

ANNUAL REPORT

2020-21



Parin Furniture Limited

PARIN FURNITURE LIMITED

Board of Directors

| | | |
|---|--|-----------------|
|  | Mr. Umesh Dhirajlal Nandani Chairman & Managing Director | 00039757 |
|  | Mr. Parin Umeshbhai Nandani Whole Time Director | 02343309 |
|  | Mr. Deven Dipesh Nandani Non Executive Director | 07576542 |
|  | Mr. Dayalal Harjivanbhai Kesharia Independent Director | 08114818 |
|  | Ms. Shweta Chirag Kathrani Independent Director | 08114974 |

Chairman & Managing Director's Message



Dear Shareholders,

It brings me immense pleasure to put forth the 15th Annual Report of your Company, **Parin Furniture Limited**, for the financial year 2020-21.

The end of this year was marked by the enormously challenging COVID-19 pandemic, which has fundamentally altered the world and continue to do so. We are moving resolutely to urgently address these challenges. We have confident that the progress we made during FY 2020-21 put us on the right path to improve the execution of our strategy and drive sustainable profitable growth over the long term. Although the world is facing tough times ahead, your Company is well-positioned to rise to the occasion.

Performance for the last financial year was in line with our expectation, where we could withstand the sharp increasing it with growth in terms of revenue and turnover. Our strategy to de-risk the business through providing qualitative products proved to be very successful.

While we have always known that each business stands uniquely apart in its thinking, objectives and resources, we believe the timing is opportunity to run them independently. The year gone by is proof of our long term innovative approach to doing business whether from the point of view strategy, operations or sustainability and various business verticals allows the company to maintain a space and remain competitive in today's ever challenging market place. After considerable thoughts, our sustainable way to move to the next level on product differentiation that will continue to be our backbone to develop market and stay true to **Parin' core purpose "to serve the world with a better lifestyle"** by delivering best quality products of furniture and consistently improve quality and standards for betterment of our customers.

I would like to acknowledge the hard work, dedication of our talented employees for their passion and dedication with which they continue to contribute to the culture of excellence. We thank you all for your continued support in our growth. Further also thank you, our investors, for your patience, for showing confidence and trust in management capabilities and guidance thus far and looking forward to the future with optimism and innovation.

As we move forward into our next year, may you and your family stay safe and healthy. Warm Regards

Umesh Nandani
Chairman & Managing Director
DIN: 00039757

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Company Information

BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

| NAME | DIN NO. | DESIGNATION |
|-----------------------------------|----------|--|
| Mr. Umesh Dhirajlal Nandani | 00039757 | Chairman & Managing Director |
| Mr. Deven Dipesh Nandani | 07576542 | Non- Executive Director |
| Mr. Parin Umeshbhai Nandani | 02343309 | Whole-Time Director |
| Mr. Dayalal Harjivanbhai Kesharia | 08114818 | Independent Director |
| Ms. Shweta Chirag Kathrani | 08114974 | Independent Director |
| CA Alpa Jogi | | Chief Finance Officer |
| CS Kishor Kikani | | Company Secretary & Compliance Officer Appointed w.e.f 11-07-2021 Resigned w.e.f. 11-02-2021 |
| CS Binika Chudasama | | Company Secretary & Compliance Officer Appointed on. 03-04-2021 |

Company Information

AUDIT COMMITTEE

| NAME | DIN NO. | DESIGNATION |
|---|----------|-------------|
| Mr. Dayalal Harjivanbhai Kesharia (Independent Non Executive Director) | 08114818 | Chairman |
| Mrs. Shweta Chirag Kathrani (Independent Non Executive Director) | 08114974 | Member |
| Mr. Deven Dipesh Nandani (Non Executive Director) | 07576542 | Member |

NOMINATION AND REMUNERATION COMMITTEE

| NAME | DIN NO. | DESIGNATION |
|---|----------|-------------|
| Mrs. Shweta Chirag Kathrani (Independent Non Executive Director) | 08114974 | Chairman |
| Mr. Dayalal Harjivanbhai Kesharia (Independent Non Executive Director) | 08114818 | Member |
| Mr. Deven Dipesh Nandani (Non Executive Director) | 07576542 | Member |

STAKEHOLDERS RELATIONSHIP COMMITTEE

| NAME | DIN NO. | DESIGNATION |
|---|----------|-------------|
| Mr. Deven Dipesh Nandani (Non Executive Director) | 07576542 | Chairman |
| Mrs. Shweta Chirag Kathrani (Independent Non Executive Director) | 08114974 | Member |
| Mr. Dayalal Harjivanbhai Kesharia (Independent Non Executive Director) | 08114818 | Member |

STATUTORY AUDITORS

M/S. BHAVIN ASSOCIATES

Chartered Accountants

709- Everest Complex
Opp. Shastri Ground, Rajkot 360 001

Tel: 0281-2220123 /2223153

Firm Registration No.: 101383W

Company Information

SECRETARIAL AUDITORS

M/S. K.P. Rachchh & Co.

Company Secretaries

317, Krishna Con - Arch-II, 3rd Floor
Tagore Road, Rajkot – 360002

Tel: 93283 83087

Member No. - 5156

BANKERS

HDFC BANK LIMITED

STATE BANK OF INDIA

ICICI BANK

Company Information

REGISTER OFFICE & HEADOFFICE

PARIN FURNITURE LIMITED.
Plot No. 6, Revenue Survey No. 149,
National Highway, at Vavdi, Gondal Road,
Rajkot, Gujarat-360004, India.
Phone:0281-3300777.
Email: info@parinfurniture.com
Website: www.parinfurniture.com
CIN: L36101GJ2006PLC049074

LISTING & STOCK EXCHANGE DETAILS

Listed at SME NSE
Emerge Platform
ISIN:
INE00U801010
Symbol: PARIN

REGISTER&SHARETRANSFER AGENT

KFIN TECHNOLOGIES PRIVATE LIMITED
(Formerly known as Karvy Fintech Pvt. Ltd.) SEBI Registration No.: INR000000221
Selenium Tower B, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda, Serilingampally Mandal,
Hyderabad, Telangana -500032
Phone: +91 40 6716 1595
Email : umesh.pandey@kfintech.com
Website : www.kfintech.com

INVESTOR RELATIONCONTACT

CS BINIKA CHUDASAMA
Company Secretary
Email :
cs@parinfurniture.com
Mo. No. : 9033402225
Ph. No. : 0281-3300777 Ext 124

Company Information

HEADOFFICE AND BRANCHES

Rajkot Branch (Registered Office)

PARIN FURNITURE LIMITED

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

Phone:0281-3300777.

Email: info@parinfurniture.com

Website: www.parinfurniture.com

CIN: L36101GJ2006PLC049074

Corporate Office & Factory Address

PARIN FURNITURE LIMITED

Plot # 1-3, Survey # 33, National
Highway 8B, Village - Billayala, Taluka
- Gondal, Dist. Rajkot,

Gujarat 360 311.

Phone - 9898498984

Email - info@parinfurniture.com

MUMBAI

PARIN FURNITURE LIMITED

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

Mumbai-421302.

