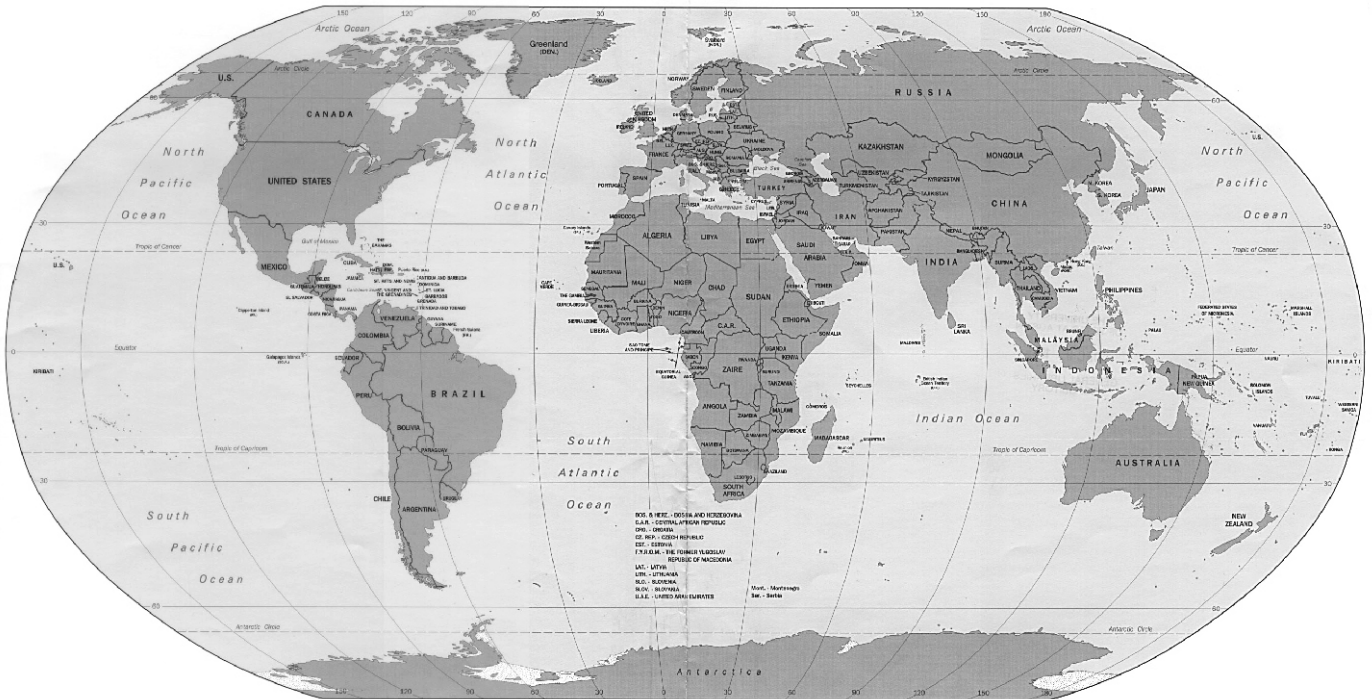


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**Rajkamal**<sup>®</sup>



## **33rd ANNUAL REPORT 2016 - 2017**

**POLO QUEEN INDUSTRIAL AND FINTECH LIMITED**



## **POLO QUEEN INDUSTRIAL AND FINTECH LIMITED**

<b>BOARD OF DIRECTORS</b>	Mr. N. L. Sanghai	Director
	Mr. Umesh Agarwal	Whole Time Director
	Mr. Prabhas Sanghai	Director
	Mr. Rahul Kumar Sanghai	Director
	Mr. Udit P. Sanghai	Whole Time Director & CFO
	Mr. Apsi Nariman Katgara	Independent Director
	Mr. Natwarlal Gaur	Independent Director
	Mr. Aftab Mohd. Yusuf Diamondwala	Independent Director
	Ms. Shobita Kadan	Independent Director

**COMPANY SECRETARY** : Ms. Namrata Vanamala

**BANKERS** : Central Bank of India  
State Bank of India

**STATUTORY AUDITOR** : M/s. N. K. Jalan and Co., Chartered Accountants  
2-A, Mayur Apartments, Dadabhai Cross Road No.3,  
Vile Parle (West), Mumbai - 400056.  
Tel.: 022 26210903/26210904  
E-mail: nkjalan@vsnl.com

**REGISTRARS AND SHARE TRANSFER AGENTS** : Satellite Corporate Services Private Limited  
B-302, Sony Apartment, Opp. St Jude High School,  
Off Andheri Kurla Road, Jarimari, Sakinaka,  
Mumbai - 400072. Tel: 022 28520461/62  
E-mail: service@satellitecorporate.com

**REGISTERED OFFICE** : 304, A to Z Industrial Estate, Ganpatrao Kadam Marg,  
Lower Parel, Mumbai- 400 013.  
Tel: 022 24935421/24817001 Fax: 022 24935420/24817047  
E-mail: info@poloqueen.com Website: www.poloqueen.com



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## NOTICE

## POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

**NOTICE** is hereby given that the Thirty Third Annual General Meeting of the Shareholders of Polo Queen Industrial and Fintech Limited will be held at Fantasy, 1st Floor, Sunville Banquets, 9, Dr. Annie Besant Road, Opp. Atria Mall, Worli, Mumbai - 400018 on Thursday September 28, 2017 at 4.00 p.m. to transact the following business:

### ORDINARY BUSINESS :

1. To receive, consider and adopt Audited Financial Statements (Standalone and Consolidated) i.e. Balance Sheet as at March 31, 2017, the Statement of Profit and Loss Account and the Cash Flow Statement for the financial year ended on March 31, 2017 and the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Umesh Kumar Agarwal (holding DIN 00231799), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Prabhas Sanghai (holding DIN 00302947), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Statutory Auditors and to fix their remuneration and for the purpose to consider and, if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s. Gupta Raj & Co., Chartered Accountants (Firm Registration No. 001687N), be and are hereby appointed as the Statutory Auditors of the Company in place of the retiring auditors M/s. N.K. Jalan & Co., Chartered Accountants (Firm Registration No. 104019W), to hold office from the conclusion of 33rd Annual General Meeting till the conclusion of the 38th Annual General Meeting to be held in the year 2022 subject to ratification of their appointment by the Members at every Annual General Meeting till the 37th Annual General Meeting at such remuneration,

as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.”

### SPECIAL BUSINESS:

5. To consider, and if thought fit, to pass the following resolution as a Special Resolution for adoption of a new set of Articles of Association of the Company:

“RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Incorporation) Rules 2014, and any other rules framed thereunder including any amendment, modification, variation, or re-enactment thereof and subject to such approvals as may be required, the draft Articles of Association of the Company submitted to this meeting and which is available for public inspection at the registered office of the Company and on its website, be and is hereby approved and adopted in substitution of and to the entire exclusion of the existing Articles of Association of the Company.”

“RESOLVED FURTHER THAT Mr. Nandlal Sanghai, Director, Mr. Prabhas Sanghai, Director, Mr. Udit P. Sanghai, Whole-time Director and Chief Financial Officer and Ms. Namrata Vanamala, Company Secretary, be and are hereby severally authorised to undertake all such acts, deeds, matters and things as may be deemed necessary, proper, desirable and expedient in their absolute discretion, to give effect to this resolution and to settle any question, difficulty or doubt that may arise in this regard and to delegate all or any of their powers herein conferred to any director(s) and/or officer(s) of the Company.”

6. To consider, and if thought fit, to pass the following resolution as a Special Resolution to approve the revision in the remuneration of Mr. Udit P. Sanghai, Whole-time Director and Chief Financial Officer of the Company:

“RESOLVED THAT in partial modification of the relevant resolution passed by the shareholders at the 32nd Annual General Meeting of the Company held on September 19, 2016 and in line with the Nomination and Remuneration Policy of Directors



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## NOTICE

## POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

and Key Managerial Personnel of the Company and pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and any other rules framed there under including any amendment, modification, variation, or re-enactment thereof, consent of the Company be and is hereby accorded to the revision in the remuneration of Mr. Udit P. Sanghai (DIN: 06725206), Whole-time Director and CFO of the Company for the remaining period of his existing tenure upto December 31, 2019 from the existing range of Rs.50,000 to Rs.1,00,000 per month to Rs.1,00,000 to Rs.5,00,000 per month.

RESOLVED FURTHER THAT except for the aforesaid revision in salary, all other terms and conditions of his appointment as the Whole-time Director and CFO of the Company, as approved by the Resolution passed at the Annual General Meeting of the Company held on September 19, 2016 shall remain unchanged.

RESOLVED FURTHER THAT the Board of Directors of the Company and/ or any Committee thereof be and is hereby authorised to alter or vary any or all of the terms, conditions and/ or to increase the remuneration of Mr. Udit P. Sanghai as approved subject to a maximum monthly salary of Rs 5,00,000/- per month and perquisites including the monetary value thereof within the limits specified in Schedule V to the Companies Act, 2013, without any further reference to the Company in General Meeting.

RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing resolution, Ms. Namrata Vanamala, Company Secretary of the Company be and is hereby authorised to do all such acts, deeds, matters and things, as may be considered necessary, proper or desirable in the said regard including filing of returns with any authority."

Place : Mumbai  
Date : August 11, 2017

**By Order of the Board of Directors**  
**NAMRATA VANAMALA**  
**COMPANY SECRETARY**



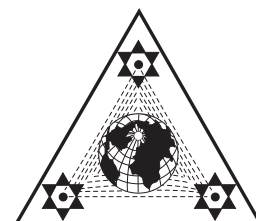


## NOTICE

## POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

### NOTES FOR SHAREHOLDERS' ATTENTION :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument of Proxy in order to be effective, 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, societies, etc., must be supported by an appropriate resolution/authority, as applicable.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out all material facts and details relating to the Special Business i.e. for Item No. 4, 5 and 6 at the meeting, is annexed hereto.
3. Pursuant to Regulations 26(4) and 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard – 2 on “General Meetings”, the particulars of Directors proposed to be appointed/re-appointed at the Meeting, are annexed to the Notice.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, September 25, 2017 to Thursday, September 28, 2017 (both days inclusive).
5. Members are requested to notify immediately any change of address;
  - (i) To their Depository Participants (DPs) in respect of their electronic share accounts, and
  - (ii) To the Company's Registrar & Share Transfer Agents, M/s Satellite Corporate Services Private Limited (R&TA), B-302, Sony Apartment, Opp. St Jude High School, Off Andheri Kurla Road, Jarimari, Sakinaka, Mumbai 400 072, in respect of their physical share folios, if any, quoting their folio numbers.
6. Members holding shares in physical form may avail themselves of the facility of nomination in terms of Section 72 of the Companies Act, 2013 by nominating in the prescribed form a person to whom their shares in the Company shall vest in the event of their death. The prescribed form can be obtained either from the website of the Company at [www.poloqueen.com](http://www.poloqueen.com) or from the Registrar & Share Transfer Agents at their aforesaid addresses.
7. 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 their PAN to their Depository Participants with whom they are maintaining their dematerialized accounts. Members holding shares in physical form can submit their PAN details to the Company along with the proof thereof.
8. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose email IDs are registered with the Company or the Depository Participants, unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participants. Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM.
9. Members intending to require information about the financial Accounts, to be explained at the Meeting are requested to inform the Company at least a week in advance of their intention to do so, so that the papers relating thereto may be made available.
10. Members/proxies should bring the attendance slip duly filled in for attending the Meeting.
11. Members are requested to bring their copy of the Annual Report to the Meeting.
12. In compliance with Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide e-voting facility to the shareholders, to enable them to cast their vote electronically. The Company has engaged services of Central Depository Services (India) Limited (“CDSL”) for providing e-voting facility to Members. The facility for voting through Ballot Paper shall be made available at the AGM and the Members attending the meeting who have not cast their vote by remote



## NOTICE

## POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

e-voting shall be able to exercise their right at the meeting through ballot paper. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

### Process for e-voting :

The instructions for shareholders voting electronically are as under:

In case of shareholders receiving e-mail :

- (i) The voting period begins on Monday, September 25, 2017 at 9.00 am and ends on Wednesday, September 27, 2017 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Thursday, September 21, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).

- (iii) Click on Shareholders / Members.

- (iv) Now Enter your User ID

- For CDSL: 16 digits beneficiary ID,
- For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- Members holding shares in Physical Form should enter Folio Number registered with the Company.

- (v) Next enter the Image Verification as displayed and Click on Login.

- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

- (vii) If you are a first time user follow the steps given below:

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

- (viii) After entering these details appropriately, click on "SUBMIT" tab.

- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note

that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the



## NOTICE

## POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

details can be used only for e-voting on the resolutions contained in this Notice.

- (xi) Click on the EVSN for the relevant Company Name i.e. "Polo Queen Industrial and Fintech Limited" on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

### In case of members receiving the physical copy:

- (i) Please follow all steps from Sl. No. (i) to Sl. No. (xix) above to cast vote.
- (ii) The voting period begins on Monday, September 25, 2017 to Wednesday, September 27, 2017. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Thursday, September 21, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (iii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
13. Mrs. Grishma Khandwala, Practicing Company Secretary, (Membership No. 6515) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
14. The Scrutinizer shall after the conclusion of voting at the general meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman, who shall countersign the same and declare the result of the voting forthwith.
15. The Results declared alongwith the Scrutinizer's report shall be placed on the website of CDSL immediately after the declaration of result by the Chairman. The result shall also be immediately forwarded to CSE Limited and Metropolitan Stock Exchange of India Ltd. where the shares of the Company are listed.

Place : Mumbai  
 Date : August 11, 2017

**By Order of the Board of Directors**  
**NAMRATA VANAMALA**  
**COMPANY SECRETARY**





## ANNEXURE TO THE NOTICE

## POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

### EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

#### Item No. 4

#### **Appointment of M/s. Gupta Raj & Co., Chartered Accountant's as the Statutory Auditors of the Company.**

As per the provisions of Companies Act, 2013 read with rules made thereunder no listed Company shall appoint an audit firm as auditor for more than two consecutive terms of five years and an audit firm which has completed its term shall not be eligible for re-appointment as auditor in the same company.

Every listed Company existing on or before the commencement of Companies Act, 2013 (i.e 1st April, 2014) shall comply with the provisions of Companies Act, 2013 within three years. Accordingly, the term of the existing Statutory Auditors, M/s. N. K. Jalan & Co., Chartered Accountants, is coming to end. The Board of Directors have recommended appointment of M/s. Gupta Raj & Co., Chartered Accountants as the Statutory Auditors of the Company in place of M/s. N. K. Jalan & Co., Chartered Accountants, existing Statutory Auditors of the Company, to hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of the Thirty Eighth Annual General Meeting.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested in the proposed resolution at Item No.4.

#### Item No. 5

#### **Adoption of New Set of Articles of Association as per Table F of the Companies Act, 2013**

The existing Articles of Association of the Company is based on the Companies Act, 1956. The Companies Act, 2013 was notified to come into effect from April 1, 2014. However, to provide an easy and smooth transition from the Companies Act, 1956 to the Companies Act, 2013, its sections were notified in tranches. Currently, most of the sections of the Companies Act, 2013 replacing the provisions of Companies Act, 1956 and the relevant rules have been notified.

In view of the aforesaid and in order to bring the existing Articles of Association of the Company in line with the provisions of the Companies Act, 2013, the Company will be required to make changes in most of the existing Articles. It is therefore considered desirable to adopt a comprehensive new set of Articles of Association of the Company in substitution of and to the entire exclusion of the existing Articles of Association. The new Articles of Association is largely based on Table 'F' of the Companies

Act, 2013, which sets out the model Articles of Association for a company limited by shares. For clarity, given below are the salient features of the new Articles of Association of the Company:

- It is proposed to be adopted solely with a view to bring it in line with the provisions of the Companies Act, 2013;
- Certain new definitions have been incorporated;
- Certain provisions flowing from Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been incorporated;
- New provisions relating to e-voting by the Members, passing of resolutions through postal ballot, appointment of independent directors and key managerial personnel have been introduced;
- Some of the procedures mentioned in the existing Articles of Association have not been included in the new Articles of Association as the same forms part of the relevant sections of the Companies Act, 2013, in order to make the new Articles of Association crisp, concise and clear. It also aids ease of reading and understanding.

The proposed new Articles of Association of the Company is placed on the Company's website viz. [www.poloqueen.com](http://www.poloqueen.com) and also kept available for inspection at the registered office of the Company between 10.00 a.m. and 12 noon on all working days except Sundays and National Holidays from the date hereof up to the date of the meeting.

Pursuant to the provisions of Section 14 of the Companies Act, 2013, approval of the Members by Special Resolution is required for the adoption of the new Articles of Association so as to replace the existing Articles of Association and accordingly, the approval of the Members of the Company is being sought for the adoption of the new Articles of Association.

The Board, accordingly, recommends passing of the special resolution as set out at Item No. 5 of this Notice, for the approval of the Members.

Save and except for the shares of the Company held by them, none of the Directors or Key Managerial Personnel of the Company or their relatives, are in any way, concerned or interested, financially or otherwise, in the said resolution.

#### Item No. 6

#### **Revision in the remuneration of Mr. Udit P. Sanghai, Whole-time Director & CFO of the Company.**

Mr. Udit P. Sanghai was re-appointed as a Whole-time Director and CFO of the Company for a period of 3 years



## ANNEXURE TO THE NOTICE

## POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

w.e.f January 1, 2017 on remuneration and other terms and conditions as approved by the members of the Company at the 32nd Annual General Meeting held on September 19, 2016.

Considering his contribution to the overall progress of the Company and also taking into account the prevailing managerial remuneration in the industry, the Board of Directors in its Meeting held on May 26, 2017, upon the recommendation of the Nomination and Remuneration Committee and subject to the approval of Members sought in the Annual General Meeting has approved the revision in the maximum limit of his monthly salary to Rs. 5,00,000/- per month from the existing maximum limit of Rs.1,00,000/- per month. Actual monthly salary shall however continue to be decided by the Board and/or any Committee thereof.

The proposed revision of salary is within the limits specified under Section 196, 197 and Schedule V of the Companies Act, 2013 and is in accordance with the Remuneration Policy of the Company. All other terms and conditions of appointment of Mr. Udit P. Sanghai

Place : Mumbai

Date : August 11, 2017

remain the same as approved by the members at the 32nd Annual General Meeting of the Company.

The Board, accordingly, recommends passing of the resolution as set out at Item No. 6 of this Notice, for the approval of the Members. The proposed revision in salary range is an enabling limit and in no way suggests that the salary of the Whole-time director will be revised immediately.

Except Mr. Udit P. Sanghai, no other Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution set out at Item No. 6.

Disclosure under applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are set out in the annexure to the Explanatory Statement. Other details as required under ICSI Secretarial Standard SS-2 are also included in the Corporate Governance Report of the Annual Report of the Company.

**By Order of the Board of Directors**  
**NAMRATA VANAMALA**  
**COMPANY SECRETARY**

### Details of Directors seeking Appointment/Re-appointment at the Annual General meeting. (Pursuant to the SEBI Listing Regulations and Secretarial Standard-2 on "General Meetings")

1.	Name of Director	Mr. Umesh Agarwal	Mr. Prabhas Sanghai
2.	Director Identification Number (DIN)	00231799	00302947
3.	Date of Birth	13.10.1953	14.11.1961
4.	Date of Appointment	27. 09.1993	29.04.2008
5.	Experience in specific areas	Expertise in Global Trade of Minerals & Carbon Products, Logistics and Marketing	33 years' experience in Textile & Chemical
6.	Qualifications	Graduation in Engineering	Chemical Engineer
7.	Directorship in Other Companies	<ul style="list-style-type: none"> <li>• Aajiwan Industries Limited</li> <li>• Arjay Apparel Industries Limited</li> <li>• Someshwara Industries &amp; Exports Limited</li> <li>• Bow Balaleshwar Minings Private Limited</li> <li>• Balaji Prints Limited</li> <li>• R. J. Knitwears Limited</li> <li>• RMG Polyvinyl India Limited</li> <li>• Sri Vishvanath Enterprises Limited</li> <li>• Gyaneshwar Infrastructure Private Limited</li> </ul>	<ul style="list-style-type: none"> <li>• Paramount Minerals and Chemicals Limited</li> <li>• Sanghai Holdings Private Limited</li> <li>• Santino Holdings Pivate Limited</li> <li>• Shree Janardana Mills Limited</li> <li>• Polo Queen Capital Limited</li> <li>• Polo Queen Pharma Trade Industry Limited</li> <li>• Polo Queen Solutions Limited</li> </ul>
8.	Memberships/Chairmanships of Audit and Stakeholders' Relationship committees across Public Companies	-	1
9.	Shareholding in the Company (No. of shares)	50	Nil



## DIRECTORS REPORT

## POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

To

The Members,

Your Directors have pleasure in presenting 33rd Annual Report and the Audited Statement of Accounts of your Company for the year ended March 31, 2017

### FINANCIAL RESULTS :

The salient features of the Company's working for the year under review are as under:

(₹ In lacs)

Particulars	Standalone		Consolidated
	Year Ended 31.03.2017	Year Ended 31.03.2016	Year Ended 31.03.2017
Sales and other Income	6148.79	8354.90	6161.20
Profit /(Loss) before Interest and Depreciation	352.27	225.99	362.57
Less Interest	162.07	126.56	162.07
Profit/(Loss) before Depreciation	190.20	99.43	200.50
Less/Add: Depreciation	16.00	15.08	16.00
Profit/(Loss) Before Taxation	174.20	84.35	184.50
Less: Provision for Taxation (net)	61.33	30.50	63.85
Less: Tax Adjustment relating to prior years	-	-	-
Add :Deferred Tax	(2.42)	(2.89)	(2.76)
Net Profit/ ( Loss ) after Tax	110.45	50.95	117.89

### Operations

During the year under review the Company has recorded receipts of Rs. 6148.79 Lacs as compared to Rs. 8354.90 Lacs in the previous year. There is decrease in the sales of the Company due to the impact of Demonetization and the Company's decision to focus on trading of selective products giving higher returns. The Net profit is Rs. 110.45 Lacs as compared to Profit of Rs. 50.95 Lacs in the previous year. Sales volumes and net realizations from sales were under pressure during the year under review. However with continued focus on cost controls the profit figures have shown improvement. The working of the Company is progressing smoothly and this should enable the Company to maintain profitable growth in the current economic scenario. The implementation of "GST" will create a common market for goods and services and result in improved tax compliance and governance, thereby creating a favorable background for industry growth.

