	62.82	62.82
	Revenue/Sales	53.21	-	53.21
	Loan Taken	-	393.70	393.70
	Loan Repaid	-	593.12	593.12

(3) Balances with Related Parties as at 31st March, 2019

(Rs. in lacs)

	Particulars	Subsidiary/Entities significantly influenced by Directors and or Relative of Directors	Key Managerial Personnel & their relatives	Total
	Trade Receivables, Loans & Advances, Advances to suppliers of	282.39	-	282.39
	Trade Payables for Goods , Expenses	29.55		29.55
	Unsecured Loan	-	343.97	343.97

(4) Disclosure of material transactions/balances with related parties

(Rs. in lacs)

	Particulars	Nature of Transaction	FY 2018-19	FY 2017-18
	Revenue: (Basic Value)			
	Poonam Furniture	Sales of Goods	2.57	1.42
	Paradise Furniture	Sales of Goods	47.74	0.01
	Parin Motors	Sales of Goods	2.9	15.86
	Perfect Industries	Sales of Goods	-	5.02

	Particulars	Nature of Transaction	FY 2018-19	FY 2017-18
	Expense Paid:			
	Umesh D Nandani	Interest on Unsecured Loan	13.27	2.08
	Deven D Nandani	Interest on Unsecured Loan	11.95	38.39
	Darshil U. Nandani	Interest on Unsecured Loan	3.36	-
	Parin U. Nandani	Interest on Unsecured Loan	-	-
	Umesh D Nandani - HUF	Interest on Unsecured Loan	-	29.65
	Dhirajlal L Nandani - HUF	Interest on Unsecured Loan	-	3.34
	Umesh D Nandani (Director)	Salary	18.00	15.60
	Deven D Nandani	Salary	9.60	9.60
	Parin U. Nandani	Salary	18.00	11.40
	Darshil U. Nandani (Director)	Salary	9.00	7.50
	Kamal Shah (CFO)	Salary	5.92	-
	Krishna Lodhiya (CS)	Salary	2.30	-
	Deven D Nandani	Rent	15.00	10.05
	Umesh D Nandani - HUF	Royalty	-	4.80
	Dipesh D Nandani - HUF	Royalty	-	4.80
	Purchase of Goods: (Basic Value)			
	Poonam Furniture	Purchase	20.96	4.88
	Paradise Furniture	Purchase	229.67	0.25
	Perfect Industries	Purchase	-	246.83
	Deven Impex	Purchase	633.70	569.30
	Prince Furniture	Purchase	-	14.02
	Unsecured Loan:			
	Umesh D. Nandani	Loan Taken	57.87	226.69
	Deven D. Nandani	Loan Taken	298.87	110.89
	Darshil U. Nandani	Loan Taken	0.34	4.36
	Parin U. Nandani	Loan Taken	36.62	-
	Darshil U. Nandani	Loan Repaid	11.60	2.46
	Umesh D. Nandani	Loan Repaid	183.00	111.80
	Deven D. Nandani	Loan Repaid	396.10	510.94
	Parin U. Nandani	Loan Repaid	2.42	-

- (g) The company converted from Parin furniture Private Limited (CIN - U36101GJ2006PTC049074) to Parin furniture Limited (CIN - U36101GJ2006PLC049074) vide a fresh Certificate of Incorporation w.e.f. 4th April, 2018
- (h) The details of amount payable to Small Scale Industrial undertakings in excess of Rupees one Lacs and outstanding for a period of more than 30 days are not be possible to be given, as per company's management the suppliers do not disclose their status.
- (i) The foreign Exchange earning and out go during the year under review : NIL (P.Y. - NIL)
The previous year's figures have been regrouped / reclassified, wherever necessary to confirm to the current year presentation

**For, Bhavin Associates
Chartered Accountants
Firm Reg. No. 101383W**

Sd/-

**(Bhavin P. Bhansali)
Proprietor
M.No. 043796**

**For and on behalf of Board of directors of
PARIN FURNITURE LIMITED**

Sd/-

**Umesh D. Nandani
Managing Director
DIN: 00039757**

Sd/-

**Parin U. Nandani
Director
DIN: 02343309**

**Date : 21.05.2019
Place : Rajkot**

Sd/-

**Krishna Lodhiya
Company Secretary**

Sd/-

**Kamal Shah
Chief Financial Officer**

PARIN FURNITURE LIMITED

(Previously known as Parin Furniture Private Limited)CIN: U36101GJ2006PLC049074

Registered office Address: Plot No. 6, Revenue Survey No.149, National Highway at. Vavdi, Gondal Road Rajkot.