Phone :9321086352

Email :mumbai@parinfurniture.com

AHEMEDABAD

PARIN FURNITURE LIMITED

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

Phone: 079-40067819 / 9824611132

Email:ahmedabad@parinfurniture.com

KOLKATA

PARIN FURNITURE LIMITED

19/2, Ground Floor, Sahapur Colony,
Newalipur, Kolkata - 700053

Phone: 8017424866

Email: kolkata@parinfurniture.com

DELHI

PARIN FURNITURE LIMITED

Unit No. 29, Ground Floor, Omaxe
Square, Jasola, New Delhi - 110025

Phone : +9198984 98984

Email : info@parinfurniture.com

BARODA

PARIN FURNITURE LIMITED

Unit # 4th Floor / 403, Park Paradise Complex,
Beside Billabong School, Vadsar Road, Baroda

Phone:9824422245

Email:rohan.thakkar@parinfurniture.com

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 15TH ANNUAL GENERAL MEETING OF PARIN FURNITURE LIMITED WILL BE HELD ON THURSDAY, 23RD DAY OF SEPTEMBER, 2021 AT 11:00 A.M. AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT PLOT NO. 6, REVENUE SURVEY NO. 149, NATIONAL HIGHWAY AT. VAVDI, GONDAL ROAD RAJKOT GJ 360004 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. TO RECEIVE, CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY (INCLUDING AUDITED CONSOLIDATED FINANCIAL STATEMENTS) FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2021 AND THE REPORTS OF THE BOARD OF DIRECTORS' AND AUDITORS THEREON.
2. TO APPOINT A DIRECTOR IN PLACE OF MR. DEVEN DIPESH NANDANI (DIN: 07576542) WHO RETIRE BY ROTATION AND BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT.

SPECIAL BUSINESS:

3. TO APPROVE RELATED PARTY TRANSACTION TO BE ENTERED BY THE COMPANY WITH RELATED PARTIES AND IN THIS REGARD, TO CONSIDER AND IF THOUGHT FIT, TO PASS, WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS ORDINARY RESOLUTION:

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 read with the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such other approvals, consents, permissions and sanctions of other authorities as may be necessary, and also pursuant to the approval of the Audit Committee and the Board of Directors vide resolutions passed/to be passed at their respective meetings, consent of the Members of the Company be and is hereby accorded to the Audit Committee and Board of Directors of the Company, to approve all the material related party transactions (including any modifications, alterations or amendments thereto) to be entered into by the Company in the ordinary course of business and on arm's length basis with related party/ies and for the maximum amounts per annum, for the year 2021-22 as mentioned herein below:

| Sr. No. | Name of Related Party | Nature of Relationship | Nature of Transaction | Amount (Rs. in Lakhs) |
|---------|---------------------------------|------------------------|-----------------------|-----------------------|
| 1 | Pearl Furniture Private Limited | Subsidiary Company | Purchase | 4000.00 |

RESOLVED FURTHER THAT the transaction may be entered into subject to the compliance of criteria mentioned under Rule 15 of the Companies (Meetings of Board and its Power) Rules, 2014 of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors and / or Audit Committee thereof be and is hereby authorized to settle any question, difficulty or doubt that may arise with regard to giving effect to the above resolution and to do all acts, deeds, things as may in its absolute discretion deem necessary, proper, desirable and to finalize any documents and writings related thereto.

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

Sd/-

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

Date: 17th August, 2021
Place: Rajkot

Notes:

1. **The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 for Item No. 3, which sets out details relating to Special Business at the meeting, is annexed hereto. The relevant details, pursuant to Regulations 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this Annual General Meeting (“AGM”) is also annexed as Annexure – I to this notice.**

2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

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

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

3. All documents referred to in the notice and the explanatory statement requiring the approval of the Members at the meeting and other statutory registers shall be available for inspection by the Members at the Registered Office of the Company during office hours on all working days between 10.00 a.m. to 6.00 p.m. from the date of hereof up to the date of the Annual General Meeting.
4. Corporate Members intending to send their authorized representative to attend the meeting pursuant to section 113 of the Companies Act, 2013 are requested to send to the Company, a certified true copy of Board resolution together with their specimen signature authorizing their representative to attend and vote on their behalf at the meeting.
5. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
6. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts.
7. The notice of AGM along with Annual Report for 2020-21 is being sent by electronic mode to all the members whose email IDs are registered with the Company/Depository Participant(s) unless any member has requested for a physical copy of the same. For members who have not registered their email addresses, physical copies are being sent by the permitted mode, if requested for the same.
8. Non-resident Indian members are requested to inform the Company or its RTA or to the concerned DPs, as the case may be, immediately the change in the residential status on return to India for permanent settlement.
9. Members are requested to make all correspondence in connection with shares held by them by addressing letters directly to the Company or its RTA quoting their Folio number or their Client ID number with DPID number, as the case may be.
10. This notice along with Annual Report for 2020-21 is being sent to all members of the Company whose name appears in the Register of Members/ list of beneficiaries received from the depositories on the end of **20th August, 2021**
11. The entry to the meeting venue will be regulated by means of attendance slips. For attending the meeting, members, proxies and authorized representatives of the members, as the case may be, are requested to bring the enclosed attendance slip completed in all respects, including client ID and DP ID, and signed. Duplicate attendance slips will not be issued.
12. All members are requested to support Green Initiative of the Ministry of Corporate Affairs, Government of India and register their email addresses to receive all these documents electronically from the Company in accordance with Rule 18 of the Companies (Management & Administration) Rules, 2014 and Rule 11 of the Companies (Accounts) Rules, 2014. All the aforesaid documents have been uploaded on and are available for download from the Company's website: www.parinfurniture.com. Kindly bring your copy of Annual Report to the meeting.
13. Rule 3 of the Companies (Management and Administration) Rules, 2014 mandates that the register of members of all companies should include details pertaining to email address, permanent account number (PAN) or CIN, unique identification number, if any; father's/ mother's/ spouse's name, occupation, status, nationality; in case member is a minor, name of guardian and the date of birth of the member, and name and address of nominee. All members are requested to update their details as aforesaid with their respective depository.
14. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them.



15. Members may pursuant to section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014 file nomination in prescribed form SH- 13 with the respective depository participant.
16. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote
17. Members seeking any information with regard to the accounts, are requested to write to the Company at an early date i.e. at least 10 days before the Meeting, so as to enable the Management to keep the information ready at the AGM.
18. A route map showing direction to reach the venue of the 15thAGM is given at the end of this notice as per the requirement of Secretarial Standards -2 on General Meeting.
19. The books (Register of members) will remain close from **17.09.2021 to 23.09.2021** (Both Days inclusive) for the purpose of 15th Annual General Meeting of the Company.

20. Voting system:

Pursuant to the provisions of section 108 of the Companies Act, 2013, rules 20 and 21 of the Companies (Management & Administration) Rules, 2014 and sub Reg. (1) & (2) of Reg. 44 of SEBI (LODR) Regulations, 2015, the Company is not required to provide mandatorily to its members the electronic facility to exercise their right to vote at the AGM. Therefore, in terms the provisions of section 108 of the Companies Act, 2013, at any general meeting, a resolution put to the vote of the meeting shall, unless a poll is demanded under section 109, be decided on a show of hands. A declaration by the Chairman of the meeting of the passing of a resolution or otherwise by show of hands under sub-section (1) and an entry to that effect in the books containing the minutes of the meeting of the Company shall be conclusive evidence of the fact of passing of such resolution or otherwise.