The diversification and expansion of the Company's FMCG product portfolio will help to improve turnover and profitability and will give the Company scope to grow in this field. The Company has also ventured into rural promotion and is in the process of establishing a distribution network in various States on India and this will enable the Company to expand its Market Share in the rural economy,

The Company is also carrying out manufacturing and trading activities in chemicals and minerals and is hopeful of expanding its business in the coming year.

The Company has engaged professional consultants to identify and establish a Joint Venture Partner for its IT Park and data Centre business.

During the year under review the Company had surrendered the NBFC Certificate No. B-13.00738 to RBI, since the Company, being a multi divisional entity, was not able to meet the RBI guidelines relating to minimum 50% of the assets of the Company to be employed for NBFC business and more than 50 % of the income to be generated from NBFC business. The RBI vide its order dated November 15, 2016 which was passed in terms of Section 45-IA (6) of the Reserve Bank of India Act, 1934, has cancelled of Certificate of Registration No. B-13.00738 dated April 20, 1998. The Company's wholly owned subsidiary Polo Queen Capital Ltd. has subsequently applied for registration as an NBFC and this is awaited.

### Dividend

With a view to conserving the resources of your company, your Directors have decided not to recommend Dividend for the year.



## 33rd ANNUAL REPORT



## DIRECTORS REPORT

## POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

### Material Changes and Commitment Affecting Financial Position of the Company

There are no material changes and commitments affecting the financial position of the Company which has occurred between the end of the financial year of the Company i.e., March 31, 2017, and the date of the Directors' Report.

### Directorate

In accordance with the Act and the Articles of Association of your Company, Mr. Umesh Kumar Agarwal and Mr. Prabhas Sanghai retire by rotation and are eligible for re-appointment.

Brief profiles of the Director's liable to retire by rotation in accordance with Section 152 of the Companies Act, 2013 is annexed to the Notice.

Your approval for their appointments / re-appointments as Directors has been sought in the Notice convening the AGM of your Company

### Board Evaluation

The Board has carried out an annual performance evaluation of the Directors individually including Independent Directors, Board as a whole and of its various committees on parameters such as skills, knowledge, participation in meetings, contribution towards Corporate Governance practices, compliance with code of ethics etc.

Independent Directors has carried out performance evaluation of non-independent Directors, Chairman of the Board and Board as a whole with respect to knowledge to perform the role, time and level of participation, performance of duties and level of oversight and professional conduct and independence.

The Directors expressed their satisfaction with the evaluation process.

### Meetings

During the year Six Board Meetings were convened and held. The details thereof are given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### Key Managerial Personnel

Mr. Udit P. Sanghai and Mr. Umesh Agarwal were reappointed as the whole time directors of the Company w.e.f from January 1, 2017 and April 1, 2017 respectively.

Ms. Namrata Vanamala was appointed as Whole Time Company Secretary w.e.f. April 4, 2016.

### Declaration by Independent Directors

Necessary declarations have been obtained from all the Independent Directors under Section 149 (6) of the Companies Act, 2013 and regulations 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015..

### Subsidiary, Joint Venture or Associate Companies

The Company does not have any Joint Venture or Associate Company. The details of the performance of the subsidiary companies are as follows:

#### i. Polo Queen Capital Limited (PQCL)

PQCL is a wholly owned subsidiary of the Company. It got incorporated on March 15, 2016, for the purpose of carrying on business of Non-Banking Finance Company. The Company has applied for grant of Certificate of Registration which is under Process.

#### ii. Polo Queen Solutions Limited (PQSL)

PQSL is a wholly owned subsidiary of the The Company got incorporated on March 3, 2016. The Company plans to set up Data Centre at MIDC Dombivli. The Company is looking for Joint Venture with Foreign Investor.

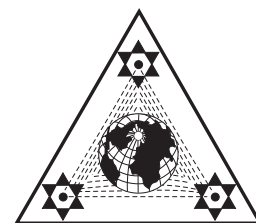
#### iii. Polo Queen Pharma Trade Industry Limited (PQPL)

PQPL is a wholly owned subsidiary of the Company. It got incorporated on March 3, 2016. PQPL plans to set up Pharma/Chemical set up at Mahad.

A statement containing salient features of the Financial Statements in Form AOC-1, as required under Section 129 (3) of the Companies Act, 2013, forms a part of this Annual Report. The audited Financial Statements of each subsidiary company shall be kept open for inspection at the Registered Office of the Company on every working day of the Company between 10 a.m. to 12 noon up to the date of the forthcoming 33rd Annual General Meeting.

Your Company has approved a policy for determining material subsidiaries and the same is uploaded on the Company's website which can be accessed using the link <http://poloqueen.com/policies-and-codes.php>. As per this Policy, your Company does not have any material subsidiary.





## DIRECTORS REPORT

## POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

### Related Party Transactions

All transactions entered into with related parties as defined under the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year were on an arm's length basis and were in the ordinary course of business.

There are no materially significant transactions with the related parties during the financial year which were in conflict with the interest of the Company and hence enclosing of form AOC 2 is not required. Suitable disclosure as required by the Accounting Standard (AS-18) has been made in the notes to the Financial Statements.

### Particulars of Loans, Guarantees or Investments

There were no Loans, Guarantees made by the Company pursuant to the provisions of Section 186 of the Companies Act, 2013, during the financial year.

The Company has acquired 2,50,000 Equity Shares of Rs. 10/- each amounting to Rs. 25,00,000/- of Polo Queen Capital Limited, wholly owned subsidiary of the Company through Rights Issue during the financial year.

### Business Risk Management

The Company manages and monitors principal risks and uncertainties that can impact ability of the Company to achieve its targets/ objectives. Timely reports are placed before the board for considering various risks involved in the Company business/ operations. The Board evaluates these reports and necessary / corrective actions are then implemented.

A brief report on risk evaluation and management is provided under Management's Discussion and Analysis Report forming part of this Annual Report.

### Internal Financial Controls

The Company has in place, adequate systems and procedures for implementation of internal financial control across the organization which enables the Company to ensure that these controls are operating effectively.

### Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo

The Company does not own any manufacturing facility and hence the particulars relating to conservation of energy and technology absorption as stipulated in the Companies (Accounts) Rules, 2014 are not applicable.

The Company has not earned any foreign exchange but has spent Rs.1,15,62,041/- in Foreign Exchange during the accounting year ended 2016-17.

### Corporate Social Responsibility (CSR)

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

### Directors' Responsibility Statement

The Directors would like to assure the Members that the financial statements for the year under review conform in their entirety to the requirements of the Companies Act, 2013. The Directors confirm that :

- a) the Annual Accounts have been prepared in conformity with the applicable Accounting Standards;
- b) the Accounting Policies selected and applied on a consistent basis, give a true and fair view of the affairs of the Company and of the profit for the financial year;
- c) sufficient care has been taken that adequate accounting records have been maintained for safeguarding the assets of the Company; and for prevention and detection of fraud and other irregularities;
- d) the Annual Accounts have been prepared on a going concern basis;
- e) the internal financial controls laid down in the Company were adequate and operating effectively;
- f) the systems devised to ensure compliance with the provisions of all applicable laws were adequate and operating effectively.

### Share Registrar & Transfer Agent

The Company's Registrar & Transfer Agents is Satellite Corporate Service Private Limited (SCSPL). SCSPL is a SEBI registered Registrar & Transfer Agent. The contact details of SCSPL are mentioned in the Report on Corporate Governance. Investors are requested to address their queries, if any to SCSPL; however, in case of difficulties, as always, they are welcome to contact the Company's Compliance Officer, the contact particulars of which are contained in the Report on Corporate Governance.

### Fixed Deposit

Your Company has not accepted any deposit from the public during the year within the meaning of Section 73 to 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.





## 33rd ANNUAL REPORT



## DIRECTORS REPORT

## POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

### Particulars of Employees

The prescribed particulars of employees required under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and amendments thereof is attached as Annexure I and forms a part of this Report of the Directors.

### Vigil Mechanism

The Company has a Vigil Mechanism and Whistle-Blower Policy to deal with instances of fraud and mismanagement, if any, and conducting business with integrity, including in accordance with all applicable laws and regulations.

### Auditors

M/s N. K. Jalan & Co., Chartered Accountants FRN No.104019W, the retiring Auditors have completed the maximum tenure as Statutory Auditors of the Company as provided under the Companies Act, 2013 and relevant Rules thereunder.

The Board of Directors on the recommendation of the Audit Committee has approved and recommended to the Members, the appointment of M/s. Gupta Raj & Co., Chartered Accountants FRN No.001687N, who have given a written consent to act as Statutory Auditors of your Company and have also confirmed that the said appointment would be in conformity with the provisions of Sections 139 and 141 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014.

The Members are requested to appoint M/s Gupta Raj & Co., Chartered Accountants as Statutory Auditors of the Company in place of the retiring Auditors M/s N. K. Jalan & Co., Chartered Accountants at the ensuing Annual General Meeting for a period of 5 years from the conclusion of the ensuing Annual General Meeting till the conclusion of the 38th Annual General Meeting and fix their remuneration.

### Auditors' Report

The Auditors' Report to the shareholders does not contain any reservation, qualification or adverse remark.

### Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mrs. Grishma

Khandwala, Practicing Company Secretary (C.P. No. 1500) to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for the financial year ended March 31, 2017 is annexed herewith as 'Annexure - II' to this Report. The Secretarial Audit Report does not contain any reservation, qualification or adverse remark.

### Extract of Annual Return

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

### General

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- During the year under review, there were no cases filed or reported pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### Acknowledgement

The Directors wish to take this opportunity to express their sincere thanks to the Company's Bankers for their valuable support and the Shareholders for their unflinching confidence in the Company.

### Corporate Governance:

A detailed report on Corporate Governance forms part of this Annual Report. The Auditors' Certificate on compliance with Corporate Governance requirements by the Company is attached to the Report on Corporate Governance.

For and on behalf of the Board of Directors

<b>N. L. SANGHAI</b>	DIRECTOR
<b>RAHUL KUMAR SANGHAI</b>	DIRECTOR
<b>PRABHAS SANGHAI</b>	DIRECTOR
<b>UMESH AGARWAL</b>	WHOLETIME DIRECTOR
<b>UDIT P. SANGHAI</b>	WHOLE-TIME DIRECTOR & CHIEF FINANCIAL OFFICER

Place : Mumbai  
Date : 11.08.2017



**ANNEXURE-I TO THE  
DIRECTOR'S REPORT**

**POLO QUEEN INDUSTRIAL AND FINTECH LIMITED**

**DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AND AMENDMENTS THEREOF**

**(i) Details of Remuneration of Employees as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and amendments thereof.**

The details of the remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary, percentage increase in their remuneration during the financial year 2016-17 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17 are as under –

SN	Name of Director/ KMP and Designation	Remuneration of Director/ KMP for financial year 2016-17	% increase in Remuneration in the financial year 2016-17	Ratio of remuneration of each Director/to median remuneration of employees
1	Mr. Udit P. Sanghai* (Whole-time Director and CFO)	7,00,000	16.67	2.24:1
2	Mr. Umesh Agarwal (Whole-Time Director)	8,40,000	3.70	2.69:1
3	Namrata Vanamala# (Company Secretary)	3,36,217	N.A.	1.08:1

**\* The remuneration of Mr. Udit P. Sanghai, Wholetime Director and Chief Financial Officer of the Company was increased from Rs. 50,000 per month to Rs. 1,00,000 per month with effect from February 1, 2017**

**# Ms. Namrata Vanamala was appointed as the Company Secretary w.e.f. April 4, 2016**

- (ii) The median remuneration of employees of the Company during the financial year 2016-17 was Rs. 3,12,331/-
- (iii) In the financial year 2016-17, there was a decrease of 0.41% in the median remuneration of employees.
- (iv) There were 24 permanent employees on the rolls of Company as on March 31, 2017.
- (v) There was an average percentage increase in the salaries of employees other than the managerial personnel in the financial year 2016-17 was 4.33% and there was an increase of 9.92% in the managerial remuneration for the same financial year.
- (vi) The key parameters for the variable component of remuneration availed by the Directors:  
There is no variable component of remuneration availed by the Directors.
- (vii) It is hereby affirmed that the remuneration paid during the year ended March 31, 2017 is as per the Remuneration Policy of the Company.



**ANNEXURE-I TO THE  
DIRECTOR'S REPORT**

**POLO QUEEN INDUSTRIAL AND FINTECH LIMITED**

**(ii) Details of Remuneration of Top 10 Employees as per Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and amendments thereof.**

SN	Employee Name	Designation	Educational Qualification	Age	Experience (In Years)	Date of Joining	Gross Remuneration P.A (Paid In Rs.)	Previous Employment
1.	Mr. Chandrasekhar B. Sawant	Vice President	Bsc. Honr CAIIB	65	45	04.05.2012	9,90,000	State Bank of India
2.	Mr. Ravi Ashok Jakhotia	General Manager	Master in Management Studies (Finance)	31	8	14.05.2009	9,87,339	-
3.	Mr. Umesh Agarwal	Whole Time Director	Graduation in Engineering	64	31	27.09.1993	8,40,000	-
4.	Mr. Anand Mittal	Senior Accountant	M.com	53	16	01.06.2010	7,17,181	Parasram Puria Forex Services Pvt. Ltd.
5.	Mr. Udit P. Sanghai	Whole Time Director & Chief Financial Officer	Post Graduation in Investment Management	26	4	01.01.2014	7,00,000	-
6.	Mr. Dinesh Jakhotia	Supply Chain	B Pharma, MBA	31	10	01.08.2010	6,27,460	Cipla Ltd.
7.	Mr. Vijay Tibrewal	Office Assistant	M.com	38	14	12.07.2010	3,84,538	Vijay Sales
8.	Ms. Namrata Vanamala	Company Secretary	B.Com, C.S., LLB	24	2.5	04.04.2016	3,36,217	Piramal Enterprises Limited
9.	Mr. Ramniwas Jakhotia	Factory Head	B.com	78	36	01.12.2008	2,60,196	Rajkamal
10.	Mr. Anav Jhunhunwala	Marketing Executive	Pursuing Graduation	21	2	01.06.2015	2,50,000	-

**SECRETARIAL  
AUDIT REPORT  
ANNEXURE-II TO THE  
DIRECTOR'S REPORT**



**33rd ANNUAL REPORT**



**POLO QUEEN INDUSTRIAL AND FINTECH LIMITED**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

For the Company's Financial Year from April 1, 2016 to March 31, 2017

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

To,  
The Members,

**Polo Queen Industrial and Fintech Limited**

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Polo Queen Industrial and Fintech Limited. (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct / statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period comprising the Company's financial year ended on March 31, 2017 generally 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Polo Queen Industrial and Fintech Limited for the Company's financial year ended on March 31, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and

Bye-laws framed thereunder;

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI ACT'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 – **Not Applicable to the Company during the Audit Period;**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – **Not Applicable to the Company during the Audit Period;**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – **Not Applicable to the Company during the Audit Period;**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 – **Not Applicable to the Company during the Audit Period;**

As per information provided by the management, there are no laws specifically applicable to the Company.

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

- I. Secretarial Standards issued by The Institute of Company Secretaries of India.

**SECRETARIAL  
AUDIT REPORT  
ANNEXURE-II TO THE  
DIRECTOR'S REPORT**



**33rd ANNUAL REPORT**



**POLO QUEEN INDUSTRIAL AND FINTECH LIMITED**

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

I further Report that during the year under review

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

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, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board meetings were taken unanimously.

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

I further report that during the audit period, the Company has undertaken events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. viz.

- I) Some of the promoters of the Company have made an Offer for Sale of 1,66,00,000 Equity shares of face value Rs.10/- each held by them on the special platform provided by BSE Limited on April 28, 2016 and April 29, 2016 at the floor price of Rs.21/- per share. On completion of the same the Promoters Shareholding in the Company has been diluted from 99.62% to 74.92% and the minimum Public Shareholding requirement has been achieved.

Place : Mumbai  
Date : August 11, 2017

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

To,  
The Members

**Polo Queen Industrial and Fintech Limited**

1. Maintenance of Secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of 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.

**GRISHMA KHANDWALA**  
**Company Secretary**  
ACS No. 6515  
C.P. No. 1500





33rd ANNUAL REPORT



**ANNEXURE-III TO THE  
DIRECTOR'S REPORT**

**POLO QUEEN INDUSTRIAL AND FINTECH LIMITED**

**FORM NO. MGT 9**

**EXTRACT OF ANNUAL RETURN**

**As on financial year ended on 31.03.2017**

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

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	L72200MH1984PLC094539
2.	Registration Date	19/07/1984
3.	Name of the Company	Polo Queen Industrial and Fintech Ltd.
4.	Category/Sub-category of the Company	Public Company
5.	Address of the Registered office & contact details	304, A to Z Industrial Estate, Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400013. Tel. No. 022 24935421 / 24817001 Fax 022 24935420 / 24817047
6.	Whether listed company	Yes Calcutta Stock Exchange Ltd. Metropolitan Stock Exchange of India Ltd.
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Satellite Corporate Services Pvt. Ltd. B-302, Sony Apartment, Opp. St. Jude's High School, Off Andheri Kurla Road, Jarimari, Sakinaka, Mumbai-400072. Tel. No. 022 28520461 / 62 Fax : 022 28511809

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY** (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

SN	Name and Description of main products / services	NIC Code of the product/service	% to total turnover of the company
1	Trading of Fabric	-	61.35
2	Trading of FMCG	-	20.12
3	Trading of Minerals and Chemicals	-	18.53

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

SN	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1.	Polo Queen Pharma Trade Industry Limited	U24296MH2016PLC273832	Subsidiary	100	2(87)(ii)
2	Polo Queen Solutions Ltd.	U72300MH2016PLC273835	Subsidiary	100	2(87)(ii)
3	Polo Queen Capital Ltd.	U65923MH2016PLC274404	Subsidiary	100	2(87)(ii)



**ANNEXURE-III TO THE  
DIRECTOR'S REPORT**

**POLO QUEEN INDUSTRIAL AND FINTECH LIMITED**

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**a. Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 1, 2016]				No. of Shares held at the end of the year [As on March 31, 2017]				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(9-5)
<b>A. Promoters</b>									
<b>(1) Indian</b>									
Individuals / H U F	66894500	0	66894500	99.62	50308102		50308102	74.92	-24.70
Central Government	0	0	0	0.00	0	0	0	0.00	0.00
State Governments(s)	0	0	0	0.00	0	0	0	0.00	0.00
Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
F I / Banks	0	0	0	0.00	0	0	0	0.00	0.00
Any other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-Total (A) (1)</b>	<b>66894500</b>	<b>0</b>	<b>66894500</b>	<b>99.62</b>	<b>50308102</b>	<b>0</b>	<b>50308102</b>	<b>74.92</b>	<b>-24.70</b>
<b>(2) Foreign</b>									
Non-Resident Individuals	0	0	0	0.00	0	0	0	0.00	0.00
Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-Total (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>66894500</b>	<b>0</b>	<b>66894500</b>	<b>99.62</b>	<b>50308102</b>	<b>0</b>	<b>50308102</b>	<b>74.92</b>	<b>-24.70</b>
<b>(B)Public Shareholding</b>									
<b>(1) Institutions</b>									
Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
F I / Banks	0	0	0	0.00	0	0	0	0.00	0.00
Central Government	0	0	0	0.00	0	0	0	0.00	0.00
State Governments(s)	0	0	0	0.00	0	0	0	0.00	0.00
Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Institutional Investors	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00



**ANNEXURE-III TO THE  
DIRECTOR'S REPORT**

**POLO QUEEN INDUSTRIAL AND FINTECH LIMITED**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(9-5)
Any Other (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-Total (B) (1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>(2) Non-Institutions</b>									
Bodies Corporate									
i) Indian	164200	0	164200	0.24	12468050	0	12468050	18.57	18.32
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
Individuals									
Individual Shareholders holding nominal Share Capital upto Rs.1 Lakh	14950	6900	21850	0.03	65836	6110	71946	0.11	0.07
Individual Shareholders holding nominal Share Capital in excess of Rs.1 Lakh	68900	0	68900	0.10	3749282	0	3749282	5.58	5.48
Any Other (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
Clearing Member	0	0	0	0.00	0	0	0	0.00	0.00
Overseas Corporate Bodies	0	0	0	0.00	0	0	0	0.00	0.00
NRI-Repatriable	0	0	0	0.00	0	0	0	0.00	0.00
NRI-Non Repatriable	0	0	0	0.00	0	0	0	0.00	0.00
HUF	50	500	550	0.00	552180	440	552620	0.82	0.82
Employees	0	0	0	0.00	0	0	0	0.00	0.00
Directors & their relatives	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (B) (2)</b>	<b>248100</b>	<b>7400</b>	<b>255500</b>	<b>0.38</b>	<b>16835348</b>	<b>6550</b>	<b>16841898</b>	<b>25.08</b>	<b>24.70</b>
<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>	<b>248100</b>	<b>7400</b>	<b>255500</b>	<b>0.38</b>	<b>16835348</b>	<b>6550</b>	<b>16841898</b>	<b>25.08</b>	<b>24.70</b>
<b>TOTAL (A)+(B)</b>	<b>67142600</b>	<b>7400</b>	<b>67150000</b>	<b>100.00</b>	<b>67143450</b>	<b>6550</b>	<b>67150000</b>	<b>100.00</b>	<b>0.00</b>
<b>(C) Shares held by Custodians Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>67142600</b>	<b>7400</b>	<b>67150000</b>	<b>100.00</b>	<b>67143450</b>	<b>6550</b>	<b>67150000</b>	<b>100.00</b>	<b>0.00</b>