Website :www.Parinfurniture.Com Phone: 0281 - 330077 E Mail :Info@Parinfurniture.Com

Form No. MGT-11**Proxy form**

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

Name of the member(s):	
Registered address:	
E-mail Id:	Folio No/Client Id: DPID

I/We, being the member(s) of.....shares of the above named company, hereby appoint

1. Name:_____ Address _____
 Mail ID _____ Signature:_____, or failing him

2. Name:_____ Address _____
 Mail ID _____ Signature:_____, or failing him

3. Name:_____ Address _____
 Mail ID _____ Signature:_____, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 13th Annual general meeting of the company, to be held on the 16th day of September, 2019 At 11:00 a.m. at the Registered office of the company situated at plot no. 6, Revenue Survey no.149, National Highway at. Vavdi, Gondal Road, Rajkot 360004, Gujarat and at any adjournment thereof in respect of such resolutions as are indicated below:

*I wish my above Proxy to vote in the manner as indicated in the box below:

Sr. No.	Business	Resolution	For	Against
1.	Ordinary	To receive, Consider and adopt the Audited Financial Statements of the Company (including Audited Consolidated Financial Statements) for the financial year ended March 31, 2019 and the Reports of the Board of Directors and Auditors thereon.		
2.	Ordinary	To appoint a director in place of Mr. Umesh Nandani (DIN: 00039757) who retire by rotation and being eligible, offers himself for re-appointment .		
3.	Special	To approve the term of appoint including Remuneration of Mr. Parin Umeshbhai Nandani (DIN - 2343309) as Whole Time Director of the Company		
4.	Special	To authorize Board to exercise power under section 180(1)(a) of the companies act, 2013.		
5.	Special	To Authorize board to borrow in exceed of aggregate of the paid-up capital of the company and its free reserves, under section 180(1)(c) of the companies act, 2013.		
6.	Special	Authority for giving corporate guarantee to subsidiary company under Section 185 of the companies act, 2013		
7.	Special	To authorize board to provide loan/guarantee & making investment in excess of limit prescribed under section 186 of the companies act, 2013.		

Signed this..... day of..... 2019

Signature of shareholder

Signature of Proxy holder(s)

Affix
Revenue
stamp of
Re. 1

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting
2. Proxy need not to be member of Company.
3. *It is optional to indicate your preference. If you leave the 'For' or 'Against' blank against any or all resolutions, your Proxy will be entitled to vote in the manner as he/she may deem appropriate.

PARIN FURNITURE LIMITED

(Previously known as Parin Furniture Private Limited)CIN: U36101GJ2006PLC049074

Registered office Address: Plot No. 6, Revenue Survey No.149, National Highway at. Vavdi, Gondal Road Rajkot.

Website :www.Parinfurniture.Com Phone: 0281 - 330077 E Mail :Info@Parinfurniture.Com

ATTENDANCE SLIP

13th Annual General Meeting of Parin Furniture Limited to be held on 16th September, 2019

*DP ID _____	*Client ID _____
No. of shares held _____	Regd. Folio No. _____

Full Name of Shareholder _____ Name of Proxy _____

Address of Shareholder _____

I/We hereby record my presence at the **13th ANNUAL GENERAL MEETING** of the Company at the Registered office of the company situated at plot no. 6, Revenue Survey no.149, National Highway at. Vavdi, Gondal Road Rajkot 360004 Gujarat on **16th September, 2019 at 11:00 A.M**

Member's/Proxy's name in Block Letters

Member's/Proxy's Signature

Note:

1. Please fill this attendance slip and hand it over at the entrance of the hall.
2. * Applicable for investors holding shares in electronic form.

ROUTE MAP OF VENUE FOR 13TH ANNUAL GENERAL MEETING