- Every Member entitled to vote on a Resolution and present in person shall, on a show of hands, have only one vote irrespective of the number of shares held by him.
- A Proxy can not vote on a show of hands.
- A Member who is a related party is not entitled to vote on a Resolution relating to approval of any contract or arrangement in which such Member is a related party.
- The Members of the Company holding shares on the “**cut-off date**” of **16th September, 2021** are entitled to vote on the resolutions proposed. Cut-off date means the date on which the right of voting of the members shall be reckoned and a person who is not a member as on the cut-off date should treat this notice for information purposes only.
- The results of the voting will be placed by the Company on its website <http://www.parinfurniture.com/> within 48 hours from the conclusion of the AGM and also communicated to the stock exchanges, where the shares of the Company are listed.
- The resolutions proposed will be deemed to have been passed on the date of the AGM subject to the receipt of the requisite number of votes in favor of the resolutions.

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

Sd

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

**Date: 17th August, 2021
Place: Rajkot**

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

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

Item No. 3

The Companies Act, 2013 aims to ensure transparency in the transactions and dealings between the related parties of the Company. The provisions of section 188(1) of the Companies Act, 2013 that govern the Related Party Transactions, requires that for entering into any contract or arrangement as mentioned herein below with the related party, the Company must obtain the prior approval of Board of Directors and in case of the Company having paid up share capital of not less than such amount or transactions exceeding such sums as prescribed in the Rule 15 of the Companies (Meetings of Board and its Power) Rules, 2014 of the Companies Act, 2013, prior approval of the shareholders by way of a Ordinary Resolution must be obtained:

- (a) sale, purchase or supply of any goods or materials;
- (b) selling or otherwise disposing of or buying, property of any kind;
- (c) leasing of property of any kind;
- (d) availing or rendering of any services;
- (e) Appointment of any agent for purchase or sale of goods, materials, services or property;
- (f) such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company; and
- (g) underwriting the subscription of any securities or derivatives thereof of the company:

In the light of the provisions of the Companies Act, 2013 and (—the Act), the Board of Directors of your Company has proposed for the transaction as mentioned in the resolution for the financial year 2021-22.

The respective transaction may carry out on arm's Length basis and all factors relevant to the respective transaction may consider by the Board.

The Board accordingly recommends the resolution for your approval as an Ordinary Resolution as set out in Item No. 3 of the Notice.

ANNEXURE- I

DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT 15TH ANNUAL GENERAL MEETING

| | |
|---|--|
| Name of Director | MR. DEVEN D. NANDANI |
| Date of Birth | 15/10/1997 |
| Age | 24 |
| Date of Appointment on the Board of Company | 27/07/2016 |
| Education Qualification | B.B.A |
| Relationship with other KMPs, Directors etc. | As prescribed in Board's Report |
| Shareholding In Company | No. of Shares - 26,87,200(24.17%) |
| Experience (in years) | More than 5 years |
| Area of Expertise | Production & Finance |
| Directorship in other public company | Pearl Furniture Private Limited (Deemed Public Company) |
| Membership in Committee of other Public Company | NIL |

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

**Date: 17th August, 2021
Place: Rajkot**

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

BOARD'S REPORT

TO,
THE MEMBER,

Your Directors have pleasure in presenting the 15th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended on March 31, 2021.

SUMMARY OF FINANCIAL HIGHLIGHTS:

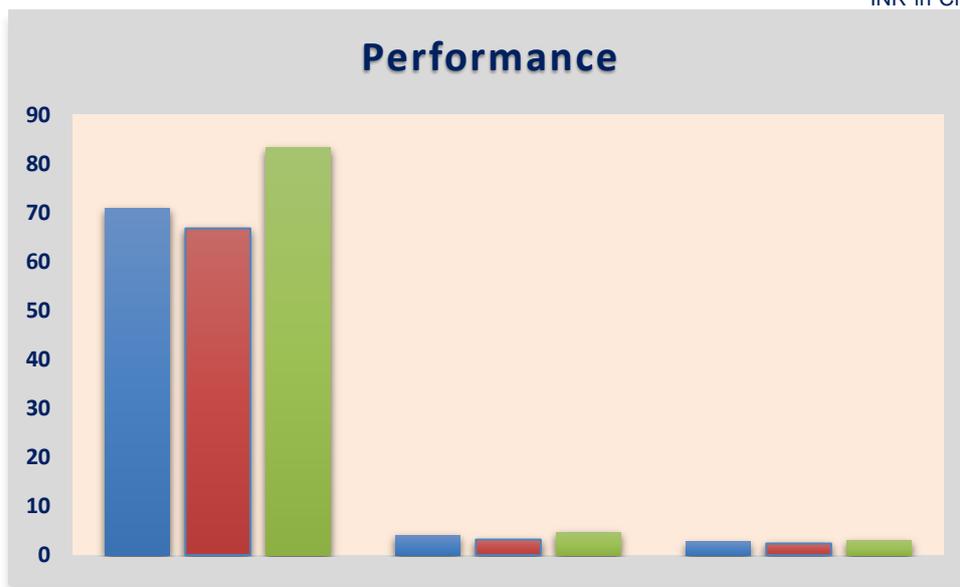
The standalone and consolidated performance of the Company for the financial year ended on March 31, 2021 is summarized below:

FINANCIAL SUMMARY OF THE COMPANY:

(Amount in Rs)

| Particulars | STANDALONE | | CONSOLIDATED | |
|---|---------------------|---------------------|---------------------|---------------------|
| | 2020-21 | 2019-20 | 2020-21 | 2019-20 |
| Revenue from Operations | 82,77,56,012 | 66,28,54,221 | 83,90,64,736 | 67,05,30,537 |
| Other Income | 52,20,500 | 48,37,466 | 55,06,370 | 52,55,958 |
| Total Revenue | 83,29,76,512 | 66,76,91,686 | 84,45,71,106 | 67,57,86,495 |
| Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense | 8,56,03,648 | 5,70,61,632 | 12,48,12,229 | 9,28,73,003 |
| Less Depreciation /Amortization | 1,06,22,394 | 50,81,830 | 1,55,64,781 | 93,64,832 |
| Profit/Loss before Finance Costs, Exceptional items and Tax Expense | 7,49,81,254 | 5,19,79,802 | 10,92,47,448 | 8,35,08,171 |
| Less: Finance Costs | 2,83,62,007 | 2,03,73,602 | 3,81,34,557 | 2,94,14,383 |
| Profit/Loss before Exceptional items and Tax Expense | 4,66,19,247 | 3,16,06,200 | 7,11,12,891 | 5,40,93,788 |
| Add/(Less): Exceptional Items | -- | -- | -- | -- |
| Profit (Loss) before tax Expense | 4,66,19,247 | 3,16,06,200 | 7,11,12,891 | 5,40,93,788 |
| Less: Tax Expenses | | | | |
| Current Tax | 1,39,57,830 | 86,96,230 | 2,01,94,584 | 1,26,50,230 |
| Previous Year Tax | 19,60,977 | 4,31,399 | 25,48,485 | 9,22,899 |
| Deffered Tax | 16,34,166 | -11,07,659 | 18,43,685 | 21,88,626 |
| Profit (Loss) for the period | 2,90,66,274 | 2,35,86,231 | 4,62,55,509 | 3,83,32,033 |
| EPS | 2.61 | 2.12 | 4.16 | 3.43 |

INR in Cr.



| | Revenue | PBT | PAT |
|---------|---------|------|------|
| 2018-19 | 70.92 | 4.01 | 2.7 |
| 2019-20 | 66.77 | 3.16 | 2.36 |
| 2020-21 | 83.30 | 4.66 | 2.91 |

PERFORMANCE AND OPERATION REVIEW

➤ STANDALONE FINANCIAL RESULTS:

Performance of your Company for the year under review has remained very encouraging. Total income was Rs. 83,29,76,512 (previous year Rs.66,76,91,686). Tax expenses were Rs.1,75,52,973 (previous year Rs. 91,27,629). The net profit after tax was Rs.2,90,66,274 (previous year Rs.2,35,86,231).