**ANNEXURE-III TO THE  
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**POLO QUEEN INDUSTRIAL AND FINTECH LIMITED**

**B) Shareholding of Promoter-**

SN	Shareholder's Name	Shareholding at the beginning of the year (As on 01/04/2016)			Shareholding at the end of the year (As on 31/03/2017)			% 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	Vasudha Rahul Sanghai	7122350	10.61	0	5295500	7.89	0	-2.72
2	Devesh Sanghai	6397500	9.53	0	4930700	7.34	0	-2.19
3	Viraj Prabhas Sanghai	6379850	9.50	0	4915150	7.32	0	-2.18
4	Udit P. Sanghai	5827900	8.68	0	4190250	6.24	0	-2.44
5	Pritam Jiwanram Sanghai	5778100	8.60	0	4187800	6.24	0	-2.36
6	Manjuladevi Sanghai	5098950	7.59	0	4180575	6.22	0	-1.37
7	Prabhadevi Pawankumar Sanghai	5028500	7.49	0	3382725	5.04	0	-2.45
8	Rahul Kumar Nandlal Sanghai	4860100	7.24	0	3632025	5.41	0	-1.83
9	Ushadevi Sanghai	4367250	6.50	0	3275450	4.88	0	-1.62
10	Aneetha Prabhas Sanghai	3666800	5.46	0	2731177	4.07	0	-1.39
11	Nikhil Sanghai	3334400	4.97	0	2500800	3.72	0	-1.25
12	Nihar Sanghai	3334400	4.97	0	2500800	3.72	0	-1.25
13	Pawankumar Jiwanram Sanghai	1680350	2.50	0	1680350	2.50	0	0.00
14	Piyush Kumar Sanghai	1668400	2.48	0	1251600	1.86	0	-0.62
15	Deepti Sanghai	1666000	2.48	0	1249150	1.86	0	-0.62
16	Nandlal Sanghai	337600	0.50	0	337600	0.50	0	0.00
17	Prabhash Sanghai	270000	0.40	0	0	0.00	0	-0.40
18	Nandlal Rahul Kumar HUF	19600	0.03	0	19600	0.03	0	0.00
19	Pritam Sanghai (HUF)	18400	0.03	0	18400	0.03	0	0.00
20	Nandlal Sanghai (S) HUF	16850	0.03	0	16850	0.03	0	0.00
21	Pawan Kumar Piyush Kumar HUF	11600	0.02	0	11600	0.02	0	0.00
22	Prabhas Sanghai (HUF)	9600	0.01	0	0	0	0	-0.01
	<b>TOTAL</b>	<b>66894500</b>	<b>99.62</b>	<b>0.00</b>	<b>50308102</b>	<b>74.92</b>	<b>0.00</b>	<b>24.70</b>



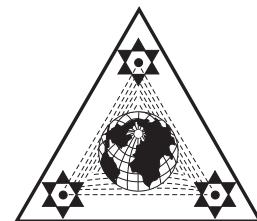
**ANNEXURE-III TO THE  
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**POLO QUEEN INDUSTRIAL AND FINTECH LIMITED**

**C) Change in Promoters' Shareholding**

SN	Shareholders Name	Shareholding at the beginning of the year 01-04-2016		Date	Increase/decrease in shareholding	Reason	Cumulative shareholding during the year 31-03-2017	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
1	Vasudha Rahul Sanghai	7122350	10.61	01.04.2016			7122350	10.61
				22.04.2016	-1830250	Sale of Shares through Offer for Sale	5292100	7.88
				06.05.2016	3400		5295500	7.89
				31.03.2017	0		5295500	7.89
2	Devesh Sanghai	6397500	9.53	01.04.2016			6397500	9.53
				22.04.2016	-1471600	Sale of Shares through Offer for Sale	4925900	7.34
				17.02.2017	4800		4930700	7.34
				31.03.2017	0	Inter se Transfer	4930700	7.34
3	Viraj Prabhas Sanghai	6379850	9.50	01.04.2016			6379850	9.50
				30.09.2016	-1464700	Inter se Transfer	4915150	7.32
				31.03.2017	0		4915150	7.32
4	Udit P. Sanghai	5827900	8.68	01.04.2016			5827900	8.68
				22.04.2016	-1637650	Sale of Shares through Offer for Sale	4190250	6.24
				31.03.2017	0		4190250	6.24
5	Pritam Jiwanram Sanghai	5778100	8.60	01.04.2016			5778100	8.60
				22.04.2016	-1590300	Sale of Shares through Offer for Sale	4187800	6.24
				31.03.2017	0		4187800	6.24
6	Manjuladevi Sanghai	5098950	7.59	01.04.2016			5098950	7.59
				22.04.2016	-921775	Sale of Shares through Offer for Sale	4177175	6.22
				06.05.2016	3400		4180575	6.23
				31.03.2017	0		4180575	6.23
7	Rahul Kumar Nandlal Sanghai	4860100	7.24	01.04.2016			4860100	7.24
				15.04.2016	-1228075	Sale of Shares through Offer for Sale	3632025	5.41
				31.03.2017	0		3632025	5.41
8	Prabhadevi Pawankumar Sanghai	5028500	7.49	01.04.2016			5028500	7.49
				22.04.2016	-2482775	Sale of Shares through Offer for Sale	2545725	3.79
				06.05.2016	3400		2549125	3.80
				19.08.2016	833600	Inter se Transfer	3382725	5.04
				31.03.2017	0		3382725	5.04
9	Ushadevi Sanghai	4367250	6.50	01.04.2016			4367250	6.50
				22.04.2016	-1091800	Sale of Shares through Offer for Sale	3275450	4.88
				31.03.2017	0		3275450	4.88





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**POLO QUEEN INDUSTRIAL AND FINTECH LIMITED**

**C) Change in Promoters' Shareholding**

SN	Shareholders Name	Shareholding at the beginning of the year 01-04-2016		Date	Increase/decrease in shareholding	Reason	Cumulative shareholding during the year 31-03-2017	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
10	Aneetha Prabhas Sanghai	3666800	5.46	01.04.2016			3666800	5.46
				22.04.2016	-2408525	Sale of Shares through Offer for Sale	1258275	1.87
				06.05.2016	3402		1261677	1.88
				30.09.2016	1464700	Inter se Transfer	2726377	4.06
				17.02.2017	4800	Inter se Transfer	2731177	4.07
				31.03.2017	0		2731177	4.07
11	Nihar Sanghai	3334400	4.97	01.04.2016			3334400	4.97
				22.04.2016	-833600	Sale of Shares through Offer for Sale	2500800	3.72
				31.03.2017	0		2500800	3.72
12	Nikhil Sanghai	3334400	4.97	01.04.2016			3334400	4.97
				19.08.2016	-833600	Inter se Transfer	2500800	3.72
				31.03.2017	0		2500800	3.72
13	Pawan Kumar Jiwanram Sanghai	1680350	2.50	01.04.2016			1680350	2.50
				31.03.2017	0		1680350	2.50
14	Piyush Kumar Sanghai	1668400	2.48	01.04.2016			1668400	2.48
				22.04.2016	-416800	Sale of Shares through Offer for Sale	1251600	1.86
				31.03.2017	-416800		1251600	1.86
15	Deepti Sanghai	1666000	2.48	01.04.2016			1666000	2.48
				22.04.2016	-416850	Sale of Shares through Offer for Sale	1249150	1.86
				31.03.2017	0		1249150	1.86
16	Nandlal Sanghai	337600	0.50	01.04.2016			337600	0.50
				31.03.2017	0		337600	0.50
17	Prabhas Sanghai	270000	0.40	01.04.2016		0.00	270000	0.40
				22.04.2016	-270000	Sale of Shares through Offer for Sale	0	0.00
				31.03.2017			0	0.00
18	Nandlal Rahulkumar HUF	19600	0.03	01.04.2016			19600	0.03
				31.03.2017	0		19600	0.03
19	Pritam Sanghai (HUF)	18400	0.03	01.04.2016			18400	0.03
				31.03.2017	0		18400	0.03
20	Nandlal Sanghai (S) HUF	16850	0.03	01.04.2016			16850	0.03
				31.03.2017	0		16850	0.03
21	Pawan Kumar Piyush Kumar HUF	11600	0.02	01.04.2016			11600	0.02
				31.03.2017	0		11600	0.02
22	Prabhas Sanghai HUF	9600	0.01	01.04.2016	0		9600	0.01
				17.02.2017	-9600	Inter se Transfer	0	0.00
				31.03.2017	0		0	0.00



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**POLO QUEEN INDUSTRIAL AND FINTECH LIMITED**

**D) Shareholding Pattern of top ten Shareholders :**

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	Name of Shareholders	Shareholding at the beginning of the year 01-04-2016		Date	Increase/decrease in shareholding	Reason	Shareholding at the end of the year 31-03-2017	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
1	New Way Constructions Limited	0	0.00	01.04.2016			0	0.00
				06.05.2016	4100000	Acquisition of Shares under Offer for Sale	4100000	33.34
				31.03.2017	0		4100000	33.34
2	Pan Emami Cosmed Limited	0	0.00	01.04.2016			0	0.00
				06.05.2016	4100000	Acquisition of Shares under Offer for Sale	4100000	33.34
				31.03.2017	0		4100000	33.34
3	Kanodia Capital and Management Services Private Limited	0	0.00	01.04.2016			0	0.00
				06.05.2016	2000000	Acquisition of Shares under Offer for Sale	2000000	16.26
				31.03.2017	0		2000000	16.26
4	Golden Shares Stocks Private Limited	0	0.00	01.04.2016			0	0.00
				06.05.2016	1350000	Acquisition of Shares under Offer for Sale	1350000	10.98
				31.03.2017	0		1350000	10.98
5	TMT Viniyogan Limited	0	0.00	01.04.2016			0	0.00
				29.04.2016	459900	Acquisition of Shares under Offer for Sale	459900	3.74
				06.05.2016	50100		510000	4.15
				31.03.2017	0		510000	4.15
6	Amar Nath Goenka	0	0.00	01.04.2016			0	0.00
				29.04.2016	450883	Acquisition of Shares under Offer for Sale	450883	3.67
				06.05.2016	47117		498000	4.05
				13.05.2016	2000		500000	4.07
				31.03.2017	0		500000	4.07
7	Amitabh Goenka	0	0.00	01.04.2016			0	0.00
				29.04.2016	450883	Acquisition of Shares under Offer for Sale	450883	3.67
				06.05.2016	47117		498000	4.05
				13.05.2016	2000		500000	4.07
				31.03.2017	0		500000	4.07
8	Indira Goenka	0	0.00	01.04.2016			0	0.00
				29.04.2016	450883	Acquisition of Shares under Offer for Sale	450883	3.67
				06.05.2016	47117		498000	4.05
				13.05.2016	2000		500000	4.07
				31.03.2017	0		500000	4.07
9	Umang Agarwal	0	0.00	01.04.2016			0	0.00
				06.05.2016	500000	Acquisition of Shares under Offer for Sale	500000	4.07
				31.03.2017	0		500000	4.07



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**POLO QUEEN INDUSTRIAL AND FINTECH LIMITED**

SN	Name of Shareholders	Shareholding at the beginning of the year 01-04-2016		Date	Increase/decrease in shareholding	Reason	Shareholding at the end of the year 31-03-2017	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
10	Amitabh Goenka	0	0.00	01.04.2016			0	0.00
				29.04.2016	450883	Acquisition of Shares under Offer for Sale	450883	3.67
				31.03.2017	0		450883	3.67
11	Amar Nath Goenka	0	0.00	01.04.2016			0	0.00
				29.04.2016	405794	Acquisition of Shares under Offer for Sale	405794	3.30
				31.03.2017	0		405794	3.30
12	Kekin Jayant Doshi	0	0.00	01.04.2016			0	0.00
				06.05.2016	250000	Acquisition of Shares under Offer for Sale	250000	2.03
				31.03.2017	0		250000	2.03
13	Sonia KekiDoshi	0	0.00	01.04.2016			0	0.00
				06.05.2016	250000	Acquisition of Shares under Offer for Sale	250000	2.03
				31.03.2017	0		250000	2.03
14	Pranav V. Makharia	0	0.00	01.04.2016			0	0.00
				06.05.2016	235000	Acquisition of Shares under Offer for Sale	235000	1.91
				31.03.2017	0		235000	1.91

**E) Shareholding of Directors and Key Managerial Personnel:**

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total Shares of the Company	No. of shares	% of total Shares of the Company
1.	Mr. Nandlal Sanghai	337600	0.50	337600	0.50
2.	Mr. Umesh Kumar Agarwal	50	0.00	50	0.00
3.	Mr. Prabhas Kumar Sanghai	270000	0.40	-	-
4.	Mr. Rahul Kumar Sanghai	4860100	7.24	3632025	5.41
5.	Mr. Udit Sanghai (KMP- CFO)	5827900	8.67	4190250	6.24
6.	Mr. Aftab Diamondwala	-	-	-	-
7.	Mr. AspiKatgara	-	-	-	-
8.	Mr. Natwarlal Gaur	-	-	-	-
9.	Ms. Shobita Kadan	-	-	-	-
10.	Ms. Namrata Vanamala*	-	-	-	-

\*Ms. Namrata Vanamala was appointed as Whole-time Company Secretary of the Company with w.e.f. April 4, 2016.



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**POLO QUEEN INDUSTRIAL AND FINTECH LIMITED**

**V) INDEBTEDNESS** - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(In Rupees)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	43672194	37463007	-	80535201
ii) Interest due but not paid	567735	335367	-	903102
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>43639929</b>	<b>37798374</b>	<b>-</b>	<b>81438303</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	286087228	306268414	-	592355642
* Reduction	293061866	272525539	-	565587405
<b>Net Change</b>	<b>6974638</b>	<b>33742875</b>	<b>-</b>	<b>26768237</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	36044592	71003427	-	107048019
ii) Interest due but not paid	620699	537822	-	1158521
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>36665291</b>	<b>71541279</b>	<b>-</b>	<b>108206540</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

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

(In Rupees)

SN	Particulars of Remuneration	Name of WTD	Total Amount
		<b>Umesh Agarwal</b>	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	8,40,000	8,40,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission		
	- as % of profit	0	0
	- others, specify...	0	0
5	Others, please specify	0	0
	<b>Total (A)</b>	<b>8,40,000</b>	<b>8,40,000</b>
	<b>Ceiling as per the Act</b>	<b>60,00,000</b>	<b>60,00,000</b>



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**POLO QUEEN INDUSTRIAL AND FINTECH LIMITED**

**B. Remuneration to other directors: Sitting Fees Paid**

(In Rupees)

SN	Particulars of Remuneration	Name of Directors				Total Amount
		Natwarlal Sanwarlal Gaur	Aftab Mohd. Yusuf Diamondwala	Aspi Nariman Katgara	Shobita Kadan	
1	Independent Directors					
	Fee for attending board committee meetings	70,000	22,500	70,000	37,500	2,00,000
	Commission	0	0	0	0	0
	Other (Travelling)	5,000	3,000	5,000	5,000	18,000
	<b>Total (1)</b>	<b>75,000</b>	<b>25,500</b>	<b>75,000</b>	<b>42,500</b>	<b>2,18,000</b>
2	Other Non-Executive Directors					
	Fee for attending board committee meetings	0	0	0	0	0
	Commission	0	0	0	0	0
	Others, please specify	0	0	0	0	0
	<b>Total (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total (B)=(1+2)</b>	<b>75,000</b>	<b>25,500</b>	<b>75,000</b>	<b>42,500</b>	<b>2,18,000</b>

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

(In Rupees)

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS#	CFO*	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	3,36,217	7,00,000	10,36,217
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission				
	- as % of profit	0	0	0	0
	others, specify...	0	0	0	0
5	Others, please specify	0	0	0	0
	<b>Total</b>	<b>0</b>	<b>3,36,217</b>	<b>7,00,000</b>	<b>10,36,217</b>

\* Mr. Udit P. Sanghai, Wholtime Director and Chief Financial Officer of the Company, salary was increased from Rs. 50,000 p.m. to Rs. 1,00,000 p.m. w.e.f. 01-02-2017.  
# Ms. Namrata Vanamala has been appointed as the Company Secretary w.e.f. 4th April, 2016.

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: N.A.**

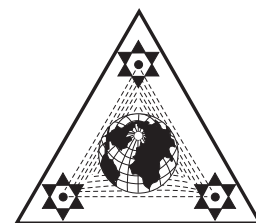
Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	-	-	NIL	-	-
Punishment	-	-	NIL	-	-
Compounding	-	-	NIL	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	NIL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



# MANAGEMENT DISCUSSION AND ANALYSIS



33rd ANNUAL REPORT



POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

## MANAGEMENT DISCUSSION AND ANALYSIS

### A) Industry Structure and Development

Over the last year, the Government has made several efforts to revive the Indian economy. Demonetisation has led to a significant push towards digital financial transactions, as well as improving the tax net. Steps have been taken to further digitise and streamline the economy, with initiatives such as Aadhar linked subsidy schemes, UPI and Startup India, which have improved transparency and reduced red tape.

Some of our macroeconomic indicators dropped, like a decline in the GDP growth to 7.1 per cent in the fiscal year 2017, from 7.6 per cent in the fiscal year 2016. Inflation is largely under control. The passage of the Goods & Services Tax (GST) bill is a significant achievement and its implementation will have a positive impact on the economy.

Growth rates were below historical averages and long-term potential, and the top line growth of your Company was also adversely affected. We are seeing signs of recovery in consumer demand in the FMCG industry. While the progress has been subdued, we expect demand to pick up pace in fiscal year 2018. We are hopeful that a timely and successful implementation of the transformative GST will spur stronger growth for the sector. The fundamentals of the industry remain strong and there is still significant growth potential, given the low penetration and consumption rates for many FMCG categories.

### B) Opportunities and Threats

Your Directors believe that there are tremendous long-term growth opportunities in emerging markets. The Consumption of FMCG goods is continuously growing due to changing lifestyle of consumers and the huge untapped market in Satellite cities. This increase in retail outlets will provide a big opportunity for the Company. We believe therefore that there are significant opportunities for growth.

On the domestic front, the fundamentals of the FMCG sector remain strong and there is still significant growth potential.

In terms of threats, the key threats are compliance and regulatory pressures including changes to tax law, seasonal fluctuations and volatility in import costs of

due to fluctuations in cost of raw materials, exchange difference fluctuations and devaluation of the Rupee. Intense Competition is also a threat to the growth and profitability of the Company.

### C) Risks and concerns

The risks that may affect the functioning of the Company include, but are not limited to :

- Economic conditions;
- Increasing cost of raw materials and logistics;
- Volatile forex fluctuations;
- Competitive market conditions;
- Compliance and regulatory pressures including changes to tax laws.

Your Company has a defined risk management strategy with senior management identifying potential risk, evolving mitigation responses and monitoring the occurrence of risk.

### D) Segment-wise Performance

The Company's main business is trading of FMCG and other products. There is a sustained growth in this Sector. The Minerals and chemicals segment is still under development and hence segment/ product wise performance is not provided.

### E) Outlook

The Directors expect to see a gradual recovery in the macroeconomic environment and for the Indian economy to consequently, gather pace in fiscal year 2018.

The Company's performance is expected to improve and the Directors' are expecting reasonable growth in the FMCG products in view of the expanded product mix. A clear demographic shift in favour of a younger population aspiring for a better lifestyle should continue to drive strong demand for all our Company's products for the foreseeable future.

### F) Internal Control Systems and their Adequacy

The Company has satisfactory internal control system, the adequacy of which has been mentioned in the Auditors' Report.

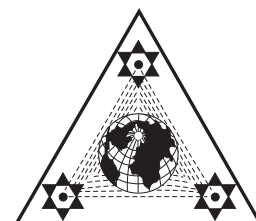
### G) Human Resources

There has been no material development on the Human Resource / Industrial relations front during the year.

# REPORT ON CORPORATE GOVERNANCE



33rd ANNUAL REPORT



POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

## REPORT ON CORPORATE GOVERNANCE

A report for the financial year ended March 31, 2017 on the compliance by the Company with the Corporate Governance requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations'), is furnished below.

### 1) Company's Philosophy on Code of Corporate Governance :

The Company believes that to be an effective business entity the Organisation has to recognise its responsibilities to the stakeholders and should be guided by the principles of just and efficient governance for mutual benefit. The Company's corporate philosophy imbibes the ideal of this principle and accordingly has endeavored to carry out all its operations in a transparent and fair manner.

The Company has adopted a Code of Conduct as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Directors have confirmed compliance with the code of conduct for the year ended March 31, 2017.

In compliance with Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all members of the Board of Directors and Senior Management Personnel have affirmed compliance with the code of conduct of Board of Directors and Senior Management.

The relevant standards of Corporate Governance have been fully complied with by the Company.

### 2) Board of Directors

#### Composition and size of the Board

The present strength of the Board is 9 out of which 7 are Non- executive Directors (more than 75% of the total Board strength) and among these 7 Non-Executive Directors, 4 are Independent Directors.

The size and composition of the Board confirms with the requirements of Corporate Governance under the Listing Regulations and applicable laws. The Independent Non-Executive Directors of the Company do not have any other material or pecuniary relationship or transactions with the Company, its promoters, or its management, which in the judgment of the Board may affect independence of judgment of the Directors. Non-Executive Directors are not paid any remuneration.

Mr. Nandlal Sanghai, Non-Executive Director and Mr. Prabhas Sanghai, Non-Executive Director are Brothers. Mr. Rahul Sanghai, Non-Executive Director is the son of Mr. Nandlal Sanghai, Non-Executive Director.

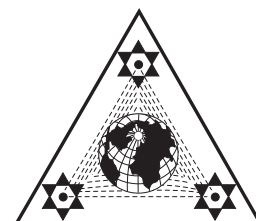
In the financial year 2016 – 2017, the Board met Six times. The Board meetings were held on (1) April 4, 2016, (2) May 27, 2016, (3) July 11, 2016, (4) August 8, 2016(5) November 4, 2016 (6) February 3, 2017.

The composition of Board of Directors and their attendance at the Board Meetings during the year and at the last Annual General Meeting as also number of other directorship, committee memberships and chairmanships held by them, are given below:

# REPORT ON CORPORATE GOVERNANCE



33rd ANNUAL REPORT



POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

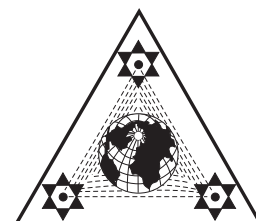
Name of the Directors	Status i.e. Executives, Non-Executives and Independent	No. of Shares held	Members of Boards of Other Companies	Total Number of Committee Membership held		Number of Board Meetings held during the year		Whether attended last Annual General Meeting
				As Chairman	As Member	Held	Attended	
Mr. N. L. Sanghai	Promoter NED	3,37,600	Sanghai Holdings Pvt. Ltd. Santino Holdings Pvt. Ltd. Aajiwan Industries Ltd. Maharashtra Textile Processors Association	Nil	Nil	6	6	Yes
Mr. Prabhas Sanghai	Promoter NED	0	Paramount Minerals & Chemicals Ltd. Sanghai Holdings Pvt. Ltd. Santino Holdings Pvt. Ltd. Shree Janardana Mills Ltd. Polo Queen Solutions Limited Polo Queen Capital Limited Polo Queen Pharma Trade Industry Limited	Nil	1	6	6	Yes
Mr. Umesh Agarwal	ED	50	Aajiwan Industries Ltd. Arjay Apparel Industries Ltd. Someshwara Industries & Exports Ltd. Bow Balaleshwar Minings Pvt. Ltd. Balaji Prints. Ltd. R. J. Knitwears Ltd. RMG Polyvinyl India Ltd. Sri Vishvanath Enterprises Ltd. Gyaneshwar Infrastructure Pvt. Ltd.	Nil	Nil	6	4	Yes
Mr. Rahul Kumar Sanghai	Promoter NED	36,32,025	Paramount Minerals & Chemicals Ltd. Bow Balaleshwar Minings Pvt. Ltd. Aajiwan Industries Ltd. Balaji Prints. Ltd. Polo Queen Solutions Limited Polo Queen Capital Limited Polo Queen Pharma Trade Industry Limited	1	Nil	6	5	Yes
Mr. Udit Sanghai	Promoter ED & CFO	41,902,500	Polo Queen Solutions Limited Polo Queen Capital Limited Polo Queen Pharma Trade Industry Limited	Nil	1	6	4	Yes
Mr. Aftab Diamondwala	Independent NED	Nil	Nil	Nil	Nil	6	3	No
Mr. Apsi Katgara	Independent NED	Nil	Nil	1	1	6	5	Yes
Mr. Natwarlal Gaur	Independent NED	Nil	Nil	1	1	6	5	Yes
Ms. Shobita Kadan	Women Independent Director	Nil	Nil	Nil	Nil	6	5	Yes

As provided under Regulation 25/26 of the SEBI Listing Regulations, none of the Independent Directors on Board acts as an Independent Director in more than seven listed entities, none of the Wholtime / Executive Directors on Board acts as Independent Director in more than three listed entities, none of the Directors are members in more than ten committees or acts as Chairman of more than five such committees.

# REPORT ON CORPORATE GOVERNANCE



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POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

## Meeting of Independent Directors

The Independent Directors met once during the Financial Year 2016-17, without the presence of Executive Directors or Management Representatives. The issues and concerns, if any, of the meeting were then discussed with the Non Executive Chairman.

## 3) Audit Committee

Terms of reference, Composition:

The present composition of the Audit Committee is as under:

Member	Position	No. of Meetings held	No. of Meetings Attended
Mr. Natwarlal Gaur	Chairman	5	5
Mr. Aspi Katgara	Member	5	5
Mr. Udit P. Sanghai	Member	5	3

The above composition duly meets the requirements as per Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee acts as a link between the management, external and internal Auditors and the Board of Directors.

The functions of the Audit Committee are as per Company Law and Listing Regulations. These include review of accounting and financial policies and procedure, review of financial reporting system, internal control procedures and risk management policies.

The Audit Committee met five times during the financial year 2016-17, on the following dates namely, May 27, 2016, July 11, 2016, August 8, 2016, November 4, 2016 and February 3, 2017 and the frequency was as prescribed under applicable regulatory requirements and the gap between two Committee Meetings was not more than one hundred and twenty days.

## 4) Nomination and Remuneration Committee

In compliance with the provisions of section 178 of the Companies Act, 2013, the Board of Directors of the Company have constituted the "Nomination and Remuneration Committee."

The Nomination and Remuneration Committee acts in accordance with the prescribed provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations. The terms of reference of the Nomination and Remuneration Committee as approved by the Board of Directors are briefly set out below:

- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommended to the Board for their appointment and removal;
- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;
- To formulate criteria for evaluation of Independent Directors and the Board and to carry out evaluation of every director's performance; and
- To devise a policy on Board diversity.

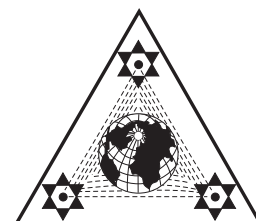
During the year under review the following Directors were the Members of the Nomination and Remuneration Committee.

Member	Position	No. of Meetings held	No. of Meetings Attended
Mr. Aspi Katgara	Chairman	2	2
Mr. Natwarlal Gaur	Member	2	2
Mr. Rahul Sanghai	Member	2	2

# REPORT ON CORPORATE GOVERNANCE



33rd ANNUAL REPORT



POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

The Company also has a Nomination and Remuneration Policy.

The Company has also devised a familiarization program for the Independent Directors to help them understand the Company, its management, roles and responsibilities in the Company, operations of the Company etc.

The Nomination and Remuneration Committee met twice during the financial year 2016-17 i.e. on November 4, 2016 and February 3, 2017.

The details of remuneration paid to Directors/ Executive Directors for the financial year ended March 31, 2017 are set out below:

The Independent Directors are paid only sitting fees for attending Board/Committee Meetings. The details of sitting fees paid to Independent Directors during the year under review are as under:

<b>Non Executive Directors</b> (In Rupees)	
<b>Name</b>	<b>Sitting Fees Paid</b>
Mr. Aftab Diamondwala	25,500
Mr. Aspi Katgara	75000
Mr. Natwarlal Gaur	75000
Ms. Shobita Kadan	42,500
<b>Total</b>	<b>2,18,000</b>

<b>Executive Directors</b> (In Rupees)	
<b>Name</b>	<b>Salary</b>
Mr. Umesh Agarwal	8,40,000
Mr. Udit P. Sanghai	7,00,000
<b>Total</b>	<b>15,40,000</b>

The Company has not issued any stock options.

## 5) Stakeholders Relationship Committee

The Board of Directors of the Company at their meeting held on May 27, 2016 has constituted Stakeholder's Relationship Committee pursuant to Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Committee shall consider and resolve the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of annual report etc.

During the year under review the following Directors were the Members of the Stakeholders Relationship Committee.

<b>Member</b>	<b>Position</b>	<b>No. of Meetings held</b>	<b>No. of Meetings Attended</b>
Mr. Rahul Kumar Sanghai	Chairman	3	3
Mr. Prabhas Sanghai	Member	3	3

The Stakeholders Relationship Committee met three times during the financial year 2016-17, on the following dates namely, July 11, 2016, November 4, 2016 and February 3, 2017.

Ms. Namrata Vanamala, Company Secretary is the Compliance Officer.

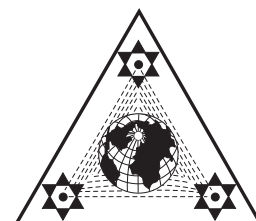
During the financial year there were no complaints received from the shareholders.



# REPORT ON CORPORATE GOVERNANCE



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POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

## 6) General Body Meeting

Date of AGM	Financial Year	Venue/Location	Time of Meeting
30-9-2014	2013- 2014	Garware Club House, 5th Floor, PPH Wankhede Stadium 'D' Road, Churchgate, Mumbai	4.30 p.m.
28-9-2015	2014- 2015	The National Sports Club of India, Prince Hall, Lala Lajpatrai Marg, Worli, Mumbai - 400018.	4.00 p.m.
19-9-2016	2015- 2016	The National Sports Club of India, Prince Hall, Lala Lajpatrai Marg, Worli, Mumbai - 400018.	4.00 p.m.

## SPECIAL RESOLUTION PASSED :

### 1 In 2013 - 2014 AGM:

- Special Resolution pursuant to provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 for appointment/re-appointment of Mr. Udit P. Sanghai and Mr. Umesh Agarwal as Whole Time Directors for a tenure of 3 years commencing from January 1, 2014 and April 1, 2014 respectively.
- Special Resolution pursuant to provisions of Sections 186 of the Companies Act, 2013 for making loans/advances/deposits/investments in shares, debentures and /or other securities and to give, on behalf of the Company, any guarantee and/or provide any security in connection with any loan or loans made by any other person to, or to any other persons by, any other persons/Companies/ Body Corporate which shall be subject to an aggregate limit of Rs. Twenty Five Crores and which may be individual/aggregate in excess of the limits prescribed i.e. over and above 60% of the Company's share capital, security premium account and free reserves or 100% of the Company's free reserves and security premium amount, whichever is more.
- Special Resolution pursuant to provisions of Section 188 to give consent to the Board of Directors to enter into contracts or arrangements with related parties was passed at the AGM held on September 30, 2014.

### 2. In 2014 - 2015 AGM :

- Special Resolution pursuant to provisions of Section 180(1)(a) to give consent to the Board of Directors to mortgage and / or charge and / or otherwise dispose of the immovable and moveable properties, both present and future or whole or substantially the whole of the undertaking or the undertakings of the Company.
- Special Resolution pursuant to the provisions of Section 180(1)(c) and all other applicable provisions of the Companies Act, 2013 for Borrowings.

### 3. At the Extra Ordinary General Meeting held on March 30, 2016

- Increase the Authorised Share Capital of the Company from Rs. 67.15 Crores to Rs. 90 Crores and incorporating the same in Clause V of the Memorandum of Association and Clause 4 of the Articles of Association.

### 4. In 2015- 2016 AGM :

- Special Resolution pursuant to provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 for appointment/re-appointment of Mr. Udit P. Sanghai and Mr. Umesh Agarwal as Whole Time Directors for a tenure of 3 years commencing from January 1, 2017 and April 1, 2017 respectively.

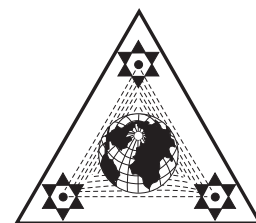
### 5. Through Postal Ballot held in the month of July, 2016

- The Company had sought the approval of shareholders by Postal ballot including voting by electronic means to pass Special Resolutions for the following matters:
  1. Approval for the transfer of Leasehold Property pursuant to Section 180(1)(a) to Polo Queen Solutions Limited, the wholly owned subsidiary of the Company.
  2. Approval for the transfer of Leasehold Property pursuant to Section 180(1)(a) to Polo Queen Pharma Trade Industry Limited, the wholly owned subsidiary of the Company.

# REPORT ON CORPORATE GOVERNANCE



33rd ANNUAL REPORT



POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Special Resolutions for the above transactions were passed by the members of the Company through Postal Ballot and the result was declared on August 24, 2016.

The voting has commenced on July 25, 2016 and ended on August 23, 2016. The results of the Postal Ballot along with the Scrutinizer's Report was declared on August 24, 2016. Special Resolution for the above transactions has been passed by the members of the Company through Postal Ballot (Including e-voting).

## 7) Disclosures

### 1. Related Party Transactions

There are related party transactions i.e. transactions of the Company with its Promoters, Directors or Management, their associates companies or relatives, not conflicting with Company's interest, the details of which have been shown in Note 27 of Financial Statements, Notes forming part of the Accounts for the year ended March 31, 2017.

The Company has not entered into any transaction of material nature with the promoters, directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large. The register of contracts containing transactions, in which directors are interested, is placed before the board regularly.

### 2. Code of Conduct

The Board of Directors of the Company has laid down two separate Codes of Conduct – one for Directors and other for Senior Management and Employees.

All Board Members and Senior Management personnel have affirmed compliance with the Code of conduct for the year review. A Declaration signed by Director to this effect is annexed to this report.

### 3. CEO/CFO Certification

As required under Regulation 17(8), of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the CFO has given a certificate to the Board in the prescribed format for the year ended March 31, 2017.

### 4. Risk Management

The Audit Committee and the Board periodically discuss the significant business risks identified by the Management and review the measures taken for their mitigation.

### 5. Statutory Compliance, Penalties and strictures

The Company has complied with all the requirements of regulatory authorities on matters relating to capital markets and no penalties/ strictures have been imposed on the Company by the Stock Exchange or SEBI.

### 6. Whistle Blower Policy

The Company encourages and opens door policy where employees have access to the Head of the Business/Function. In terms of Polo Queen Industrial and Fintech Limited's Code of Conduct, any instance of non-adherence to the code of any other observed/ unethical behavior is to be brought to the attention of the immediate reporting authority, who is required to report the same to Head of Corporate Human Resource.

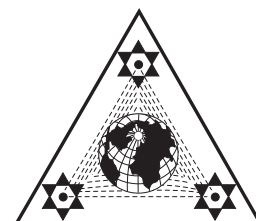
## 8) Means of Communication

The Company publishes its Unaudited quarterly, half yearly and yearly financial results in leading national newspapers; namely "The Free Press Journal – English Edition" and "Navshakti – Marathi Edition". The Company also sends the financial results to the Stock Exchanges immediately after its approval by the Board. The Company displays the financial results on its website. The company has not sent the half yearly report to the Shareholders. No presentations were made to the institutional investors or analysts during the year under review.

# REPORT ON CORPORATE GOVERNANCE



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POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

## 9) General Shareholder Information

a. AGM Day, Date, Time	Thursday, September 28, 2017 at 4.00 p.m.
Venue	Fantasy, 1st Floor, Sunville Banquets, 9 Dr. Annie Besant Road, Opposite Atria Mall, Worli, Mumbai - 400 018
b. Financial Calendar	The Board of Directors of the Company approves the unaudited results for each quarter within such number of days as may prescribed under the Listing Regulations from time to time
c. Book Closure Period	September 25, 2017 to September 28, 2017 (both days inclusive)
d. Dividend Payment Date	Not Applicable

### Listing on Stock Exchanges

Sr. No.	Name of the Stock Exchange	Code No./Script Name
1.	The Calcutta Stock Exchange Ltd.	029267
2.	The Metropolitan Stock Exchange of India Ltd.	PQIF

The Annual listing fees of Calcutta Stock Exchange Ltd. and The Metropolitan Stock Exchange of India Limited have been paid by the Company for the year 2017 – 2018.

### Offer for Sale

In Compliance with Regulation 38 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Minimum Public Shareholding, some of the promoters had made an Offer for Sale of 1,66,00,000 Equity Shares of face value Rs. 10/- each held by them on the special platform provided by BSE Limited on April 28, 2016 and April 29, 2016 at the floor price of Rs. 21/- per share. On completion of the same the Promoters Shareholding in the Company has been diluted from 99.62% to 74.92% and the minimum Public Shareholding requirement has been achieved.

### Market Price Data

The monthly wise High Low Share Price of the Company's Equity Shares during financial year 2016-17 at the Metropolitan Stock Exchange of India Limited is as follows :

Month	High	Low
April 2016	24.50	23.00
May 2016	30.25	25.00
June 2016	30.70	30.10
July 2016	30.25	30.00
August 2016	30.10	29.90
September 2016	30.10	29.90

The Company's shares were last traded on September 16, 2016 at Rs. 30/- per share.

### Dematerialisation of Shares

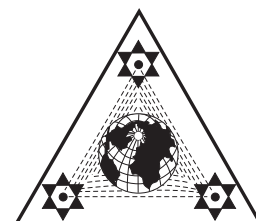
The Equity Shares of the Company are traded compulsorily in Demat. The Demat facility is available to all Shareholders of the Company, who request for such facility.

**ISIN No. of the Company's Equity Shares in Demat Form : INE689M01017**

# REPORT ON CORPORATE GOVERNANCE



33rd ANNUAL REPORT



POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

**Depository Connectivity :** NSDL and CDSL

**Registrar and Transfer Agent (RTA) :**

**Satellite Corporate Services Pvt. Ltd.**

B-302, Sony Apartment, Opp. St Judes High School, Off Andheri Kurla Road, Jarimari, Sakinaka, Mumbai-400072.

Tel No. 022 – 28520461 / 022-28520462.

Fax no. 022-28511809

Email : service@satellitecorporate.com

**Share Transfer System :**

The Company has continued the appointment of Registrar and Transfer Agents for accepting, transferring and delivering the transferred Share Certificates. All the transfers received in order, are processed within a period of 15 days from the date of receipt.

**Shareholding Pattern of the Company as on March 31, 2017.**

SN	Holders	No. of Shares Held	% of paid up Capital
A	Promoters Holding	50308102	74.92
B.	Mutual Funds and UTI, Banks and Financial Institutions	0	0.00
C.	Bodies Corporate	12468050	18.57
D	Indian Public	4373848	6.51
E	NRI's / OCB's	0	0.00
	<b>Total</b>	<b>67150000</b>	<b>100.00</b>

**Broad Shareholding Distribution**

Range of Shares	Number of Share Holders	Percentage of Share Holders	No. of Share	Percentage (%)
1 to 5000	366	82.62	11116	0.02
5001 to 10000	14	3.16	13377	0.02
10001 to 20000	2	0.45	4000	0.01
20001 to 30000	4	0.90	10600	0.02
30001 to 40000	0	0.00	NIL	0.00
40001 to 50000	4	0.90	20000	0.03
50001 to 100000	2	0.45	16000	0.02
100001 & Above	51	11.52	67074907	99.89
<b>TOTAL</b>	<b>443</b>	<b>100 %</b>	<b>67150000</b>	<b>100%</b>

# REPORT ON CORPORATE GOVERNANCE



33rd ANNUAL REPORT



POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

## Dematerialization of Shares and Liquidity :

99.99 % of Company's Equity Shares have been dematerialized as on March 31, 2017.

## Investor's Correspondence :

All inquiries, clarifications and correspondence should be addressed to the Compliance Officer at the following address :

Company Secretary and Compliance Officer : **Ms. Namrata Vanamala**

303-5, A to Z Industrial Estate, Ganpatrao Kadam Marg,  
Lower Parel, Mumbai - 400 013.

Tel No. : 022-24935421, 24817001

Fax No. : 022-24935420, 24817047

Email: namrata.vanamala@poloqueen.com

## 10. COMPLIANCE OF NON-MANDATORY REQUIREMENTS

### 1) Chairman of the Board

The Company does not have a Chairman. At every Board Meeting, a Director is elected as Chairman to preside over the meeting. Hence, there is no separate office in the Company for the post of Chairman.

### 2) Shareholders Rights

Half yearly results including summary of the significant events are not being sent to Shareholders of the Company.

### 3) Postal Ballot

No resolutions are being proposed to be passed by Postal Ballot

### 4) Audit Qualification.

There is no Audit Qualification by the Statutory Auditors.

For and on behalf of the Board of Directors

**N. L. SANGHAI**

DIRECTOR

(DIN - 00181592)

**RAHUL KUMAR SANGHAI**

DIRECTOR

(DIN - 00181745)

**PRABHAS SANGHAI**

DIRECTOR

(DIN - 00302947)

**UMESH AGARWAL**

WHOLE-TIME DIRECTOR

(DIN - 00231799)

**UDIT P. SANGHAI**

WHOLE-TIME DIRECTOR &  
CHIEF FINANCIAL OFFICER

(DIN - 06725206)

Place : Mumbai

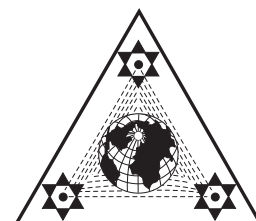
Date : August 11, 2017



# REPORT ON CORPORATE GOVERNANCE



33rd ANNUAL REPORT



POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

## CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members of  
**Polo Queen Industrial and Fintech Limited**

I have examined the compliance of conditions of Corporate Governance by Polo Queen Industrial and Fintech Limited, for the year ended March 31, 2017, as per Regulations 17 to 27, Clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

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

In my opinion and to the best of my information and according to the explanations given to me and the representations made by the Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement/ Listing Regulations, as applicable.

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

**GRISHMA KHANDWALA**

Company Secretary

ACS No. 6515

C.P. No. 1500

Place : Mumbai  
Date : August 11, 2017

## Declaration on Code of Conduct

The Declaration for Code of Conduct in compliance with Regulation 26 and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given below.

To,  
The Members of  
**Polo Queen Industrial and Fintech Limited**

I Mr. N. L. Sanghai, Director of the Company, hereby confirm that all Board Members and Senior Management of the Company have affirmed compliance with the Code of Conduct and Ethics for Directors and Senior Management of the Company respect of the financial year 2016-17.

For **Polo Queen Industrial And Fintech Limited**

**N. L. SANGHAI**

DIRECTOR

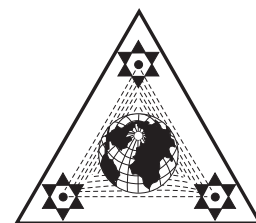
(DIN - 00181592)

Place : Mumbai  
Date : August 11, 2017

# INDEPENDENT AUDITOR'S REPORT



33rd ANNUAL REPORT



POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

## Report on the Financial Statements

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

## Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated 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 maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditors' Responsibility

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

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

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

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017 and its profit 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, ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 & 4 of the Order, to the extent applicable.

# INDEPENDENT AUDITOR'S REPORT



33rd ANNUAL REPORT



**POLO QUEEN INDUSTRIAL AND FINTECH LIMITED**

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss and the 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 the written representations received from the directors as on March 31, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the

Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2".

- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. The Company has provided proper disclosures in its financial statements in respect of holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016 and these are in accordance with the books of accounts maintained by the company.

**For N.K. JALAN & CO.  
CHARTERED ACCOUNTANTS  
FIRM NO. 104019W**

PLACE: MUMBAI  
DATED: 26.05.2017

**(N.K. JALAN) PROPRIETOR  
Membership No. 011878**

# ANNEXURE 1 TO THE INDEPENDENT AUDITORS' REPORT



33rd ANNUAL REPORT



POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

- (i) In respect of its fixed assets:
  - (a) The company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets. However no separate fixed asset register is maintained.
  - (b) The fixed assets are physically verified by the management according to a phased program designed to cover all the items over a period, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the program, a portion of the fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such physical verification. However no written report is available.
  - (c) The title deeds of immovable properties recorded in the books of account of the Company are held in the name of the Company.
- (ii) The inventory has been physically verified by management during the year. In our opinion, the frequency of verification is reasonable. As informed, no material discrepancies were noticed on physical verification carried out during the year.
- (iii) As per the information and explanation given to us, there is old outstanding in respect of loan given to one party covered in the register maintained under Section 189 of the Act. The party has given part of their block of assets as security against the loan. Interest payment is settled upto 31.03.2003. Subsequent interest is in dispute and no provision is made in the books of account.
  - (a) In our opinion and according to the information and explanations given to us, the terms and conditions of the aforesaid loans granted by the Company are not prejudicial to the interest of the Company.
  - (b) In respect of loans granted during the year, the

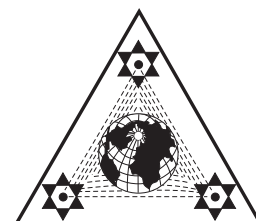
schedule of repayment of principal and payment of interest in respect of such loans has not been stipulated thus we are unable to comment whether the repayments or receipts are regular and report amounts overdue for more than ninety days, if any, as required under paragraph 3(iii)(c) of the Order. In respect of old outstanding, the party has not repaid the principal amount as stipulated and also has not been regular in payment of interest to the company as aforesaid.

- (c) In respect of the aforesaid loans, the total amount overdue for more than ninety days is ₹50,00,000 /-. According to the information and explanations given to us, reasonable steps have been taken by the company for the recovery of the principal amounts and interest, where applicable.
- (iv) As per the information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186 of the Act.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under. Therefore, the provisions of clause (v) of paragraph 3 of the Order are not applicable to the Company.
- (vi) As per the information and explanations given to us, in respect of the class of industry in which the Company falls, the maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013. Therefore, the provisions of clause (vi) of paragraph 3 of the Order are not applicable to the Company.
- (vii) In respect of statutory dues:
  - (a) The company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise,

# ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT



33rd ANNUAL REPORT



POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

value added tax, cess and any other statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of above dues were in arrears, as at March 31, 2017 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute.

(viii) According to the information and explanation given to us, the company has not defaulted in repayment of dues to bank / financial institutions. The Company has not taken loan from government or has no dues to debenture holders.

(ix) The Company had offered shares held by the promoter to retail and non retail investor through Offer for Sale on Bombay Stock Exchange. According to the information and explanation given to us, the money raised by way of term loans have been applied by the Company for the purposes for which those are raised.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.

(xi) As per the information and explanations given to us, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.

(xiii) As per the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, the provisions of clause (xiv) of paragraph 3 of the Order are not applicable to the Company.

(xv) The Company has not entered into any non-cash transactions with directors or persons connected with him. Therefore, the provisions of clause (xv) of paragraph 3 of the Order are not applicable to the Company.

(xvi) As per the information and explanation given to us, the Company has received order from RBI dated 23.11.2016 for cancellation of Certificate of Registration under Section 45-IA(6) of the RBI Act, 1934.

**For N.K. JALAN & CO.  
CHARTERED ACCOUNTANTS  
FIRM NO. 104019W**

PLACE: MUMBAI  
DATED: 26.05.2017

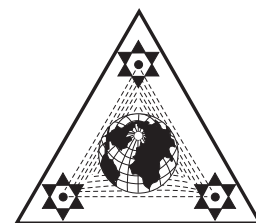
**(N.K. JALAN) PROPRIETOR  
Membership No. 011878**



## ANNEXURE 2 TO THE INDEPENDENT AUDITORS' REPORT



33rd ANNUAL REPORT



POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

### **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 POLO QUEEN INDUSTRIAL AND FINTECH LTD ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

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

## ANNEXURE 2 TO THE INDEPENDENT AUDITORS' REPORT



33rd ANNUAL REPORT



POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

### **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 March 31, 2017, 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 ICAI.

**For N.K. JALAN & CO.  
CHARTERED ACCOUNTANTS  
FIRM NO. 104019W**

PLACE: MUMBAI  
DATED: 26.05.2017

**(N.K. JALAN) PROPRIETOR  
Membership No. 011878**



## BALANCE SHEET

As at March 31, 2017

### POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Particulars	Note No.	As at March 31, 2017 ₹	As at March 31, 2016 ₹
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	2	671,500,000	671,500,000
(b) Reserves and surplus	3	1,129,362,193	1,118,303,164
<b>2 Non-current liabilities</b>			
(a) Long Term borrowings	4	71,878,713	38,968,159
(b) Deferred Tax Liabilities(Net)		-	-
(c) Other Long Term Liabilities		-	-
<b>3 Current liabilities</b>			
(a) Short Term Borrowing	5	36,006,007	42,470,144
(b) Trade payables	6	109,776,096	44,948,092
(c) Other current liabilities	7	16,897,223	7,196,614
(d) Short-term provisions	8	6,133,434	4,546,064
<b>TOTAL</b>		<b>2,041,553,665</b>	<b>1,927,932,236</b>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
i) Tangible assets	9	1,795,362,391	1,796,358,534
(ii) Intangible assets		649,743	554,942
(iii) Capital Wok in Progress		34,862,964	5,617,100
(b) Non-current investments	10	23,500,000	100,281
(c) Long term Loans & advances	11	5,264,053	5,627,367
(d) Deffered tax assets	12	903,976	1,145,984
<b>2 Current assets</b>			
(a) Inventories	13	21,212,963	22,318,676
(b) Trade receivables	14	146,780,833	84,406,673
(c) Cash and cash equivalents	15	3,780,383	3,031,166
(d) Short-term loans and advances	16	9,236,359	8,771,515
(e) Other Current Assets		-	-
Notes To Balance Sheet and Statement Of Profit and Loss	1 to 30		
<b>TOTAL</b>		<b>2,041,553,665</b>	<b>1,927,932,236</b>

As per our report Of Even Date

**For N. K. JALAN & CO.**

Chartered Accountants

Firm Reg No : 104019 W

**CA N K JALAN**

PROPRIETOR

Mem. No. 011878

Place : Mumbai

Date : 26.05.2017

For **POLO QUEEN INDUSTRIAL AND FINTECH LIMITED**

**N. L. SANGHAI**  
DIRECTOR  
(DIN - 00181592)

**PRABHAS SANGHAI**  
DIRECTOR  
(DIN - 00302947)

**RAHUL KUMAR SANGHAI**  
DIRECTOR  
(DIN - 00181745)

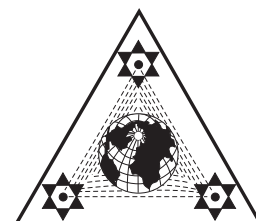
**UDIT P. SANGHAI**  
DIRECTOR & CFO  
(DIN - 06725206)

**NAMRATA VANAMALA**  
COMPANY SECRETARY  
(MEM NO - A40814)

From the house of



33rd ANNUAL REPORT



# STATEMENT OF PROFIT AND LOSS

For the Year Ended March 31, 2017

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Particulars	Note No.	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
<b>A CONTINUING OPERATIONS</b>			
<b>1 Revenue from operations (gross)</b>	17	614,055,746	835,275,844
Less: Excise duty		579,215	631,154
Revenue from operations (net)		613,476,531	834,644,690
<b>2 Other income</b>	18	1,403,260	846,021
<b>3 Total Revenue (1+2)</b>		<b>614,879,791</b>	<b>835,490,711</b>
<b>4 Expenses</b>			
(a) Purchases of stock-in-trade	19	523,954,211	748,709,628
(b) Cost of Material Consumed	21	1,733,779	1,986,599
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	20	1,555,723	9,761,430
(d) Employee benefits expense	22	11,959,890	12,293,341
(e) Financial Expenses	23	16,207,316	12,656,440
(f) Depreciation and amortisation expense	9	1,599,601	1,508,105
(g) Other expenses	24	40,449,023	40,140,082
<b>Total expenses</b>		<b>597,459,543</b>	<b>827,055,625</b>
<b>5 Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)</b>		17,420,248	8,435,086
<b>6 Exceptional items</b>		-	-
<b>7 Profit / (Loss) before extraordinary items and tax (5 - 6)</b>		17,420,248	8,435,086
<b>8 Extraordinary items</b>	25	-	-
<b>9 Profit Before Tax (7 - 8)</b>		17,420,248	8,435,086
<b>10 Tax expense:</b>			
(a) Current tax expense		6,133,434	3,050,000
(b) Deferred tax liability / (asset)		242,007	289,727
<b>11 Profit / (Loss) from continuing operations</b>		<b>11,044,807</b>	<b>5,095,359</b>
<b>12 Profit / (Loss) from discontinuing operations (after tax)</b>		-	-
<b>13 Profit / (Loss) for the year (11 + 12)</b>		<b>11,044,807</b>	<b>5,095,359</b>
Notes To Balance Sheet and Statement Of Profit and Loss	1 to 30		

Particulars	Note No.	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
<b>14 Earnings per share (of ₹ 10/- each):</b>	26		
(a) Basic			
(i) Continuing operations		0.16	0.08
(ii) Total operations		0.16	0.08
(b) Diluted			
(i) Continuing operations		0.16	0.08
(ii) Total operations		0.16	0.08

As per our report of Even Date

For **N. K. JALAN & CO.**

Chartered Accountants

Firm Reg No : 104019 W

**CA N K JALAN**

PROPRIETOR

Mem. No. 011878

Place : Mumbai

Date : 26.05.2017

For **POLO QUEEN INDUSTRIAL AND FINTECH LIMITED**

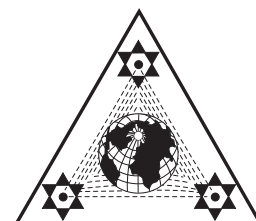
**N. L. SANGHAI**  
DIRECTOR  
(DIN - 00181592)

**PRABHAS SANGHAI**  
DIRECTOR  
(DIN - 00302947)

**RAHUL KUMAR SANGHAI**  
DIRECTOR  
(DIN - 00181745)

**UDIT P. SANGHAI**  
DIRECTOR & CFO  
(DIN - 06725206)

**NAMRATA VANAMALA**  
COMPANY SECRETARY  
(MEM NO - A40814)



## CASH FLOW STATEMENT

For the Year Ended March 31, 2017

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Particulars	Note No.	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		17,420,248	8,435,086
Adjustments to reconcile profit before tax to cash provided by operating activities			
Depreciation and amortisation expense		1,599,601	1,508,105
Loss on sale of Fixed Assets		-	15,205
Dividend Received		(15,000)	(15,000)
Interest Paid		16,207,316	12,656,440
Merger Expenses		-	-
Effect of Foreign exchange fluctuation		-	-
<b>Operating profit before Working Capital Changes</b>		35,212,165	22,599,836
Changes in assets and liabilities			
(Increase) / Decrease in Inventory		1,105,713	9,099,028
(Increase) / Decrease in Trade receivables		(62,374,160)	(20,985,857)
(Increase) / Decrease in Short term Loans and advances		495,994	498,341
(Increase) / Decrease in Long term Loans and advances		363,314	(445,000)
Increase / (Decrease) in Trade payables		64,828,004	19,465,948
Increase / (Decrease) in Other Provisions		-	-
Increase / (Decrease) in Other Current liability		9,700,609	2,657,849
<b>Cash Generated From Operations</b>		49,331,639	32,890,146
Income taxes paid		5,492,681	3,128,562
<b>NET CASH GENERATED BY OPERATING ACTIVITIES</b>		43,838,958	29,761,584
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payment towards Capital expenditure		(29,944,123)	(19,387,280)
Purchase of Non current investments		(23,399,719)	(30)
Dividend Received		15,000	15,000
<b>NET CASH FLOW FROM /(USED IN) INVESTING ACTIVITIES</b>		(53,328,842)	(19,372,310)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Interest paid		(16,207,316)	(12,656,440)
(Decrease)/Increase in Long term borrowings		32,910,554	(550,743)
Increase in Short term borrowings		(6,464,137)	3,653,726
Dividend tax paid		-	-
<b>NET CASH USED IN FINANCING ACTIVITIES</b>		10,239,101	(9,553,458)
Effect of exchange differences on translation of foreign currency cash and cash equivalents			
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		749,218	835,816
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>		3,031,166	2,195,350
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		3,780,383	3,031,166

As per our report of Even Date

For **POLO QUEEN INDUSTRIAL AND FINTECH LIMITED**

**For N. K. JALAN & CO.**

Chartered Accountants

Firm Reg No : 104019 W

**CA N K JALAN**

PROPRIETOR

Mem. No. 011878

Place : Mumbai

Date : 26.05.2017

**N. L. SANGHAI**  
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(DIN - 00181592)

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**UDIT P. SANGHAI**  
DIRECTOR & CFO  
(DIN - 06725206)

**NAMRATA VANAMALA**  
COMPANY SECRETARY  
(MEM NO - A40814)





## NOTES TO ACCOUNTS

For the Year Ended March 31, 2017

### POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

#### Accompanying notes to the financial statements for the year ended March 31, 2017

Company Overview: Polo Queen Industrial and Fintech Limited alongwith its divisions viz Doan Rajkamal, Polo Queen Solutions, Polo Queen Minchems and Polo Queen Pharma is a company which has its activities spread over many business like production and marketing of FMCG products in the domestic market with supplies to defense sector, development of I.T. Park as well trading in chemicals and minerals.

#### 1. SIGNIFICANT ACCOUNTING POLICIES

##### (i) Basis of Preparation of financial statements:

The financial statements have been prepared in accordance with Indian 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 notified under section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Companies Act, 2013 and guide lines 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 accounting standard requires a change in the accounting policy hitherto in use or different accounting policy is required by statute.

##### (ii) Use Of Estimates:-

The presentation of financial statements in conformity with the generally accepted accounting principal requires estimates and assumptions to be made. That affects the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known/materialized.

##### (iii) Fixed Assets:-

Fixed Assets are stated at cost less accumulated depreciation. Cost is inclusive of freight, duties (net of tax credits as applicable) levies and any directly

attributable cost of bringing the assets to their working condition for their Intended use.

##### (iv) Depreciation & Amortisation:-

Depreciation on fixed assets is provided on Written Down Value Method (WDV) on pro-rata basis as per the useful life prescribed in the Schedule II of the Companies Act, 2013.

##### (v) Investments:-

Long term investments are stated at cost. Provision for diminution in value of Long term investment is made only if such decline is other than temporary in the opinion of management. Investments other than long term investments being current investments are valued at cost or fair value whichever is lower.

##### (vi) Inventories:-

Stocks of Raw Materials and Work in Progress are valued at Cost including direct expenses, if any & Finished goods are valued at lesser of Cost and Net Realisable Value.

##### (vii) Provision:-

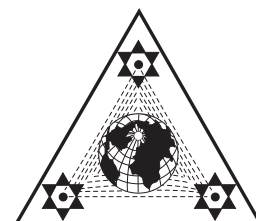
A provision is recognized when an enterprise has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provision are determined based on management estimate require to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

##### (viii) Treatment Of Contingent Liabilities:-

Contingent liabilities are disclosed by way of notes. Provision is made in the accounts for those liabilities which are likely to materialize after the year end till the finalization of accounts and having effect on the position stated in the balance sheet as at the year end.

##### (ix) Foreign Exchange Transaction:-

Transactions entered into and concluded during the year in foreign currency are recorded at the actual



## NOTES TO ACCOUNTS

For the Year Ended March 31, 2017

### POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

exchange rates prevailing at the time of conclusion of transactions. In respect of transaction covered by forward exchange contracts, the difference between the forward rate and the exchange rate on the date of transaction is recognized as income or expenses over the life of the contracts. Outstanding assets and liabilities at the year end are converted into Indian rupees as per FEDAI rate of exchange prevalent on the said date. Exchange rate Difference arising out of subsequent settlements is dealt in the Profit & Loss Accounts.

#### (x) Taxation:-

Provision for taxation has been made in accordance with the rates of Income Tax Act, 1961 prevailing for the relevant assessment year.

#### (xi) Deferred Taxation:-

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantially enacted at the balance sheet date. Deferred tax Assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future. Deferred Tax Assets are reviewed as at each Balance Sheet date.

#### (xii) Revenue Recognition:-

Sales are recognized, net of returns and trade

discounts, on dispatch of goods to Customers and are reflected in the accounts at gross realizable value i.e. Inclusive of excise duty & Forwarding Charges.

Interest income is recognized on time proportion basis.

Dividend income is recognized on receipt basis.

#### (xiii) Excise Duty:-

Excise Duties wherever recovered are included in sales and shown separately in financial statements. Excise duty provision made in respect of finished goods lying at factory premises is shown separately as an item of manufacturing and other expenses and included in the valuation of finished goods.

#### (xiv) Employee Retirement Benefits:-

Company's contributions to provident fund and subscription to Employees group gratuity scheme of life Insurance Corporation of India is charged to Profit and Loss Account and further, leave salary and bonus are charged to profit and loss account on cash basis.

#### (xv) Impairment of Assets:-

The Company assess whether there is any indication that any assets may be impaired at the balance sheet date. If any indication exists, the company estimates the recoverable amount and an impairment loss is recognized in the accounts, to the extent the carrying amount exceeds the recoverable amount.

## 2. Share capital

Particulars	As at March 31, 2017		As at March 31, 2016	
	Number of Shares	₹	Number of Shares	₹
a) Authorised Equity shares of ₹ 10 each	90,000,000	900,000,000	90,000,000	900,000,000
(b) Issued Equity shares of ₹ 10 each	67,150,000	671,500,000	67,150,000	671,500,000
(c) Subscribed and fully paid up Equity shares of ₹ 10 each	67,150,000	671,500,000	67,150,000	671,500,000
<b>Total</b>	<b>67,150,000</b>	<b>671,500,000</b>	<b>67,150,000</b>	<b>671,500,000</b>



## NOTES TO ACCOUNTS

For the Year Ended March 31, 2017

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Reconciliation Statement	As at March 31, 2017	As at March 31, 2016
No. of the share at beginning of the year	67,150,000	67,150,000
Add: Share issued during the year	-	-
No. of the share at the End of the year	<b>67,150,000</b>	<b>67,150,000</b>

Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at March 31, 2017		As at March 31, 2016	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
<b>Equity shares Holding</b>				
MANJULADEVI SANGHAI	4,180,575	6.23%	5,098,950	7.59%
NEW WAY CONSTRUCTION LTD	4,100,000	6.11%	-	0.00%
DEVESH SANGHAI	4,930,700	7.34%	6,397,500	9.53%
PAN EMAMI COSMED LIMITED	4,100,000	6.11%	-	0.00%
RAHUL KUMAR SANGHAI	3,632,025	5.41%	4,860,100	7.24%
VASUDHA SANGHAI	5,295,500	7.89%	7,122,350	10.61%
PRABHA DEVI SANGHAI	3,382,725	5.04%	5,028,500	7.49%
VIRAJ KUMR SANGHAI	4,915,150	7.32%	6,379,850	9.50%
PRITAM KUMAR SANGHAI	4,187,800	6.24%	5,778,100	8.60%
UDIT KUMAR SANGHAI	4,190,250	6.24%	5,827,900	8.68%

- The company has only one class of shares referred to as equity shares having a par value of ₹ 10/- each. Each holder of equity shares is entitled to one vote per share.
- The company offered 16,600,000 shares held by Promoters to retail and non retail investors through Offer for Sale on Bombay Stock Exchange.

### 3. Reserves and surplus

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
<b>(a) Capital Reserve</b>		
Opening Balance	853,387,419	853,387,419
Less: Treatment relating to Fixed Assets	-	-
Closing balance	853,387,419	853,387,419
<b>(b) General Reserve account</b>		
Opening balance	21,539,841	21,539,841
Add : Transfer from Profit & Loss A/c	-	-
Closing balance	21,539,841	21,539,841
<b>(c) Revaluation Reserves</b>		
Opening balance	234,286,524	-
Add : Addition during the year (Refer Note (iii) under Schedule 9)	-	234,286,524
	234,286,524	234,286,524
<b>(d) Surplus / (Deficit) in Statement of Profit and Loss</b>		
Opening balance	9,089,380	4,098,021
Add: Profit / (Loss) for the year	11,044,807	5,095,359
Add/(Less): Tax adjustments relating to prior years	14,222	(104,000)
Closing balance	20,148,409	9,089,380
<b>Total</b>	<b>1,129,362,193</b>	<b>1,118,303,164</b>



## NOTES TO ACCOUNTS

For the Year Ended March 31, 2017

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

### 4. Long Term Borrowing

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
<b>Secured :</b>		
Term Loans		
From Banks	142,200	370,999
From Others	195,264	798,786
<b>Unsecured Loans:</b>		
From Directors	71,541,249	37,798,374
From Others	-	-
<b>Deposits</b>		
<b>Total</b>	<b>71,878,713</b>	<b>38,968,159</b>

(i) The terms loans are secured against the car purchased.