➤ CONSOLIDATED FINANCIAL STATEMENT:

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

RESERVES :

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

DIVIDEND:

The Board of Directors of your Company with a view of Ploughing back of profit have not recommend any Dividend for the year ended on March 31, 2021.

PUBLIC DEPOSIT:

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

SHARE CAPITAL:

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

EQUITY INFUSION:

During the year under review, there is no infusion of Equity share capital.

LISTING:

The Equity Shares of the Company are listed on SME Emerge Platform of NSE Limited. The Company is regular in payment of Annual Listing Fees and other compliance fees.

DEMATERIALISATION OF EQUITY SHARES:

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

DIRECTORS & KEY MANAGERIAL PERSON [KMP]:

During the Year under review, there has been no change in the Board of Directors of the Company and as on 31 st March, 2021, Board of Directors of the Company is composed as following:

| Sr.No. | Name of Director | DIN | Designation |
|--------|----------------------------------|----------|--|
| 1 | Mr. Umesh Dhirajlal Nandani | 00039757 | Managing Director- Executive Director |
| 2 | Mr. Parin Umeshbhai Nandani | 02343309 | Whole-Time Director – Executive Director |
| 3 | Mr. Deven Dipesh Nandani | 07576542 | Non Executive Director |
| 4 | Mr Dayalal Harjivanbhai Kesharia | 08114818 | Independent Non-Executive Director |
| 5 | Ms. Shweta Chirag Kathrani | 08114974 | Independent Non-Executive Director |

➤ **Chief Financial Officer and Company Secretary- KEY MANAGERIAL PERSONNEL**

There is no change in Chief Financial Officer during the year. Ms. Alpa Vasantbhai Jogi is the Chief Financial Officer during the year.

During the year under review, Mr Kishor Kikani (ACS 58545) has been appointed as the Company secretary and Compliance officer of the Company w.e.f 11th July, 2020 and thereafter Mr Kishor Kikani (ACS 58545) as Company Secretary (CS) was resigned from the Company w.e.f. 11th February, 2021 due to his personal reasons and in his place, Company has appointed Ms. Binika Chudasama(ACS 39841) as Company Secretary (CS) and compliance officer of the Company w.e.f. 3rd April 2021.

DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTERSE:

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

RETIREMENT BY ROTATION :

In terms of Section 152 of the Companies Act, 2013, Mr. Deven D. Nandani (DIN: 07576542), Director of the Company is liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, offered himself for re-appointment. Brief profile of Director seeking Appointment/Re-appointment is given in **Annexure I** of the Notice and also

presented in Board's Report.

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

BOARD EVALUATION:

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

DECLARATION BY INDEPENDENT DIRECTORS:

Every Independent Director, at the first meeting of the Board in which he participates as a Director and hereafter at the first meeting of the Board in every Financial Year, gives a declaration that he meets the criteria of independence as provided under section 149(7) of the Companies Act, 2013 and under Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and accordingly the Company has received necessary declaration from each Independent Director under section 149(7) of the Companies Act, 2013 and as per Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 that he/she meets with the criteria of Independence laid down in Section 149(6) of the Companies Act, 2013 and SEBI (LODR) Regulations.

The independent directors are required to take an online proficiency self assessment test conducted by IICA, therefore they are registered for the same as under and will clear online proficiency self assessment test before the prescribed time period:

Mr. Dayalal Harjivanbhai Kesharia: ID Reg No: IDDB-DI-202002-017876
 Ms. Shweta Chirag Kathrani: ID Reg No: IDDB-DI-202002-017239

During the year, the Independent Directors meeting was held on 12-03-2021 and all the Independent Directors was present at the meeting.

COMMITTEES OF BOARD:

1. AUDIT COMMITTEE:

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

The Composition of the Committee is as under:

| Sr. No. | Name | Designation |
|---------|--|-------------|
| 1. | Mr. Dayalal Harjivanbhai Kesharia – Independent Director | Chairperson |
| 2. | Ms. Shweta Chirag Kathrani – Independent Director | Member |
| 4 | Mr. Deven Dipesh Nandani Non Executive – Non Independent Director | Member |

Meeting:

During the financial year ended March 31, 2021, the Members of the Audit Committee met 5 (Five) Times on (1) 19/05/2020, (2) 28-07-2020, (3) 25/08/2020, (4) 12/11/2020, (5) 11/02/2021 and all the members have attended the meeting. Company Secretary Mr Kishor Kikani acted as secretary of the Audit Committee and attended (1) 28-07-2020, (2) 25/08/2020, (3) 12/11/2020 meetings and CFO has also attended all the meetings.

Terms & Reference of audit committee:

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

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
5. Reviewing, with the management, the half yearly financial statements before submission to the board for

approval, with particular reference to;

- matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause(c) of sub-section(3)ofSection134oftheCompanies Act,2013;
 - changes, if any, in accounting policies and practices and reasons for the same;
 - majoraccountingentriesinvolvingestimatesbasedontheexerciseofjudgmentbymanagement;
 - significant adjustments made in the financial statements arising out of audit findings;
 - compliancewithlistingandotherlegalrequirementsrelatingtofinancialstatements;
 - disclosure of any related party transactions;
 - modified opinion(s) in the draft audit report
6. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
 7. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
 8. Approval or any subsequent modification of transactions of the listed entity with related parties;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
 11. Evaluation of internal financial controls and risk management systems;
 12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 14. Discussion with internal auditors of any significant findings and follow up thereon;
 15. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.
 16. Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
 18. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 19. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177(4) of Companies Act 2013 or referred to it by the Board.
 20. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders(in case of non-payment of declared dividends)and creditors;
 21. To review the functioning of the whistle blower/Vigil mechanism;
 22. Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc.,of the candidate; and;
 23. Audit committee shall oversee the vigil mechanism.
 24. Audit Committee will facilitate KMP/auditor(s) of the Company to be heard in its meetings.
 25. Carrying out any other function as is mentioned in the terms of reference of the audit committee or containing into SEBI Listing Regulations2015.

Further, the Audit Committee shall mandatorily review the following:

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

2. NOMINATION AND REMUNERATION COMMITTEE

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

The Composition of the Committee is as under:

| Sr. No. | Name | Designation |
|---------|--|-------------|
| 1. | Ms. Shweta Chirag Kathrani Independent Director | Chairperson |
| 2. | Mr. Dayalal Harjivanbhai Kesharia Independent Director | Member |
| 4 | Mr. Deven Dipesh Nandani Non Executive – Non Independent Director | Member |

Meeting

During the financial year ended on March 31, 2021, the Members of the Nomination and Remuneration Committee met **2 (Two)** Times on (1) 11/07/2020,(2) 28/07/2020 and all the members have attended the meeting. Company Secretary Mr Kishor Kikani acted as secretary of the Nomination and Remuneration Committee and attended (1) 11/07/2020 ,(2) 28/07/2020 meetings and CFO has also attended all the meetings.

Terms & Reference of Nomination and Remuneration committee:

1. Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the Criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
2. Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the board a policy relating to the remuneration for directors, KMPs and other employees.
3. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
4. Devising a policy on diversity of board of directors;
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
6. Determine our Company's policy on specific remuneration package for the Managing Director / Executive Director including pension rights.
7. Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors.
8. Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
9. Decide the amount of Commission payable to the Whole time Directors.
10. Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc.
11. To formulate and administer the Employee Stock Option Scheme.

3. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

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

The Composition of the Committee is as under:

| Sr. No. | Name | Designation |
|---------|--|-------------|
| 2. | Mr. Deven Dipesh Nandani Non Executive – Non Independent Director | Chairman |
| 3. | Ms. Shweta Chirag Kathrani Independent Director | Member |
| 4. | Mr. Dayalal Harjivanbhai Kesharia Independent Director | Member |

Meeting

During the financial year ended on March 31, 2021, the Members of the Stakeholders' Relationship Committee met **1 (One)** Time on (1) 12/11/2020, 1 and all the members have attended the meeting. Company Secretary Mr Kishor Kikani acted as secretary of the Committee meetings and attended it and CFO has also attended the meeting.

Terms & Reference of Stakeholders' Relationship Committee:

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

1. Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the cages in the reverse for recording transfers have been fully utilized.
2. Issue of duplicate certificates and new certificates on split / consolidation / renewal, etc.; and

3. Review the process and mechanism of redressal of Shareholders /Investors grievance and suggest measures of improving the system of Redressal of Shareholders/Investors grievances.
4. non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
5. Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
6. Over see the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Probation of insider Trading) Regulations,1992 as amended from time to time.
7. Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting,
8. Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANIES :

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

Our subsidiary company i.e. Pearl Furniture Private Limited is engaged in manufacturing of furniture items like Bed Room furniture, Chairs, Hospital Furniture, School Furniture etc. Attached Annu al Report on Statement Containing Salient features of the financial statement of Subsidiaries as AOC — I with the Annual Report.

NUMBER OF BOARD MEETINGS:

During the financial year ended on March 31, 2021, the Board of Directors met **8 (Eight) Times**, the details of which is given below. The maximum interval between any two meetings did not exceed 120 days. The prescribed quorum was presented for all the Meetings and Directors of the Company actively participated in the meetings and contributed valuable inputs on the matters brought before the Board of Directors from time to time.

| Nameof Directors | Mr.Umesh D.Nandani | Mr. Parin U. Nandani | Mr. Deven D. Nandani | Mr.Dayalal H.Kesharia | Ms. Shweta C. Kathrani |
|--|--------------------|----------------------|------------------------|-----------------------|------------------------|
| Designation as on 31-03-2021 | Managing Director | Whole Time Director | Non-Executive Director | Independent Director | Independent Director |
| Date of Board Meeting & Attendance of meeting (Y/N) | | | | | |
| 1 | 19/05/2020 | Y | Y | Y | Y |
| 2 | 10/06/2020 | Y | Y | Y | N |
| 3 | 11/07/2020 | Y | Y | Y | Y |
| 4 | 28/07/2020 | Y | Y | Y | Y |
| 5 | 25/08/2020 | Y | Y | Y | Y |
| 6 | 12/11/2020 | Y | Y | Y | Y |
| 7 | 27/01/2021 | Y | N | Y | N |
| 8 | 11/02/2021 | N | Y | Y | Y |

ANNUAL RETURN:

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2021 is available on the Company's website on www.parinfurniture.com

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

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

| DETAILSOFEEXISTINGINVESTMENT | | | | |
|--|--------------------|------------------------|----------------------|-------------------|
| Name& CIN of Company | Type of Investment | No. of Shares Acquired | Amount of Investment | Extent of Holding |
| PEARL FURNITURE PRIVATE LIMITED (CIN: 36100GJ2013PTC073483) | In Equity Shares | 19,00,000 | 4,05,58,000 | 98.45% |

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

The Company has given Corporate guarantee for PEARL FURNITURE PRIVATE LIMITED (CIN: U36100GJ2013PTC073483), a subsidiary Company for various Credit Facilities availed from STATE BANK OF INDIA.

CHANGES IN THE NATURE OF BUSINESS& MAJOR EVENTS:

For sustained growth in future, Company wants to rely on the main business of Company; there is **NO** change in nature of business during the financial Year 2020-21 and no major events has been occurred during the year except disturbance in operation of the Company due to spread of Covid-19 pandemic.

WEBSITE:

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

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

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

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

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

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION:

The salient features of the Policy on Directors' appointment and remuneration of Directors, KMP & senior employees and other related matters are as provided under Section 178(3) of the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and any other re-enactment(s) for the time being in force. Nomination and Remuneration policy is available at the website of the Company. <http://www.parinfurniture.com>. Managing Director Mr. Umeshbhai D.Nandani (DIN: 00039757) and Whole-Time Director, Mr. Parin U. Nandani (DIN:02343309) are not receiving any remuneration from its Subsidiary Company PEARL FURNITURE PRIVATE LIMITED.

INVESTOR GRIEVANCE REDRESSAL POLICY :

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

PARTICULARS OF EMPLOYEES AND REMUNERATION:

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

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

| Particulars | Designation | Remuneration (p.a.) | Median Remuneration (p.a.) | Ratio |
|---------------|------------------------|---------------------|----------------------------|-------|
| Umesh Nandani | Managing Director | 36,00,000 | 2,40,000 | 15 |
| Deven Nandani | Non-Executive Director | - | - | - |
| Parin Nandani | Whole Time Director | 36,00,000 | 2,40,000 | 15 |

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

- Company Secretary & Compliance Officer and Chief Financial Officer of the Company Appointed and Resigned as below and there is no such increase in remuneration:

Ms. Alpa Jogi is appointed as CFO w.e.f 01.01.2020 and also as Compliance officer w.e.f 01st February, 2020 till 10th July, 2020 and again appointed as Compliance officer w.e.f 11th February, 2021 till 2nd April, 2021.

Kishor Kikani (CS) was appointed as Company Secretary and Compliance officer w.e.f. 11/07/2020 and resigned on 11.02.2021.

Binika Chudasama was appointed as Company Secretary and Compliance officer w.e.f. 03/04/2021.

➤ The percentage increase in remuneration of each directors:

| Umesh Nandani | Managing Director | 36,00,000 | 18,00,000 | 100% Increase |
|----------------------|------------------------|-----------|-----------|------------------|
| Deven Nandani | Non-Executive Director | - | 3,80,000 | - |
| Parin Nandani | Whole Time Director | 36,00,000 | 13,50,000 | 166.67% Increase |

c) Number of permanent Employees on the rolls of the Company as on 31st March, 2021 - 268

d) Sub-clause(xii)ofRule5(1):It is hereby affirmed that the remuneration paid is as per the Remuneration policy of the Company.

e) The percentage increase in the median remuneration of employees for the financial year 2020-21 is- 21.21%

f) The average increase in the managerial remuneration for the F.Y 2020-21 is 28.02% and the average increase in the salary of employees other than managerial personnel for the FY2020-21 is 101.81%.