### 5. Short Term Borrowing

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
<b>Secured Loan</b>		
From Banks	35,454,307	41,401,359
From Others	551,700	1,068,784
<b>Total</b>	<b>36,006,007</b>	<b>42,470,144</b>

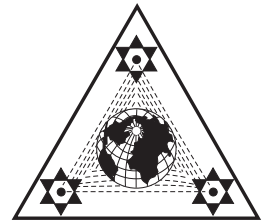
(i) Secured Loan From bank is raised against security of the assets which are as follows.

- Term Loan - Secured against 1st Charge on the Property Secured at MIDC Mahad , Personal guarantee of the directors and Corporate guarantee of the company.
  - Cash Credit - Secured against Hypothecation of Stock & Debtors upto 90 days.
  - Overdraft Against Govt supply bills: Hypothecations of receivables including supply bills receivables.
  - Letter of Credit: Documets under Letter of Credit and Goods under L/C.
  - Collateral Security: 1st charge on Block Assets of the company immovable and movable present and future also.
  - Negative Lien on the Property situated at MIDC Dombivli
- (ii) Secured loan from banks includes term loan amounting to ₹ 5,52,035/- which is secured against the car purchased.
- (iii) Secured loan from others is secured against the car purchased.

### 6. Trade Payables

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Trade payables	109,776,096	44,948,092
<b>Total</b>	<b>109,776,096</b>	<b>44,948,092</b>

Balance of Creditors are subject to confirmation and/or Reconciliation/consequential adjustments if any.



## NOTES TO ACCOUNTS

For the Year Ended March 31, 2017

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

### 7. Other current liabilities

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Trade Advances from customers	272,432	671,678
Salary Payable	665,357	871,783
Other Payables	14,003,773	4,913,966
Current Maturities of Long-term debt	321,820	-
Duties & Taxes	1,633,841	739,187
<b>Total</b>	<b>16,897,223</b>	<b>7,196,614</b>

There is no contingent liability as on March 31, 2017.

Current Maturities of Long Term Debt contains Loan from Volkswagen Finance Ltd which is due in next year.

### 8. Short-term provisions

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
(a) Provision - Tax:		
(i) Provision for tax (A.Y. 14-15)	-	136,017
(ii) Provision for tax (A.Y. 15-16)	-	1,360,047
(iii) Provision for tax (A.Y. 16-17)	-	3,050,000
(iv) Provision for tax (A.Y. 17-18)	6,133,434	-
<b>Total</b>	<b>6,133,434</b>	<b>4,546,064</b>



## NOTES TO ACCOUNTS

For the Year Ended March 31, 2017

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

### 9. Fixed assets

A.	Tangible assets	Gross Block			Accumulated Depreciation and Impairment				Net Block		
		Balance as at April 1, 2016	Additions	Disposals	Other Adjustments	Balance as at March 31, 2017	Balance as at April 1, 2016	Depreciation/ amortisation expense for the year	Eliminated on disposal of assets	Balance as at March 31, 2017	Balance as at April 1, 2016
		₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
	(a) (i) MIDC Leasehold land	268,857,000	-	-	-	268,857,000	-	-	-	268,857,000	268,857,000
	(ii) IT Park - Leasehold Land / Land & Building	1,522,666,695	-	-	-	1,522,666,695	-	-	-	1,522,666,695	1,522,666,695
	- Effluent Treatment Plant	186,338	-	-	-	186,338	177,021	-	-	177,021	9,317
	- Electrical Installation	57,604	-	-	-	57,604	54,724	-	-	54,724	2,880
	- Office Equipment	14,450	-	-	-	14,450	13,728	-	-	13,728	722
	(b) Plant and Equipment Owned	1,254,969	-	-	-	1,254,969	943,326	62,128	-	1,005,454	311,643
	(c) Vehicles Owned	5,741,968	-	-	-	5,741,968	1,793,193	1,221,311	-	3,014,504	3,948,775
	(d) Office equipment Owned	169,989	319,849	-	-	489,838	145,518	43,849	-	189,367	24,471
	(e) Furniture & Fixtures Owned	3,327,381	125,660	-	-	3,453,041	2,982,843	71,589	-	3,054,432	344,538
	(f) Computers Owned	159,010	87,290	-	-	246,300	123,626	58,262	-	181,888	35,384
	(g) Air Conditioner Owned	176,350	-	-	-	176,350	59,069	52,859	-	111,928	117,281
	(h) Printer Owned	13,380	-	-	-	13,380	8,231	2,953	-	11,184	5,149
	(i) Xerox Machine Owned	123,257	-	-	-	123,257	88,578	15,991	-	104,569	34,679
	<b>Total</b>	<b>1,802,748,391</b>	<b>532,799</b>	<b>-</b>	<b>-</b>	<b>1,803,281,190</b>	<b>6,389,857</b>	<b>1,528,942</b>	<b>-</b>	<b>7,918,799</b>	<b>1,796,358,534</b>

B.	In Tangible assets	Gross Block			Accumulated Depreciation and Impairment				Net Block		
		Balance as at April 1, 2016	Additions	Disposals	Other Adjustments	Balance as at March 31, 2017	Balance as at April 1, 2016	Depreciation/ amortisation expense for the year	Eliminated on disposal of assets	Balance as at March 31, 2017	Balance as at April 1, 2016
		₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
	(a) Trade Mark Owned	655,000	13,000	-	-	668,000	460,841	26,644	-	487,485	194,159
	(b) Computer Software	411,743	152,460	-	-	564,203	50,960	44,015	-	94,975	360,783
	Total	1,066,743	165,460	-	-	1,232,203	511,801	70,659	-	582,460	554,942
	<b>Previous year (A+B)</b>	<b>1,557,596,031</b>	<b>248,066,926</b>	<b>1,847,823</b>	<b>-</b>	<b>1,803,815,134</b>	<b>7,215,948</b>	<b>1,508,105</b>	<b>1,822,395</b>	<b>6,901,658</b>	<b>1,550,380,083</b>

### C. Capital Work in Progress

Particulars	As at March 31, 2017	As at March 31, 2016
	₹	₹
Mahad Land & Building	27,216,114	801,500
IT Park Land & Building	7,646,850	481,560
<b>Total</b>	<b>34,862,964</b>	<b>5,617,100</b>

Note : i) The Valuation of Fixed Assets has been taken, valued and certified by the director of the company.





## NOTES TO ACCOUNTS

For the Year Ended March 31, 2017

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

### 10. Non-current investments

Particulars	As at March 31, 2017			As at March 31, 2016		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
	₹	₹	₹	₹	₹	₹
Investment in equity instruments (give details separately for fully / partly paid up instruments)						
(i) of subsidiaries	-	-	-	-	-	-
Polo Queen Capital Limited	-	22,500,000	22,500,000	-	10	10
Polo Queen Pharma Trade Industry Limited	-	500,000	500,000	-	10	10
Polo Queen Solutions Limited	-	500,000	500,000	-	10	10
(ii) of associates	-	-	-	-	-	-
(iii) of joint venture companies	-	-	-	-	-	-
(iv) of controlled special purpose entities	-	-	-	-	-	-
(v) of other entities	-	-	-	-	-	-
(P.Y. 10,025) equity shares of The Zoroastrian Co-op Bank Ltd of ₹ 10 each, fully paid )	-	-	-	-	100,251	100,251
<b>Total</b>	-	<b>23,500,000</b>	<b>23,500,000</b>	-	<b>100,281</b>	<b>100,281</b>

### 11. Long term Loans & advances

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
(a) Loans & advances to related parties		
(i) Secured, Considered good	5,000,000	5,445,000
(b) Security Deposit	264,053	182,367
<b>Total</b>	<b>5,264,053</b>	<b>5,627,367</b>

- (i) Loans and Advances to related parties includes advance given to M/s Shree Janardana Mills Ltd. The borrower had given part of their block of assets as security to the company. Interest payment settled upto 31/03/2003. Subsequent interest is in dispute and no provision is made in the books of account.

### 12. Deferred Tax Liabilities / Assets (net)

In accordance with the Accounting Standard 22 on "Accounting for Taxes on Income" issued by The Institute of Chartered Accountants of India, Deferred tax assets and liabilities should be recognized for all timing differences in accordance with the said standard.

The tax effect of temporary timing differences during the year that have resulted in deferred tax assets / liabilities are given below.

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
(A) (a) WDV As Per Companies Act (excluding land)	4,488,439	5,389,781
(b) WDV As Per Income Tax Act	6,008,372	6,419,652
Difference	1,519,933	1,029,871
Deferred Tax Assets @ 30.9%	469,659	318,230
Deferred Tax Asset on Merger (Sec 35DD) expenses	434,317	827,754
Total Deferred Tax Asset	903,976	1,145,984
less: Opening Deferred Tax Liability	-	-
less: Opening Deferred Tax Assets	1,145,984	1,435,709
Net Deferred Tax Assets	903,976	1,145,984
Recognized in P & L	(242,007)	(289,727)



## NOTES TO ACCOUNTS

For the Year Ended March 31, 2017

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### 13. Inventories

(At lower of cost and net realisable value)

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Finished Goods:		
(a) Trading Goods	19,289,542	20,845,266
Raw Material :		
(b) Manufacturing & Repacking Goods	1,923,420	1,473,410
<b>Total</b>	<b>21,212,963</b>	<b>22,318,676</b>

(a) The closing stock has been taken and certified by the director of the company.

(b) The closing stock is valued on FIFO basis as follows:-

- (i) FMCG at purchase cost
- (ii) Mineral & Chemicals (including direct cost)

### 14. Trade receivables

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
<u>Debts outstanding for a period exceeding six months</u>		
Unsecured, considered good	12,016,325	113,255
<u>Other Trade receivables</u>		
Unsecured, considered good	134,764,508	84,293,418
Less: Provision for doubtful trade receivables	-	-
<b>Total</b>	<b>146,780,833</b>	<b>84,406,673</b>

Balance of Debtors are subject to confirmation and/or Reconciliation/consequential adjustments if any.

### 15. Cash and cash equivalents

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
(a) Cash on hand	598,447	9,459
(b) Cheques, drafts on hand	-	-
(c) Balances with banks		
(i) In current accounts	667,792	898,193
(ii) In fixed deposit	2,514,144	2,123,514
<b>Total</b>	<b>3,780,383</b>	<b>3,031,166</b>

### 16. Short-term loans and advances

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
(A) Advance recoverable in cash or in kind or for value to be received	966,032	1,392,681
(B) Payment of tax	5,647,862	4,746,369
(C) Excise Duty and Sales tax recoverable	2,472,465	2,472,465
(D) Other Loan and Advances	150,000	160,000
(E) Advances for Capital Assets	-	-
Less: Provision for other doubtful loans and advances	-	-
<b>Total</b>	<b>9,236,359</b>	<b>8,771,515</b>



## NOTES TO ACCOUNTS

For the Year Ended March 31, 2017

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- (i) Balance of Loans and Advances are subject to confirmation and/or Reconciliation/consequential adjustments if any.
- (ii) In case of the Transferor company - Modvat credits on materials purchased for Manufacturing / Processing activities were taken into account at the time of purchases. The Modvat credit so taken were utilised for payment of excise duty on good manufactured / processed. The unutilised modvat credit of ₹ 24,72,465/- is carried forward. According to the information given to us the application is moved on 24/11/2008 to recover the unutilised modvat sum from Department of Central Excise.

### 17. Revenue from operations

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Sale of products	616,062,861	836,706,335
Less:		
Sales Return	337,180	340,659
Discount & Claims	1,669,935	1,089,832
Excise duty	579,215	631,154
<b>Total</b>	<b>613,476,531</b>	<b>834,644,690</b>

### 18. Other income

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Compensation Received	240,000	240,000
SAD Claim	508,994	388,465
Dividend Received	15,000	15,000
Miscellaneous Income	448,582	31,328
Interest income	190,684	171,228
<b>Total</b>	<b>1,403,260</b>	<b>846,021</b>

### 19. Purchase of traded goods

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Traded goods	523,954,211	748,709,628
<b>Total</b>	<b>523,954,211</b>	<b>748,709,628</b>

Out of total purchases, goods worth ₹ 1,15,62,041/- (P.Y. ₹ 1,56,07,715/-) are purchased in foreign currency.

### 20. Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Inventories at the end of the year:		
Stock-in-trade	19,289,542	20,845,266
	19,289,542	20,845,266
Inventories at the beginning of the year:		
Stock-in-trade	20,845,266	30,606,696
	20,845,266	30,606,696
<b>Net (increase) / decrease</b>	<b>1,555,723</b>	<b>9,761,430</b>

### 21. Cost of Material Consumed

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Raw Material Consumed	1,653,404	1,476,709
Packing Material Consumed	43,110	144,044
Packing Expenses	37,265	365,846
<b>Total</b>	<b>1,733,779</b>	<b>1,986,599</b>



## NOTES TO ACCOUNTS

For the Year Ended March 31, 2017

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Entire purchase of Raw material is in Foreign Currency.

### 22. Employee benefits expense

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Salaries & Benefits	10,419,890	10,883,341
Director's Remuneration	1,540,000	1,410,000
<b>Total</b>	<b>11,959,890</b>	<b>12,293,341</b>

### 23. Financial Expenses

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Interest Paid	14,937,209	11,332,725
Bank Charges on Supply Bill	1,054,757	1,129,654
Interest Paid on Car Loan	215,351	194,061
<b>Total</b>	<b>16,207,316</b>	<b>12,656,440</b>

### 24. Other expenses

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
Advertisement & Publicity	716,027	206,507
Designing & Development Charges	29,958	119,648
Bank Charges	541,337	496,766
Books, Periodicals & Membership	792,010	574,475
Commission paid	7,131,835	6,453,105
Custom Duty	1,293,783	2,523,945
Director Sitting Fees	200,000	205,000
Electricity Charges	530,223	529,386
Freight & Forwarding Charges	12,442,102	13,451,067
Godown Expenses	270,783	291,745
Insurance Charges	357,687	235,830
Internet Expenses	123,190	9,592
Legal & Professional Expenses	3,559,451	2,968,317
Loss on sale of Fixed Asset	-	15,205
Misc. Expenses	1,571,062	1,584,066
Motor Vehicle Expenses	683,592	921,890
Payment to Auditors	268,525	206,100
Postage, Telephone & Telegrams	407,932	385,579
Printing and Stationery	340,305	266,074
Rent, Rates & Taxes	2,430,496	2,507,749
Repairs & Maintenance	2,504,673	1,152,186
Sales Promotion	141,268	419,281
Service Tax on Transportation	441,341	440,720
Stamp Duty Paid on Increase in Authorised Capital	-	2,170,750
Travelling & Conveyance	3,671,442	2,005,099
<b>Total</b>	<b>40,449,023</b>	<b>40,140,082</b>



## NOTES TO ACCOUNTS

For the Year Ended March 31, 2017

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

### Notes: (i)

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):As auditors-Statutory audit	74,750	74,425
As auditors - Tax audit	17,250	17,175
For Internal Audit	46,000	
As auditors - Vat audit	46,000	45,800
For other matters	84,525	68,700
<b>Total</b>	<b>268,525</b>	<b>206,100</b>

(i) Travelling and conveyance expenses includes Director's traveling expenses of ₹ 17,52,872/- (P.Y. ₹ 2,33,586/-)

### 25. Extraordinary items

Particulars	For the year ended March 31, 2017 ₹	For the year ended March 31, 2016 ₹
--		-
<b>Total</b>		-

### Note 26 Earning Per Share

Detail Calculation of Earning Per Share (EPS) as follows:				₹
	Net Profit	11044807		
	Exisitng No. of Shares	67150000		
	Total No. of Shares	67150000		
a) Basic EPS =	$\frac{\text{Net Profit}}{\text{Weighted Average No. of Shares}}$	$= \frac{11044807}{67150000}$	=	0.16
b) Diluted EPS =	$\frac{\text{Net Profit}}{\text{Weighted Average No. of Shares}}$	$= \frac{11044807}{67150000}$	=	0.16
Basic EPS & Diluted EPS are same since there are no shares as on the Balance Sheet date which are pending to be allotted.				

### Note 27 : Related party Disclosure

#### 1. Relationships

##### a Enterprises in which Key Management Personnel have significant Influence

Polo Queen Capital Ltd

Polo Queen Solutions Ltd

Someshwara Industries & Exports Limited (Formerly Known as R. J. Knitwears Limited)

Polo Queen Pharma Trade Industry Limited

##### b **Key Management Personnel and their relatives:**

- |                   |                   |
|-------------------|-------------------|
| 1 Usha Sanghai    | 6 Umesh Agarwal   |
| 2 Nandlal Sanghai | 7 Aneeta Sanghai  |
| 3 Rahul Sanghai   | 8 Udit Sanghai    |
| 4 Prabhas Sanghai | 9 Vasudha Sanghai |
| 5 Manjula Sanghai |                   |





## NOTES TO ACCOUNTS

For the Year Ended March 31, 2017

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

### 2. Amount involved for parties referred in 1 (a) and 1 (b)

Nature of Transactions	Referred in		Referred in	
	1(a)		1(b)	
	31/03/2017	31/03/2016	31/03/2017	31/03/2016
Salary & Director Remuneration	-	-	1,937,000	1,626,000
Compensation Charges	180,000	180,000	-	-
Interest Paid	-	-	8,253,164	4,551,586
Loan Taken	-	-	298,015,250	159,947,537
Loan Repaid	-	-	271,700,221	165,764,487

### Note 28: Details of Specified Bank Notes (SBN) held and transacted during the period November 8, 2016 to December 30, 2016

Nature of Transactions	SBNs	Other Denomination Notes	New Currency	Total
Closing Cash in Hand as on 08.11.2016	539,000.00	18,549	-	557,549
( + ) Permitted receipts	-	-	1,381,000	1,381,000
( - ) Permitted payments	-	9,307	248,000	257,307
( - ) Amount deposited in Banks	539,000.00	-	-	539,000
Closing Cash in Hand as on 30.12.2016	-	9,242	1,133,000	1,142,242

\* Permitted receipts include amount withdrawn from bank.

**Note 29.** Previous year's figures have been regrouped / rearranged wherever necessary, so as to make them comparable with those of the current year.

**Note 30.** During the year the company was operational mainly in trading activity of various products. Hence Segment Reporting is not applicable.

As per our report of Even Date

**For N. K. JALAN & CO.**

Chartered Accountants

Firm Reg No : 104019 W

**CA N K JALAN**

PROPRIETOR

Mem. No. 011878

Place : Mumbai

Date : 26.05.2017

For **POLO QUEEN INDUSTRIAL AND FINTECH LIMITED**

**N. L. SANGHAI**  
DIRECTOR  
(DIN - 00181592)

**PRABHAS SANGHAI**  
DIRECTOR  
(DIN - 00302947)

**RAHUL KUMAR SANGHAI**  
DIRECTOR  
(DIN - 00181745)

**UDIT P. SANGHAI**  
DIRECTOR & CFO  
(DIN - 06725206)

**NAMRATA VANAMALA**  
COMPANY SECRETARY  
(MEM NO - A40814)



## NOTES TO ACCOUNTS

For the Year Ended March 31, 2017

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

### Information on Subsidiary Companies

#### FORM AOC -1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

#### Part "A": Subsidiaries

Sr. No.	Name of the Subsidiary	Polo Queen Solutions Limited (Since March 3, 2016)	Polo Queen Pharma Trade Industry Limited (Since March 3, 2016)	Polo Queen Capital Limited (Since March 15, 2016)
<b>Financial year ended March 31, 2017</b>				
1.	Share capital	5,00,000	5,00,000	2,25,00,000
2.	Reserves and surplus	(1,15,634)	(1,15,634)	5,56,106
3.	Total Assets	4,00,467	4,00,467	23,342,85
4.	Total Liabilities	4,00,467	4,00,467	23,342,85
5.	Investments	-	-	-
6.	Turnover	-	-	12,40,839
7.	Profit before taxation	(1,29,585)	(1,29,585)	7,31,860
8.	Provision for taxation	13,951	13,951	(1,75,754)
9.	Profit after taxation	(1,15,634)	(1,15,634)	5,56,106
10.	Proposed Dividend	-	-	-
11.	Extent of shareholding (in percentage)	100%	100%	100%

#### Part B Associates and Joint Ventures

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

- Not Applicable

**For N. K. Jalan & Co.**  
Chartered Accountants  
Firm Reg. No.: 104019W

For **POLO QUEEN INDUSTRIAL AND FINTECH LIMITED**

**CA N. K. JALAN**  
PROPRIETOR  
Mem. No. 011878

**N. L. SANGHAI**  
DIRECTOR  
(DIN - 00181592)

**PRABHAS SANGHAI**  
DIRECTOR  
(DIN - 00302947)

**RAHUL KUMAR SANGHAI**  
DIRECTOR  
(DIN - 00181745)

Place : Mumbai  
Date : 26.05.2017

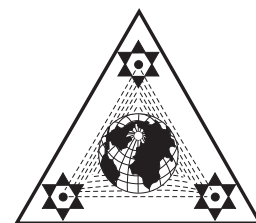
**UDIT P. SANGHAI**  
DIRECTOR & CFO  
(DIN - 06725206)

**NAMRATA VANAMALA**  
COMPANY SECRETARY  
(MEM NO - A40814)

# INDEPENDENT AUDITOR'S REPORT



33rd ANNUAL REPORT



POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

## Report on the Financial Statements

We have audited the accompanying consolidated financial statements of POLO QUEEN INDUSTRIAL AND FINTECH LIMITED ("the Company") and its subsidiaries POLO QUEEN CAPITAL LIMITED, POLO QUEEN PHARMA TRADE INDUSTRY LIMITED and POLO QUEEN SOLUTIONS LIMITED, together referred to as "group", which comprise the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

## Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated 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 Consolidated financial position, Consolidated financial performance and Consolidated 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 maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditors' 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 mis-statement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the consolidated 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, 2017 and its consolidated profit and its consolidated 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)

# INDEPENDENT AUDITOR'S REPORT



33rd ANNUAL REPORT



POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Order, 2016, ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 & 4 of the Order, to the extent applicable.

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from

being appointed as a director in terms of Section 164(2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. The Company has provided proper disclosures in its consolidated financial statements in respect of holdings as well as dealings in Specified Bank Notes during the period from 08th Nov, 2016 to 30th Dec, 2016 and these are in accordance with the books of accounts maintained by the company.