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

| Sr. No. | Employee Name | Designation | Nature of Employment (Whether contractual or otherwise) | Educational Qualification | Age | Experience (In Years) | Date of joining | Gross Remuneration Paid (For the year 20-21) in Rs. | Previous employment | the percentage of equity shares held by the employee in the company | Relative of any director/ Manger (Yes/No) If yes then name of such director and manager |
|---------|--------------------------|-------------------------------|---|--------------------------------|-----|-----------------------|-----------------|---|-----------------------------|---|---|
| 1 | SUSHIL CHAUHAN | VP - HEALTH CARE DIVISION | On Roll | MBA, Bsc & Diploma in pharmacy | 37 | 16 | 03/01/2020 | 187500 | MIDMARK INDIA PVT LTD | No | No |
| 2 | ALPA JOGI | CFO | On Roll | CA | 29 | 7 | 01/01/2020 | 75000 | PEARL FURNITURE PVT. LTD. | No | No |
| 3 | KRISHNAN MAJUMDER | REGIONAL MANAGER | On roll | Master | 41 | 16 | 11/15/2018 | 80000 | SAAJ | No | No |
| 4 | HARDIK THAKKAR | DIVISIONAL HEAD | On roll | Master | 36 | 16 | 01/01/2012 | 130000 | FUTURE GROUP | No | No |
| 5 | KEYUR MANEK | DIVISIONAL HEAD | On Roll | Graduate | 36 | 20 | 6/28/2002 | 77500 | POONAM FURNITURE | No | No |
| 6 | AJAY KALARIA | MIS MANAGER | On Roll | LLB | 39 | 21 | 06/12/2016 | 77600 | KOTHARI & COMPANY | No | No |
| 7 | PRASHANT INDERCHAND JAIN | VICE PRESIDENT - GLOBAL SALES | On Roll | Graduate | 34 | 16 | 12/01/2020 | 225000 | HANSHIL ENTERPRISE | No | No |
| 8 | KISHAN BHATT | OPERATIONS MANAGER | On Roll | BBA / DBM | 32 | 13 | 8/15/2018 | 70000 | J K MACHINE TOOLS PVT. LTD. | No | No |
| 9 | KOTAK KAMLESH VINODBHAI | PURCHASE MANAGER | On Roll | Graduate | 37 | 18 | 07/01/2020 | 65500 | PARADISE FURNITURE | No | No |
| 10 | Mukesh Ramchandani | Asst Branch Manager | On Roll | Graduate | 31 | 18 | 01/01/2005 | 60000 | SELF EMPLOYED | No | No |



INSURANCE:

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

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

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

FUTURE OUTLOOK:

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

Our Company has been associated with some of the prestigious projects for education furniture such as Rashtriya Madhyamik Shiksha Abhiyan, Sarva Shiksha Abhiyan, IIT Guwahati, IIT Gandhinagar & various Medical Colleges falling under the AIIMS umbrella. Moreover, we have supplied Waiting Area Seating Systems at airports of the country which gave us the confidence to bid & win a global tender for Airport Seating Systems in technical collaboration with C.C.M Srl Group, Italy. In the health care sector, our Company has successfully executed high value orders for Medical & Non Medical Furniture for various Project Implementation Units (PIU's), HLL Infratech Services P Ltd (Under the Government of India Health & Family Welfare Dept), multiple AIIMS, U N Mehta Institute of Cardiology & Research, Andhra Pradesh Medical Services & Infrastructure Development Corporation (APMSIDC), Engineering Projects (India) Limited (EPIL) and so on. As stated earlier, we are now poised in a very strong position with our affiliation with Airports Authority of India.

All these and many more factors have fueled the organization's efforts to becoming a major player in India in the health care & education furniture products industry.

However, due to spread of Covid-19 pandemic, it is difficult to estimate outlook for future but Management and Board are optimistic towards the growth of the business and have trust that company will grow and develop more in coming years.

SECRETARIAL AUDITOR:

M/s.K.P.Rachchh & Co., Practicing Company Secretaries (Membership No.FCS:5156; CP No:3974), Rajkot has been appointed by board as a secretarial auditor of Company for Financial Year 2020 -21. There has been no qualification, reservation or adverse remark or disclaimer made by secretarial auditor.

The Secretarial Audit report for Financial Year is attached here with as Annexure V.

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

SECRETARIAL STANDARDS AND STATEMENT FOR COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS:

Secretarial Standards issued by the Institute of Company Secretaries of India as applicable to the Company were followed and complied with during 2020-21. The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively

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

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:

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

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

STATUTORY AUDITORS :

The Board of Directors of the Company (the Board'), on the recommendation of the Audit Committee (the Committee'), recommend and Members approved reappointment of M/s. BHAVIN ASSOCIATES, Chartered Accountants on 14th

Annual General Meeting as on 28/09/2020, as the Auditors of the Company for a period of five years from (FY 2020 -21 to FY 2024-25) and hold office of Statutory Auditor of the company till the conclusion of the 19th AGM.

M/s. BHAVIN ASSOCIATES have confirmed that they are eligible to continue to act as Statutory auditor of the Company for the year 2021-22.

STATUTORY AUDITORS REPORT:

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

CORPORATE SOCIAL RESPONSIBILITY (CSR):

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

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE:

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

Conservation of Energy

The steps taken or impact on conservation of energy; : Conservation of energy is always been an area of priority in the Company's operations. The Company has consumed power of Rs. 21,99,746.84 (P.Y. Rs. 23,77,560.54/-) for the year under review.

the steps taken by the company for utilizing alternate sources of energy -NIL

The Capital Investment or Energy conservation Equipments: NIL

Technology Absorption:

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

The efforts made towards technology absorption;

The Company has adopted indigenous technology. The Company has derived benefits like product improvement, cost reduction and product development

The Company has not imported any technology during the last three years reckoned from the beginning of the financial year

the expenditure incurred on Research and Development-NIL

The company has not initiated any research and development activities and thus no Expenditure has been incurred on Research and Development.

Foreign Exchange Earnings and Outgo:

Foreign Earnings : Rs. Nil

Foreign Out Go: Rs. 3,67,66,227/-

DIRECTORS' RESPONSIBILITY STATEMENT [DRS]:

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

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 31.03.2021 and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

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

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

The Company has always believed in providing a safe and harassment free workplace for every individual working in premises and always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. During the year ended on 31st March, 2021, the Company has not received any complaint pertaining to sexual harassment. Company has also framed and adopted policy and It is hereby stated that the company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 [14 of 2013]. The Said Policy is also available at the Website of the Company.

RISK MANAGEMENT:

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

ENVIRONMENT, HEALTH AND SAFETY:

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

VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES - WHISTLE BLOWER MECHANISM:

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

POLICY ON PRESERVATION OF THE DOCUMENTS:

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

POLICY ON CRITERIA FOR DETERMINING MATERIALITY OF EVENTS:

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

CORPORATE GOVERNANCE:

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

EMPLOYEE RELATIONS:

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

Company considers Employees as asset of the Company and Company have taken utmost care and precautions as per the guidelines of Government for safety of employees from Covid-19 pandemic. There were no incident of strike, lock out, however there was temporary suspension of operations/work at company due to government orders of Lock down and resumed the work w.e.f 19th May, 2020.



COST AUDIT:

Central Government has notified rules for Cost Audit and as per new Companies (Cost Records and Audit) Rules, 2014 issued by Ministry of Corporate Affairs; Company is not falling under the Industries, which will subject to Cost Audit. Therefore filing of cost audit report for the FY 2020-21 is not applicable to the Company.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

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

ACKNOWLEDGEMENT:

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

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

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

**Date: 17th August, 2021
Place: Rajkot**

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

ANNEXURE - I
**DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-
 APPOINTMENT AT 15TH ANNUAL GENERAL MEETING**

| | |
|---|--|
| Name of Director | MR. DEVEN D. NANDANI |
| Date of Birth | 15/10/1997 |
| Age | 24 |
| Date of Appointment on the Board of Company | 27/07/2016 |
| Education Qualification | B.B.A |
| Relationship with other KMPs, Directors etc. | As prescribed in Board's Report |
| Shareholding In Company | No. of Shares - 26,87,200 (24.17%) |
| Experience (in years) | More than 5 years |
| Area of Expertise | Production & Finance |
| Directorship in other public company | Pearl Furniture Private Limited (Deemed Public Company) |
| Membership in Committee of other Public Company | NIL |

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

**Date: 17th August, 2021
Place: Rajkot**

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

ANNEXURE-II

Form No. AOC-2

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

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

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

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

| Name(s) of the related party and nature of relationship: | Nature of contracts/ arrangements/ transactions | Duration of the contracts/ arrangement/ transactions | Salient terms of the contracts or arrangements or transactions including the value, if any (Value in Rs. In Lacs) | Date(s) of approval by the Board | Amount paid as advances, if any |
|--|---|--|---|----------------------------------|---------------------------------|
| Poonam Furniture (Entity Significantly influenced by Director) | Sale | Ongoing transaction approved yearly | 0.08 | 19.5.2020 | NIL |
| | Purchase | Ongoing transaction approved yearly | 6.22 | 19.5.2020 | NIL |
| Parin Motors (Entity Significantly influenced by Director) | Sale | Ongoing transaction approved yearly | 7.22 | 19.5.2020 | NIL |
| Paradise Furniture (Entity Significantly influenced by Director) | Purchase | Ongoing transaction approved yearly | 126.43 | 19.5.2020 | NIL |
| Paradise Furniture (Entity Significantly influenced by Director) | Sale | Ongoing transaction approved yearly | 9.41 | 19.5.2020 | NIL |
| Pearl Furniture Private Limited (Subsidiary Company) | Purchase | Ongoing transaction approved yearly | 4438.49 | 19.5.2020 | NIL |
| Prince Furniture (Entity Significantly influenced by Director) | Sale | Ongoing transaction approved yearly | 0.11 | 19.5.2020 | NIL |
| Deven D. Nandani Director | Rent | Approved yearly | 68.75 | 19.5.2020 | NIL |
| Neha U. Nandani | Rent | Approved yearly | 38.25 | 19.5.2020 | NIL |

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

Date: 17th August, 2021
Place: Rajkot

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

ANNEXURE III

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS:

Our Company is moving firmly in its visionary & strategy based market penetration. India has been witnessing a major surge in demand in the education, health care segments being spear headed by Government & Non Government Institutions, over and above Corporate Business Spending and a consistently increasing e-commerce market spread.

India's GDP shrank by 7.3% in 2020-21. India's spending on health sector was 1.5% of GDP, somewhat an improvement over the last decade. The Prime Minister Narendra Modi-led government has aimed to raise the country's expenditure on public health services to 2.5 per cent of the GDP by 2025.

If we consider the previous budget, Rs 69,000 crore were allocated to the healthcare sector in Union Budget 2020-21. In 2019-20, the Finance Minister had announced a Rs 62,659.12 crore outlay for the healthcare sector. Looking at the trend, healthcare sector allocation in Union Budget 2021-22 will certainly go up.

Education Budget 2020-21: 99,300 crore; 3.2 percent of the total union budget as compared to Budget 2019-20: 94,854 crore. The budget percentage for education was in the range of 3 to 4.6 percent. One can see that India's expenditure on education has been increasing in the last five years. However, according to the government think tank Niti Aayog, India should increase the education expenditure to nearly 6 per cent of the GDP over the next two years.

All these and many more factors have fueled the organization's efforts to becoming a major player in India in the health care & education furniture products industry.

OVERVIEW AND OUTLOOK OF COMPANY'S BUSINESS :

Our Company has been associated with some of the prestigious projects for education furniture such as Rashtriya Madhyamik Shiksha Abhiyan, Sarva Shiksha Abhiyan, IIT Guwahati, IIT Gandhinagar & various Medical Colleges falling under the AIIMS umbrella. Moreover, we have supplied Waiting Area Seating Systems at airports of the country which gave us the confidence to bid & win a global tender for Airport Seating Systems in technical collaboration with C.C.M Srl Group, Italy. In the health care sector, our Company has successfully executed high value orders for Medical & Non Medical Furniture for various Project Implementation Units (PIU's), HLL Infratech Services P Ltd (Under the Government of India Health & Family Welfare Dept), multiple AIIMS, U N Mehta Institute of Cardiology & Research, Andhra Pradesh Medical Services & Infrastructure Development Corporation (APMSIDC), Engineering Projects (India) Limited (EPIL) and so on. As stated earlier, we are now poised in a very strong position with our affiliation with Airports Authority of India.

OUR PRODUCT RANGE :

Our Company is having a high flexibility to cater to a wide range of products in various categories such as Institutional Furniture which covers Office Furniture, Educational Furniture (From KG to PG), Health Care Furniture (Isolation beds, Fowler Beds, Motorized Beds, Support Furniture etc.) all types of Non Medical Furniture over and above having inherent strengths of Home Furniture range covering living room, dining room and bed room. In fact, Public Seating System (Waiting Area Chairs) is another major segment where we have developed strength through product development and channel sales.