**For N.K. JALAN & CO.**  
**CHARTERED ACCOUNTANTS**  
**FIRM NO. 104019W**

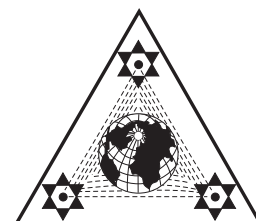
PLACE: MUMBAI  
DATED: 26.05.2017

**(N.K. JALAN) PROPRIETOR**  
**Membership No. 011878**

# ANNEXURE 1 TO THE INDEPENDENT AUDITORS' REPORT



33rd ANNUAL REPORT



POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

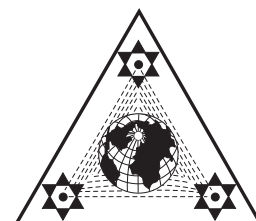
- (i) In respect of its fixed assets:
  - (a) The company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets. However no separate fixed asset register is maintained.
  - (b) The fixed assets are physically verified by the management according to a phased program designed to cover all the items over a period, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the program, a portion of the fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such physical verification. However no written report is available.
  - (c) The title deeds of immovable properties recorded in the books of account of the Company are held in the name of the Company.
- (ii) The inventory has been physically verified by management during the year. In our opinion, the frequency of verification is reasonable. As informed, no material discrepancies were noticed on physical verification carried out during the year.
- (iii) As per the information and explanation given to us, there is old outstanding in respect of loan given to one party covered in the register maintained under Section 189 of the Act. The party has given part of their block of assets as security against the loan. Interest payment is settled upto 31.03.2003. Subsequent interest is in dispute and no provision is made in the books of account.
  - (a) In our opinion and according to the information and explanations given to us, the terms and conditions of the aforesaid loans granted by the Company are not prejudicial to the interest of the Company.
  - (b) In respect of loans granted during the year, the schedule of repayment of principal and payment of interest in respect of such loans has not been stipulated thus we are unable to comment whether the repayments or receipts are regular and report amounts overdue for more than ninety days, if any, as required under paragraph 3(iii)(c) of the Order. In respect of old outstanding, the party has not repaid the principal amount as stipulated and also has not been regular in payment of interest to the company as aforesaid.
- (c) In respect of the aforesaid loans, the total amount overdue for more than ninety days is ₹50,00,000/-. According to the information and explanations given to us, reasonable steps have been taken by the company for the recovery of the principal amounts and interest, where applicable.
- (iv) As per the information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186 of the Act.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under. Therefore, the provisions of clause (v) of paragraph 3 of the Order are not applicable to the Company.
- (vi) As per the information and explanations given to us, in respect of the class of industry in which the Company falls, the maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013. Therefore, the provisions of clause (vi) of paragraph 3 of the Order are not applicable to the Company.
- (vii) In respect of statutory dues :
  - (a) The company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise,



# ANNEXURE 1 TO THE INDEPENDENT AUDITORS' REPORT



33rd ANNUAL REPORT



POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

value added tax, cess and any other statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of above dues were in arrears, as at March 31, 2017 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute.

(viii) According to the information and explanation given to us, the company has not defaulted in repayment of dues to bank / financial institutions. The Company has not taken loan from government or has no dues to debenture holders.

(ix) The Company had offered shares held by the promoter to retail and non retail investor through Offer for Sale on Bombay Stock Exchange. According to the information and explanation given to us, the money raised by way of term loans have been applied by the Company for the purposes for which those are raised.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.

(xi) As per the information and explanations given to us, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.

(xiii) As per the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, the provisions of clause (xiv) of paragraph 3 of the Order are not applicable to the Company.

(xv) The Company has not entered into any non-cash transactions with directors or persons connected with him. Therefore, the provisions of clause (xv) of paragraph 3 of the Order are not applicable to the Company.

(xvi) As per the information and explanation given to us, the Company has received order from RBI dated 23.11.2016 for cancellation of Certificate of Registration under Section 45-IA(6) of the RBI Act, 1934.

**For N.K. JALAN & CO.**  
**CHARTERED ACCOUNTANTS**  
**FIRM NO. 104019W**

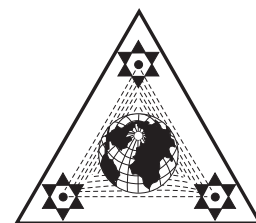
**(N.K. JALAN) PROPRIETOR**  
**Membership No. 011878**

PLACE: MUMBAI  
DATED: 26.05.2017

## ANNEXURE 2 TO THE INDEPENDENT AUDITORS' REPORT



33rd ANNUAL REPORT



POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

### **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 POLO QUEEN INDUSTRIAL AND FINTECH LTD ("the Company") as of March 31, 2017 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

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

## ANNEXURE 2 TO THE INDEPENDENT AUDITORS' REPORT



33rd ANNUAL REPORT



POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

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, 2017, 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 ICAI.

**For N.K. JALAN & CO.  
CHARTERED ACCOUNTANTS  
FIRM NO. 104019W**

PLACE: MUMBAI  
DATED: 26.05.2017

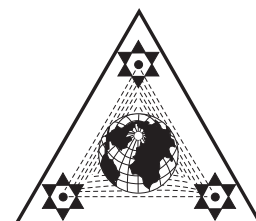
**(N.K. JALAN) PROPRIETOR  
Membership No. 011878**

# CONSOLIDATED BALANCE SHEET

As at March 31, 2017



33rd ANNUAL REPORT



POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Particulars	Note No.	As at March 31, 2017 ₹
<b>A EQUITY AND LIABILITIES</b>		
<b>1 Shareholders' funds</b>		
(a) Share capital	2	671,500,000
(b) Reserves and surplus	3	1,129,687,033
<b>2 Non-current liabilities</b>		
(a) Long Term borrowings	4	71,878,713
(b) Deferred Tax Liabilities (Net)		---
(c) Other Long Term Liabilities		---
<b>3 Current liabilities</b>		
(a) Short Term Borrowing	5	36,006,007
(b) Trade payables	6	109,776,096
(c) Other current liabilities	7	16,965,075
(d) Short-term provisions	8	6,384,562
<b>TOTAL</b>		<b>2,042,197,485</b>
<b>B ASSETS</b>		
<b>1 Non-current assets</b>		
(a) Fixed assets		
(i) Tangible assets	9	1,795,362,391
(ii) Intangible assets		649,743
(iii) Capital Wok in Progress		34,862,964
(b) Non-current investments	10	---
(c) Long term Loans & advances	11	5,264,053
(d) Deffered tax assets	12	1,007,253
<b>2 Current assets</b>		
(a) Inventories	13	21,212,963
(b) Trade receivables	14	146,780,833
(c) Cash and cash equivalents	15	27,696,840
(d) Short-term loans and advances	16	9,360,445
(e) Other Current Assets		---
Notes To Balance Sheet and Statement Of Profit and Loss	1 to 31	
<b>TOTAL</b>		<b>2,042,197,485</b>

As per our report of Even Date

For **N. K. JALAN & CO.**

Chartered Accountants

Firm Reg No : 104019 W

**CA N K JALAN**

PROPRIETOR

Mem. No. 011878

Place : Mumbai

Date : 26.05.2017

For **POLO QUEEN INDUSTRIAL AND FINTECH LIMITED**

**N. L. SANGHAI**

DIRECTOR

(DIN - 00181592)

**PRABHAS SANGHAI**

DIRECTOR

(DIN - 00302947)

**RAHUL KUMAR SANGHAI**

DIRECTOR

(DIN - 00181745)

**UDIT P. SANGHAI**

DIRECTOR & CFO

(DIN - 06725206)

**NAMRATA VANAMALA**

COMPANY SECRETARY

(Mem No. A40814)

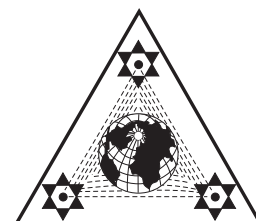
# CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT

For the Year Ended March 31, 2017

From the house of



33rd ANNUAL REPORT



POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Particulars	Note No.	For the year ended March 31, 2017 ₹
<b>A CONTINUING OPERATIONS</b>		
<b>1 Revenue from operations (gross)</b>	17	614,055,746
Less : Excise duty		579,215
Revenue from operations (net)		613,476,531
<b>2 Other income</b>	18	2,644,099
<b>3 Total Revenue (1+2)</b>		<b>616,120,630</b>
<b>4 Expenses</b>		
(a) Purchases of stock-in-trade	19	523,954,211
(b) Cost of Material Consumed	20	1,733,779
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	21	1,555,723
(d) Employee benefits expense	22	11,959,890
(e) Financial Expenses	23	16,207,316
(f) Depreciation and amortisation expense	9	1,599,601
(g) Other expenses	24	40,660,122
<b>Total expenses</b>		<b>597,670,642</b>
<b>5 Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)</b>		18,449,988
<b>6 Exceptional items</b>		---
<b>7 Profit / (Loss) before extraordinary items and tax (5 - 6)</b>		18,449,988
<b>8 Extraordinary items</b>	25	---
<b>9 Profit Before Tax (7 - 8)</b>		18,449,988
<b>10 Tax expense :</b>		
(a) Current tax expense		6,384,562
(b) Deferred tax liability / (asset)		276,434
<b>11 Profit / (Loss) from continuing operations</b>		11,788,992
<b>12 Profit / (Loss) from discontinuing operations (after tax)</b>		---
<b>13 Profit / (Loss) for the year (11 + 12)</b>		<b>11,788,992</b>
Notes To Balance Sheet and Statement Of Profit and Loss	1 to 31	

Particulars	Note No.	For the year ended March 31, 2017 ₹
<b>14 Earnings per share (of ₹ 10/- each):</b>	26	
(a) Basic		
(i) Continuing operations		0.18
(ii) Total operations		0.18
(b) Diluted		
(i) Continuing operations		0.18
(ii) Total operations		0.18

As per our report of Even Date

For **N. K. JALAN & CO.**

Chartered Accountants

Firm Reg No : 104019 W

**CA N K JALAN**

PROPRIETOR

Mem. No. 011878

Place : Mumbai

Date : 26.05.2017

For **POLO QUEEN INDUSTRIAL AND FINTECH LIMITED**

**N. L. SANGHAI**

DIRECTOR

(DIN - 00181592)

**PRABHAS SANGHAI**

DIRECTOR

(DIN - 00302947)

**RAHUL KUMAR SANGHAI**

DIRECTOR

(DIN - 00181745)

**UDIT P. SANGHAI**

DIRECTOR & CFO

(DIN - 06725206)

**NAMRATA VANAMALA**

COMPANY SECRETARY

(Mem No. A40814)



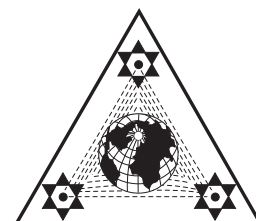
# CONSOLIDATED CASH FLOW STATEMENT

For the Year Ended March 31, 2017

From the house of



33rd ANNUAL REPORT



POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Particulars	For the year ended March 31, 2017 ₹
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Profit before tax	18,449,988
Adjustments to reconcile profit before tax to cash provided by operating activities	
Depreciation and amortisation expense	1,599,601
Loss on sale of Fixed Assets	
Dividend Received	(15,000)
Interest Paid	16,207,316
Merger Expenses	---
Effect of Foreign exchange fluctuation	---
<b>Operating profit before Working Capital Changes</b>	36,241,905
Changes in assets and liabilities	
(Increase) / Decrease in Inventory	1,105,713
(Increase) / Decrease in Trade receivables	(62,374,161)
(Increase) / Decrease in Short term Loans and advances	371,908
(Increase) / Decrease in Long term Loans and advances	363,314
Increase / (Decrease) in Trade payables	64,892,758
Increase / (Decrease) in Other Provisions	---
Increase / (Decrease) in Other Current liability	9,591,659
<b>Cash Generated From Operations</b>	50,193,097
Income taxes paid	5,492,681
<b>NET CASH GENERATED BY OPERATING ACTIVITIES</b>	44,700,416
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Payment towards Capital expenditure	(29,944,123)
Purchase of Non current investments	100,251
Dividend Received	15,000
<b>NET CASH FLOW FROM /(USED IN) INVESTING ACTIVITIES</b>	(29,828,872)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Interest paid	(16,207,316)
(Decrease)/Increase in Long term borrowings	32,910,554
Increase in Short term borrowings	(6,909,137)
Dividend tax paid	---
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	9,794,101
Effect of exchange differences on translation of foreign currency cash and cash equivalents	
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	24,665,644
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	3,031,196
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>27,696,840</b>

As per our report of Even Date

For **N. K. JALAN & CO.**

Chartered Accountants

Firm Reg No : 104019 W

For **POLO QUEEN INDUSTRIAL AND FINTECH LIMITED**

**CA N K JALAN**

PROPRIETOR

Mem. No. 011878

Place : Mumbai

Date : 26.05.2017

**N. L. SANGHAI**

**PRABHAS SANGHAI**

**RAHUL KUMAR SANGHAI**

**UDIT P. SANGHAI**

**NAMRATA VANAMALA**

DIRECTOR

DIRECTOR

DIRECTOR

DIRECTOR & CFO

COMPANY SECRETARY

(DIN - 00181592)

(DIN - 00302947)

(DIN - 00181745)

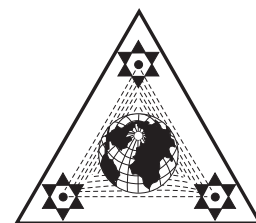
(DIN - 06725206)

(Mem No. A40814)

## SIGNIFICANT ACCOUNTING POLICIES



33rd ANNUAL REPORT



POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

### Accompanying notes to the financial statements for the year ended March 31, 2017

Company Overview: Polo Queen Industrial and Fintech Limited alongwith its divisions viz Doan Rajkamal, Polo Queen Solutions, Polo Queen Minchems and Polo Queen Pharma is a company which has its activities spread over many business like production and marketing of FMGC products in the domestic market with supplies to defense sector, development of I.T. Park as well trading in chemicals and minerals.

#### 1. SIGNIFICANT ACCOUNTING POLICIES

##### (i) Basis of Preparation of Consolidated Financial Statements :

The Consolidated Financial Statements of M/s. Polo Queen Industrial and Fintech Limited. ("The Company") and its wholly owned subsidiaries M/s. Polo Queen Capital Ltd, M/s. Polo Queen Pharma Trade Industry Ltd and Polo Queen Solutions Ltd together referred to as "The Group" have been prepared on the following basis

- (a) The Consolidated financial statements have been prepared in accordance with Indian 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 notified under section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Companies Act, 2013 and guide lines 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 accounting standard requires a change in the accounting policy hitherto in use or different accounting policy is required by statute.

- (b) In accordance with Accounting Standard (AS) 21 'Consolidated Financial Statements', the statements of Polo Queen Industrial and Fintech Ltd , Polo Queen Capital Ltd, Polo Queen Solutions Ltd and Polo Queen Pharma Trade Industry Ltd. have been combined line by line by adding items of Balance Sheet and Profit & Loss Account. The effect of Intra Group Transactions, balances and unrealized profits have been eliminated.

#### Details of the Subsidiary

Name of the Subsidiary	Country of Incorporation	Date since Subsidiary	Type of Entity	Percentage of Ownership Interest
Polo Queen Capital Ltd	India	March 15, 2016	Public Company	100%
Polo Queen Pharma Trade Industry Ltd.	India	March 3, 2016	Public Company	100%
Polo Queen Solutions Ltd	India	March 3, 2016	Public Company	100%

##### (ii) Use Of Estimates :-

The presentation of financial statements in conformity with the generally accepted accounting principal requires estimates and assumptions to be made. That affects the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known/materialized.

##### (iii) Fixed Assets :-

Fixed Assets are stated at cost less accumulated depreciation. Cost is inclusive of freight, duties (net of tax credits as applicable) levies and any directly attributable cost of bringing the assets to their working condition for their Intended use.

##### (iv) Depreciation & Amortisation :-

Depreciation on fixed assets is provided on Written Down Value Method (WDV) on pro-rata basis as per the useful life prescribed in the Schedule II of the Companies Act, 2013.

## SIGNIFICANT ACCOUNTING POLICIES



33rd ANNUAL REPORT



POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

**(v) Investments :-**

Long term investments are stated at cost. Provision for diminution in value of Long term investment is made only if such decline is other than temporary in the opinion of management. Investments other than long term investments being current investments are valued at cost or fair value whichever is lower.

**(vi) Inventories :-**

Stocks of Raw Materials and Work in Progress are valued at Cost including direct expenses, if any & Finished goods are valued at lesser of Cost and Net Realisable Value.

**(vii) Provision :-**

A provision is recognized when an enterprise has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provision are determined based on management estimate require to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

**(viii) Treatment Of Contingent Liabilities:-**

Contingent liabilities are disclosed by way of notes. Provision is made in the accounts for those liabilities which are likely to materialize after the year end till the finalization of accounts and having effect on the position stated in the balance sheet as at the year end.

**(ix) Foreign Exchange Transaction:-**

Transactions entered into and concluded during the year in foreign currency are recorded at the actual exchange rates prevailing at the time of conclusion of transactions. In respect of transaction covered by forward exchange contracts, the difference between the forward rate and the exchange rate on the date of transaction is recognized as income or expenses over the life of the contracts. Outstanding assets and liabilities at the year end are converted into Indian rupees as per FEDAI rate of exchange prevalent on the said date. Exchange rate Difference arising out of subsequent settlements is dealt in the Profit & Loss Accounts.

**(x) Taxation :-**

Provision for taxation has been made in accordance

with the rates of Income Tax Act, 1961 prevailing for the relevant assessment year.

**(xi) Deferred Taxation :-**

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantially enacted at the balance sheet date. Deferred tax Assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future. Deferred Tax Assets are reviewed as at each Balance Sheet date.

**(xii) Revenue Recognition :-**

Sales are recognized, net of returns and trade discounts, on dispatch of goods to Customers and are reflected in the accounts at gross realizable value i.e. Inclusive of excise duty & Forwarding Charges.

Interest income is recognized on time proportion basis.

Dividend income is recognized on receipt basis.

**(xiii) Excise Duty :-**

Excise Duties wherever recovered are included in sales and shown separately in financial statements. Excise duty provision made in respect of finished goods lying at factory premises is shown separately as an item of manufacturing and other expenses and included in the valuation of finished goods.

**(xiv) Employee Retirement Benefits:-**

Company's contributions to provident fund and subscription to Employees group gratuity scheme of life Insurance Corporation of India is charged to Profit and Loss Account and further, leave salary and bonus are charged to profit and loss account on cash basis.

**(xv) Impairment of Assets:-**

The Company assess whether there is any indication that any assets may be impaired at the balance sheet date. If any indication exists, the company estimates the recoverable amount and an impairment loss is recognized in the accounts, to the extent the carrying amount exceeds the recoverable amount.



## NOTES TO ACCOUNTS

For the Year Ended March 31, 2017

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

### 2. Share capital

Particulars	As at March 31, 2017	
	Number of Shares	₹
(a) Authorised Equity shares of ₹ 10 each	90,000,000	900,000,000
(b) Issued Equity shares of ₹ 10 each	67,150,000	671,500,000
(c) Subscribed and fully paid up Equity shares of ₹ 10 each	67,150,000	671,500,000
<b>Total</b>	<b>67,150,000</b>	<b>671,500,000</b>

Reconciliation Statement	As at March 31, 2017
No. of the share at beginning of the year	67,150,000
Add: Share issued during the year	-
<b>No. of the share at the End of the year</b>	<b>67,150,000</b>

Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder's	As at March 31, 2017	
	Number of shares held	% holding in that class of shares
<b>Equity shares Holding</b>		
MANJULADEVI SANGHAI	4,180,575	6.23%
NEW WAY CONSTRUCTION LTD	4,100,000	6.11%
DEVESH SANGHAI	4,930,700	7.34%
PAN EMAMI COSMED LIMITED	4,100,000	6.11%
RAHUL KUMAR SANGHAI	3,632,025	5.41%
VASUDHA SANGHAI	5,295,500	7.89%
PRABHA DEVI SANGHAI	3,382,725	5.04%
VIRAJ KUMAR SANGHAI	4,915,150	7.32%
PRITAM KUMAR SANGHAI	4,187,800	6.24%
UDIT KUMAR SANGHAI	4,190,250	6.24%

- The company has only one class of shares referred to as equity shares having a par value of ₹ 10/- each. Each holder of equity shares is entitled to one vote per share.
- The company offered 16,600,000 shares held by Promoters to retail and non retail investors through Offer for Sale on Bombay Stock Exchange.



## NOTES TO ACCOUNTS

For the Year Ended March 31, 2017

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

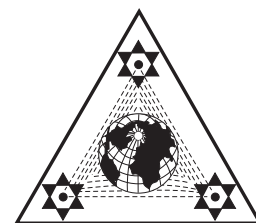
### 3. Reserves and surplus

Particulars	As at March 31, 2017 ₹
<b>(a) Capital Reserve</b>	
Opening Balance	853,387,419
Add: Capital Reserve on Consolidation	324,840
Closing balance	853,712,259
<b>(b) General Reserve account</b>	
Opening balance	21,539,841
Add : Transfer from Profit & Loss A/c	-
Closing balance	21,539,841
<b>(c) Revaluation Reserves</b>	
Opening balance	234,286,524
Add : Addition during the year (Refer Note (iii) under Schedule 9)	-
	234,286,524
<b>(d) Surplus / (Deficit) in Statement of Profit and Loss</b>	
Opening balance	9,089,380
Add: Profit / (Loss) for the year(Parent Company)	11,044,807
Add/(Less): Tax adjustments relating to prior years	14,222
Closing balance	20,148,409
<b>Total</b>	<b>1,129,687,033</b>

### 4. Long Term Borrowing

Particulars	As at March 31, 2017 ₹
<b>Secured :</b>	
Term Loans	
From Banks	142,200
From Others	195,264
<b>Unsecured Loans:</b>	
From Directors	71,541,249
From Others	-
<b>Deposits</b>	
<b>Total</b>	<b>71,878,713</b>

(i) The terms loans are secured against the car purchased.



## NOTES TO ACCOUNTS

For the Year Ended March 31, 2017

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

### 5. Short Term Borrowing

Particulars	As at March 31, 2017 ₹
<b>Secured Loans:</b>	
From Banks	35,454,307
From Others	551,700
<b>Total</b>	<b>36,006,007</b>

- (i) Secured Loan From bank is raised against security of the assets which are as follows.
- Term Loan - Secured against 1st Charge on the Property Secured at MIDC Mahad , Personal guarantee of the directors and Corporate guarantee of the company.
  - Cash Credit - Secured against Hypothecation of Stock & Debtors upto 90 days.
  - Overdraft Against Govt supply bills: Hypothecations of receivables including supply bills receivables.
  - Letter of Credit: Documets under Letter of Credit and Goods under L/C.
  - Collateral Security: 1st charge on Block Assets of the company immovable and movable present and future also.
  - Negative Lien on the Property situated at MIDC Dombivli
- (ii) Secured loan from banks includes term loan amounting to ₹ 5,52,035/- which is secured against the car purchased.
- (iii) Secured loan from others is secured against the car purchased.

### 6. Trade Payables

Particulars	As at March 31, 2017 ₹
Trade payables	109,776,096
<b>Total</b>	<b>109,776,096</b>

Balance of Creditors are subject to confirmation and/or Reconciliation/consequential adjustments if any.

### 7. Other current liabilities

Particulars	As at March 31, 2017 ₹
Trade Advances from customers	272,432
Salary Payable	665,357
Other Payables	14,068,525
Current Maturities of Long-term debt	321,820
Duties & Taxes	1,636,941
<b>Total</b>	<b>16,965,075</b>

There is no contingent liability as on March 31, 2017.

Current Maturities of Long Term Debt contains Loan from Volkswagen Finance Ltd which is due in next year.

### 8. Short-term provisions

Particulars	As at March 31, 2017 ₹
(a) Provision - Tax:	
(i) Provision for tax (A.Y.17-18)	6,384,562
<b>Total</b>	<b>6,384,562</b>



From the house of



33rd ANNUAL REPORT



## NOTES TO ACCOUNTS

For the Year Ended March 31, 2017

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

### 9. Fixed assets

A.	Tangible assets	Gross Block				Accumulated Depreciation and Impairment				Net Block	
		Balance as at April 1, 2016	Additions	Disposals	Other Adjustments	Balance as at March 31, 2017	Balance as at April 1, 2016	Depreciation/ amortisation expense for the year	Eliminated on disposal of assets	Balance as at March 31, 2017	Balance as at April 1, 2016
		₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
	(a) (i) MIDC Leasehold land	268,857,000	-	-	-	268,857,000	-	-	-	268,857,000	268,857,000
	(ii) IT Park - Leasehold Land & Building	1,522,666,695	-	-	-	1,522,666,695	-	-	-	1,522,666,695	1,522,666,695
	- Effluent Treatment Plant	186,338	-	-	-	186,338	177,021	-	-	177,021	9,317
	- Electrical Installation	57,604	-	-	-	57,604	54,724	-	-	54,724	2,880
	- Office Equipment	14,450	-	-	-	14,450	13,728	-	-	13,728	722
	(b) Plant and Equipment Owned	1,254,969	-	-	-	1,254,969	943,326	62,128	-	1,005,454	311,643
	(c) Vehicles Owned	5,741,968	-	-	-	5,741,968	1,793,193	1,221,311	-	3,014,504	3,948,775
	(d) Office equipment Owned	169,989	319,849	-	-	489,838	145,518	43,849	-	189,367	24,471
	(e) Furniture & Fixtures Owned	3,327,381	125,660	-	-	3,453,041	2,982,843	71,589	-	3,054,432	344,538
	(f) Computers Owned	159,010	87,290	-	-	246,300	123,626	58,262	-	181,888	35,384
	(g) Air Conditioner Owned	176,350	-	-	-	176,350	59,069	52,859	-	111,928	117,281
	(h) Printer Owned	13,380	-	-	-	13,380	8,231	2,953	-	11,184	5,149
	(i) Xerox Machine Owned	123,257	-	-	-	123,257	88,578	15,991	-	104,569	34,679
	<b>Total</b>	<b>1,802,748,391</b>	<b>532,799</b>	<b>-</b>	<b>-</b>	<b>1,803,281,190</b>	<b>6,389,857</b>	<b>1,528,942</b>	<b>-</b>	<b>7,918,799</b>	<b>1,796,358,534</b>

B.	Intangible assets	Gross Block				Accumulated Depreciation and Impairment				Net Block	
		Balance as at April 1, 2016	Additions	Disposals	Other Adjustments	Balance as at March 31, 2017	Balance as at April 1, 2016	Depreciation/ amortisation expense for the year	Eliminated on disposal of assets	Balance as at March 31, 2017	Balance as at April 1, 2016
		₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
	(a) Trade Mark Owned	655,000	13,000	-	-	668,000	460,841	26,644	-	487,485	194,159
	(b) Computer Software	411,743	152,460	-	-	564,203	50,960	44,015	-	94,975	469,228
	<b>Total</b>	<b>1,066,743</b>	<b>165,460</b>	<b>-</b>	<b>-</b>	<b>1,232,203</b>	<b>511,801</b>	<b>70,659</b>	<b>-</b>	<b>582,460</b>	<b>554,942</b>
	<b>Previous year (A+B)</b>	<b>1,557,596,031</b>	<b>248,066,928</b>	<b>1,847,823</b>	<b>-</b>	<b>1,803,815,134</b>	<b>7,215,948</b>	<b>1,508,105</b>	<b>1,822,395</b>	<b>6,901,658</b>	<b>1,550,380,083</b>

### C. Capital Work in Progress

Particulars	As at March 31, 2017	As at March 31, 2016
	₹	₹
Mahad Land & Building	27,216,114	801,500
IT Park Land & Building	7,646,850	481,5600
<b>Total</b>	<b>34,862,964</b>	<b>5,617,100</b>

Note : i) The Valuation of Fixed Assets has been taken, valued and certified by the director of the company.



## NOTES TO ACCOUNTS

For the Year Ended March 31, 2017

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

### 10. Non-current investments

Particulars	As at March 31, 2017		
	Quoted	Unquoted	Total
	₹	₹	₹
Investment in equity instruments (give details separately for fully / partly paid up instruments) (P.Y. 10,025) equity shares of The Zoroastrian Co-op Bank Ltd of ₹ 10 each, fully paid )	---	----	----
<b>Total</b>	---	---	---

### 11. Long term Loans & advances

Particulars	As at March 31, 2017 ₹
(a) Loans & advances to related parties	
(i) Secured , Considered good	5,000,000
(b) Security Deposit	264,053
<b>Total</b>	<b>5,264,053</b>

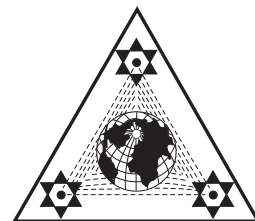
- (i) Loans and Advances to related parties includes advance given to M/s Shree Janardana Mills Ltd. The borrower had given part of their block of assets as security to the company. Interest payment settled upto 31/03/2003. Subsequent interest is in dispute and no provision is made in the books of account.

### 12. Deferred Tax Liabilities / Assets (net)

In accordance with the Accounting Standard 22 on "Accounting for Taxes on Income " issued by The Institute of Chartered Accountants of India, Deferred tax assets and liabilities should be recognized for all timing differences in accordance with the said standard.

The tax effect of temporary timing differences during the year that have resulted in deferred tax assets / liabilities are given below.

Particulars	As at March 31, 2017 ₹
(A)	
(a) WDV As Per Companies Act ( excluding land )	4,488,439
(b) WDV As Per Income Tax Act	6,008,372
(c) Preliminary Expenses as per Income Tax Act	334,230
Difference	1,854,163
Deferred Tax Assets @ 30.9%	572,936
Deferred Tax Asset on Merger (Sec 35DD) expenses	434,317
Total Deferred Tax Asset	1,007,253
less:Opening Deferred Tax Liability	-
less:Opening Deferred Tax Assets	1,283,687
Net Deferred Tax Assets	1,007,253
Recognized in P & L	(276,434)



## NOTES TO ACCOUNTS

For the Year Ended March 31, 2017

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

### 13. Inventories

(At lower of cost and net realisable value)

Particulars	As at March 31, 2017 ₹
Finished Goods:	
(a) Trading Goods	19,289,542
Raw Material :	
(b) Manufacturing & Repacking Goods	1,923,420
<b>Total</b>	<b>21,212,963</b>

(a) The closing stock has been taken and certified by the director of the company.

(b) The closing stock is valued on FIFO basis as follows :-

- (i) FMCG at purchase cost
- (ii) Mineral & Chemicals (including direct cost)

### 14. Trade receivables

Particulars	As at March 31, 2017 ₹
<u>Debts outstanding for a period exceeding six months</u>	
Unsecured, considered good	12,016,325
<u>Other Trade receivables</u>	
Unsecured, considered good	134,764,508
Less: Provision for doubtful trade receivables	---
<b>Total</b>	<b>146,780,833</b>

Balance of Debtors are subject to confirmation and/or Reconciliation/consequential adjustments if any.

### 15. Cash and cash equivalents

Particulars	As at March 31, 2017 ₹
(a) Cash on hand	600,339
(b) Cheques, drafts on hand	---
(c) Balances with banks	
(i) In current accounts	2,445,483
(ii) In fixed deposit	24,651,018
<b>Total</b>	<b>27,696,840</b>

### 16. Short-term loans and advances

Particulars	As at March 31, 2017 ₹
(A) Advance recoverable in cash or in kind or for value to be received	966,032
(B) Payment of tax	5,771,948
(C) Excise Duty and Sales tax recoverable	2,472,465
(D) Other Loan and Advances	150,000
(E) Advances for Capital Assets	---
Less: Provision for other doubtful loans and advances	---
<b>Total</b>	<b>9,360,445</b>



## NOTES TO ACCOUNTS

For the Year Ended March 31, 2017

### POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

- (i) Balance of Loans and Advances are subject to confirmation and/or Reconciliation/consequential adjustments if any.
- (ii) In case of the Transferor company - Modvat credits on materials purchased for Manufacturing / Processing activities were taken into account at the time of purchases. The Modvat credit so taken were utilised for payment of excise duty on good manufactured / processed. The unutilised modvat credit of ₹ 24,72,465/- is carried forward. According to the information given to us the application is moved on 24/11/2008 to recover the unutilised modvat sum from Department of Central Excise.

#### 17. Revenue from operations

Particulars	For the year ended March 31, 2017 ₹
Sale of products	616,062,861
Less:	
Sales Return	337,180
Discount & Claims	1,669,935
Excise duty	579,215
<b>Total</b>	<b>613,476,531</b>

#### 18. Other income

Particulars	For the year ended March 31, 2017 ₹
Compensation Received	240,000
SAD Claim	508,994
Dividend Received	15,000
Miscellaneous Income	448,582
Interest income	1,431,523
<b>Total</b>	<b>2,644,099</b>

#### 19. Purchase of traded goods

Particulars	For the year ended March 31, 2017 ₹
Traded goods	523,954,211
<b>Total</b>	<b>523,954,211</b>

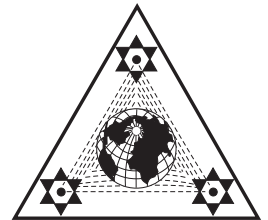
Out of total purchases, goods worth ₹ 1,15,62,041/- are purchased in foreign currency.

#### 20. Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended March 31, 2017 ₹
<u>Inventories at the end of the year:</u>	
Stock-in-trade	19,289,542
	19,289,542
<u>Inventories at the beginning of the year:</u>	
Stock-in-trade	20,845,266
	20,845,266
<b>Net (increase) / decrease</b>	<b>1,555,723</b>



33rd ANNUAL REPORT



## NOTES TO ACCOUNTS

For the Year Ended March 31, 2017

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

### 21. Cost of Material Consumed

Particulars	For the year ended March 31, 2017 ₹
Raw Material Consumed	1,653,404
Packing Material Consumed	43,110
Packing Expenses	37,265
<b>Total</b>	<b>1,733,779</b>

Entire purchase of Raw material is in Foreign Currency.

### 22. Employee benefits expense

Particulars	For the year ended March 31, 2017 ₹
Salaries & Benefits	10,419,890
Director's Remuneration	1,540,000
<b>Total</b>	<b>11,959,890</b>

### 23. Financial Expenses

Particulars	For the year ended March 31, 2017 ₹
Interest Paid	14,937,209
Bank Charges on Supply Bill	1,054,757
Interest Paid on Car Loan	215,351
<b>Total</b>	<b>16,207,316</b>



## NOTES TO ACCOUNTS

For the Year Ended March 31, 2017

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

### 24. Other expenses

Particulars	For the year ended March 31, 2017 ₹
Advertisement & Publicity	716,027
Designing & Development Charges	29,958
Bank Charges	541,865
Books, Periodicals & Membership	896,176
Commission paid	7,131,835
Custom Duty	1,293,783
Director Sitting Fees	200,000
Electricity Charges	530,223
Freight & Forwarding Charges	12,442,102
Godown Expenses	270,783
Insurance Charges	357,687
Internet Expenses	123,190
Legal & Professional Expenses	3,565,201
Misc. Expenses	1,572,602
Motor Vehicle Expenses	683,592
Payment to Auditors	336,375
Postage, Telephone & Telegrams	407,932
Printing and Stationery	340,305
Rent, Rates & Taxes	2,430,496
Repairs & Maintenance	2,515,023
Sales Promotion	141,268
Service Tax on Transportation	441,341
Stamp Duty Paid on Allotment	20,000
Travelling & Conveyance	3,671,442
Demat Charges	915
<b>Total</b>	<b>40,660,122</b>

#### Notes: (i)

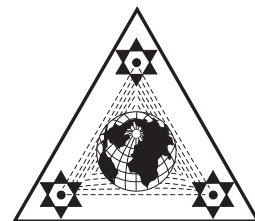
Particulars	For the year ended March 31, 2017 ₹
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):	
As auditors - Statutory audit	142,600
As auditors - Tax audit	17,250
For Internal Audit	46,000
As auditors - Vat audit	46,000
For other matters	84,525
<b>Total</b>	<b>336,375</b>

(i) Travelling and conveyance expenses includes Director's traveling expenses of ₹ 17,52,872/-

### 25. Extraordinary items

Particulars	For the year ended March 31, 2017 ₹
---	---
<b>Total</b>	<b>---</b>





## NOTES TO ACCOUNTS

For the Year Ended March 31, 2017

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

### Note 26 Earning Per Share

Detail Calculation of Earning Per Share (EPS) as follows:					₹
	Net Profit	11788992			
	Exisitng No. of Shares	67150000			
	Total No. of Shares	67150000			
a) Basic EPS	=	$\frac{\text{Net Profit}}{\text{Weighted Average No. of Shares}}$	=	$\frac{11788992}{67150000}$	= 0.18
b) Diluted EPS	=	$\frac{\text{Net Profit}}{\text{Weighted Average No. of Shares}}$	=	$\frac{11788992}{67150000}$	= 0.18
Basic EPS & Diluted EPS are same since there are no shares as on the Balance Sheet date which are pending to be allotted.					

### Note 27 : Related party Disclosure

#### 1. Relationships

- a Enterprises in which Key Management Personnel have significant Influence
- Polo Queen Capital Ltd
  - Polo Queen Solutions Ltd
  - Someshwara Industries & Exports Limited (Formerly Known as R.J. Knitwears Limited)
  - Polo Queen Pharma Trade Industry Limited

#### b Key Management Personnel and their relatives:

- 1 Usha Sanghai
- 2 Nandlal Sanghai
- 3 Rahul Sanghai
- 4 Prabhas Sanghai
- 5 Manjula Sanghai
- 6 Umesh Agarwal
- 7 Aneeta Sanghai
- 8 Udit Sanghai
- 9 Vasudha Sanghai

#### 2. Amount involved for parties referred in 1 (a) and 1 (b)

Nature of Transactions	Referred in	Referred in
	1(a)	1(b)
	31/03/2017	31/03/2017
Salary & Director Remuneration	---	1,937,000
Compensation Charges	180,000	---
Interest Paid	---	8,253,164
Loan Taken	---	298,015,250
Loan Repaid	---	271,700,221



## NOTES TO ACCOUNTS

For the Year Ended March 31, 2017

**POLO QUEEN INDUSTRIAL AND FINTECH LIMITED**

**Note 28 :** Details of Specified Bank Notes (SBN) held and transacted during the period November 8, 2016 to December 30, 2016

Nature of Transactions	SBNs	Other Denomination Notes	New Currency Notes	Total
Closing Cash in Hand as on 08.11.2016	539,000.00	40,262	-	579,262
( + ) Permitted receipts	-	-	1,381,000	1,381,000
( - ) Permitted payments	-	30,996	248,000	278,996
( - ) Amount deposited in Banks	539,000.00	-	-	539,000
Closing Cash in Hand as on 30.12.2016	-	9,266	1,133,000	1,142,266

\* Permitted receipts include amount withdrawn from bank.

### Note 29

Name of Entity	Net Assets		Share of Profit or Loss	
	As % of Consolidated Net Assets	Amount ₹	As % of Consolidated Profit or Loss	Amount ₹
Polo Queen Industrial and Fintech Ltd. (Parent)	98.68	1777362192	93.69	11,044,807
Subsidiaries Indian				
1. Polo Queen Capital Ltd.	1.28	23,056,106	7.31	862,157
2. Polo Queen Solutions Ltd.	0.02	384,366	(0.50)	(58,985.45)
3. Polo Queen Pharma Trade Industry Ltd.	0.02	384,366	(0.50)	(58,985.45)
<b>Total</b>	<b>100.00</b>	<b>1801187031</b>	<b>100.00</b>	<b>11,788,993</b>

**Note 30 :** There is no Minority Interest as the Companies are wholly owned subsidiaries.

**Note 31 :** Previous year's figures have been regrouped / rearranged wherever necessary, so as to make them comparable with those of the current year.

**Note 32 :** During the year the company was operational mainly in trading activity of various products. Hence Segment Reporting is not applicable. Note 33. This is first year of Consolidated Financial Statements and thus previous year figures are not applicable.

**Note 33 :** This is first year of Consolidated Financial Statements and thus previous year figures are not applicable.

As per our report of Even Date

**For N. K. JALAN & CO.**

Chartered Accountants

Firm Reg No : 104019 W

For **POLO QUEEN INDUSTRIAL AND FINTECH LIMITED**

**CA N K JALAN**

PROPRIETOR

Mem. No. 011878

Place : Mumbai

Date : 26.05.2017

**N. L. SANGHAI**

**PRABHAS SANGHAI**

**RAHUL KUMAR SANGHAI**

**UDIT P. SANGHAI**

**NAMRATA VANAMALA**

DIRECTOR

DIRECTOR

DIRECTOR

DIRECTOR & CFO

COMPANY SECRETARY

(DIN - 00181592)

(DIN - 00302947)

(DIN - 00181745)

(DIN - 06725206)

(Mem No. A40814)

## POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Regd. Office : 304, A to Z Industrial Estate, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400013.

CIN :- L72200MH1984PLC094539

### ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Hall

Name of the attending Member (In Block Letters)	Member's Folio No. _____
	DP ID No. _____
	Client ID No. _____
Name of the Proxy (In Block Letters) (to be filled if the Proxy attends instead of the Members)	

No. of Shares held \_\_\_\_\_

I hereby record my presence at the 33rd Annual General Meeting of Polo Queen Industrial and Fintech Limited being held on Thursday, the September 28, 2017 at 4.00 p.m at Fantasy, 1st Floor, Sunville Banquets, 9, Dr. Annie Besant Road, Opp. Atria Mall, Worli, Mumbai - 400018.

\_\_\_\_\_  
Member's/Proxy Signature

## POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Regd. Office : 304, A to Z Industrial Estate, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400013.

CIN :- L72200MH1984PLC094539

### 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./DP Id/Client Id	

I/We, \_\_\_\_\_ being the Member(s) of \_\_\_\_\_ shares  
of the above named company, hereby appoint

- Name : \_\_\_\_\_ Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him;
- Name : \_\_\_\_\_ Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him;
- Name : \_\_\_\_\_ Address: \_\_\_\_\_  
E-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 33rd Annual General Meeting of the Company, to be held on Thursday, September 28, 2017 at 4.00 p.m at Fantasy, 1st Floor, Sunville Banquets, 9, Dr. Annie Besant Road, Opp. Atria Mall, Worli, Mumbai - 400018 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Particulars		
Ordinary Business		For	Against
1	Adoption of Audited Financial Statement (Standalone and Consolidated) i.e. Balance Sheet as at March 31, 2017 and the Statement of Profit and Loss Account and the Cash Flow Statement for the financial year ended on March 31, 2017, the reports of the Directors and Auditors thereon.		
2	Re-appointment of Mr. Umesh Agarwal as Director, who retire by rotation.		
3	Re-appointment of Mr. Prabhas Sanghai as Director, who retire by rotation.		
4	Ratification of appointment of M/s. Gupta Raj & Co., Chartered Accountants as the Statutory Auditors of the Company.		
Special Business			
5	To Adopt new set of Articles of Association under Companies Act, 2013		
6	To consider revision in the remuneration of Mr. Udit P. Sanghai, Whole-time Director and Chief Financial Officer of the Company.		

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

Signature of  
Member: \_\_\_\_\_

Signature of  
Proxy holder(s): \_\_\_\_\_

Affix  
Revenue  
Stamp of  
Rs.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. For the Resolutions, Explanatory Statement and Notes, please refer to Notice of the 33rd Annual General Meeting.
3. It is optional to put a 'X' in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Please complete all details including details of member(s) in above box before submission.