CUSTOMER WISE PERFORMANCE IS AS UNDER:

Product wise bifurcation is not feasible to provide as the company is dealing into various products in one segment only:

| Customer | Sum of Total (Rs. in Lakhs) |
|--------------------|-----------------------------|
| Government Project | 3895.57 |
| Institutional | 463.04 |
| Online | 350.06 |
| Retailer | 301.39 |
| Wholesaler | 308.93 |
| Private Project | 2958.57 |
| Total | 8277.56 |

STRENGTHS, OPPORTUNITIES, RISKS AND CONCERNS

Strength

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

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

Challenges i.e. Risk and Concern:

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

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

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

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY :

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

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

DISCLOSURE OF ACCOUNTING TREATMENT

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

FINANCIAL PERFORMANCE :

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

(In Rs.)

| Particulars | 2020 - 2021 | 2019 - 2020 |
|--------------------------|--------------------|--------------------|
| Total Revenue | 83,25,79,899 | 66,76,91,686 |
| Profit (Loss) before tax | 4,50,02,312 | 3,16,06,200 |
| Less: Tax Expenses | | |
| Current Tax | 1,39,57,830 | 86,96,230 |
| Pre vious Year Tax | 19,60,977 | 4,31,399 |
| Deferred Tax | 16,34,166 | -11,07,659 |
| Profit (Loss) After tax | 2,90,66,274 | 2,35,86,231 |
| Earning Per Equity Share | 2.61 | 2.12 |

SEGMENT- WISE PERFORMANCE:

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

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

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

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

However as per Government's order of Lock Down due to outbreak of covid19, the Company's operations were closed w.e.f 25th March, 2020 and restarted its operations w.e.f 19th May, 2020 in accordance with the guidelines provided by the government and in accordance with requisite approvals of appropriate authorities

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS:

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

| Sr. No. | Type of Financial Ratios | 2020-21 | 2019-20 | Explanations |
|---------|----------------------------------|---------|---------|--|
| 1 | Debtor Turnover Ratio (In Days) | 143.00 | 166.00 | Debt or Turnover ratio lower as compared to Last year which shows that recovery is better. |
| 2 | Inventory Turnover Ratio (Month) | 4.00 | 4.50 | Inventory turnover ratio decreases due to movement in inventory. |
| 3 | Interest Coverage Ratio | 2.64 | 2.55 | Interest coverage ratio higher as compared to last year which shows that the ability of the company has increased slightly to pay the interest on its outstanding debt and company's earnings sufficient to enable it to pay the interest expense. |
| 4 | Current Ratio | 2.16 | 2.63 | Current ratio lower as compared to last year which shows that liquidity of the company reduce slightly |
| 5 | Debt Equity Ratio | 0.94 | 0.78 | Debt Equity Ratio increase slightly due to borrowing during the year but debt is less than equity, it means creditors are relatively less and the financial structure is sound. |

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

The Net Worth of the Company has increased to Rs. 42,40,50,753 / - in comparison to previous year of Rs.39,62,21,138/- . Increase in Net worth is due to retained earning.

CAUTIONARY STATEMENT:

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

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

**Date: 17th August, 2020
Place: Rajkot**

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

ANNEXURE V

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2021
[Pursuant to section 204(1) of the Companies Act, 2013 and rule
No.9 of the Companies (Appointment and Remuneration Personnel)
Rules, 2014]

To,
The Members,
PARIN FURNITURE LIMITED
(CIN: L36101GJ2006PLC049074)
Plot No. 6, Revenue Survey no. 149,
National Highway, At Vavdi, Gondal Road,
Rajkot – 360004

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by PARIN FURNITURE LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by PARIN FURNITURE LIMITED ("the Company") for the financial year ended on 31st March, 2021, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder and further amendments thereto and as per applicability to the company;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA'), Securities Contracts (Regulation) Amendment Act, 2007 and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, transfer and transmission of shares;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendments thereto;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments thereto; **Not Applicable** during the Audit period, as the Company has not issued any Capital during the year under review.
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **Not Applicable** during the Audit Period as the Company has not made any ESOP.
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable** during the Audit Period as the Company has not issued such debt securities.
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client: **Not applicable** as the Company is not registered as a Registrar to an issue and Share Transfer Agent.
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable** during the Audit Period and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable** during the Audit



Period as the Company has not processed any buy back of its securities.

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

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

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. During the period under review, Changes that took place in the KMP i.e. Company Secretary, were made in compliance with the applicable provisions of the Act. In Furtherance, Company Secretary and Compliance officer of the Company has resigned w.e.f 11th February, 2021 and thereafter Company has appointed Company secretary and Compliance officer of the Company w.e.f 03rd April, 2021. In Furtherance, Some of the E-forms that are required to be filed during the year 2020-21 were filed under CFSS scheme given by Ministry of Corporate Affairs due to spread of Covid-19 pandemic.

Adequate notice were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in compliance with the provisions of the Companies Act, 2013 and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

We further report that based on review of compliance mechanism established by the Company and on the basis of the Management representation letter, we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

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

Place : Rajkot
Date : 17th August, 2021
UDIN: F005156C000797783

Kalpesh P. Rachchh
Proprietor
FCS No. : 5156 C P No.: 3974



Parin Furniture Limited

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
The Members
PARIN FURNITURE LIMITED
(CIN: L36101GJ2006PLC049074)
Plot No. 6, Revenue Survey no. 149,
National Highway, At Vavdi, Gondal Road,
Rajkot — 360004

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

Management Responsibility for Compliances

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

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

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

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

Place : Rajkot
Date :17th August, 2021
UDIN: F005156C000797783

Kalpesh P. Rachchh
Proprietor
FCS No. : 5156 C P No.: 3974

**FORM AOC-I**

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

Statement Containing Salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures**Part "A": Subsidiaries**

(Amount in Rs.)

| SR. NO. | NAME OF SUBSIDIARY | PEARL FURNITURE PRIVATE LIMITED |
|---------|---|---|
| 1 | The date since when subsidiary was acquired | 01/ 06/ 2017 |
| 2 | Reporting period for the subsidiary concerned, if different from the holding Company's reporting period | Reporting period 31-03-2021 (Same Reporting period) |
| 3 | Reporting Currency and Exchange Rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | Reporting Currency - Indian Rupee Exchange Rate- N.A. |
| 4 | Share Capital | Authorized Capital –Rs. 2,00,00,000 Paid up Capital- Rs. 1,93,00,000 |
| 5 | Reserves & Surplus | 8,09,69,347 |
| 6 | Total Assets | 29,72,96,143 |
| 7 | Total Liabilities | 19,70,26,795 |
| 8 | Investments | NIL |
| 9 | Turnover | 44,73,23,685 |
| 10 | Profit before taxation | 2,44,93,644 |
| 11 | Provision for taxation (includes current tax, Deferred tax, Excess/Short provision relating to earlier years) | 70,33,781 |
| 12 | Profit after taxation | 1,74,59,863 |
| 13 | Proposed Dividend | NIL |
| 14 | % of Shareholding | 98.45% |

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

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

**Date: 17th August, 2021
Place: Rajkot**

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

INDEPENDENT AUDITOR'S REPORT

Financial Year : 2020-21

INDEPENDENT AUDITOR'S REPORT

To,

The Members of PARIN FURNITURE LIMITED, RAJKOT

Report on the Standalone Financial Statements

We have audited the accompanying Standalone financial statements of PARIN FURNITURE LIMITED, which comprise the Balance Sheet as at 31st March 2021, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on audit.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March, 2021, and its profit/loss and its cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in term of sub-section (11) of section 143 of the Act (the "Order"), we enclose in the Annexure a statement on the matters specified in the paragraphs 3 and 4 of the said Order.
2. As required by section 143(3) of the Act, we report that:



- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31st March, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of internal financial controls over financial reporting of the company and operating effectiveness of such controls, referred to our separate report in "Annexure B" and
- g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements, under notes on account of the financial statement.
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There are no amounts which we required to be transferred to the Investor Education and protection Fund by the Company during the year ended March 31, 2021.

For Bhavin Associates
Chartered Accountants
Firm Registration No.:101383W

Date: 28th June 2021
Place:Rajkot
UDIN:21043796AAAACZ4297

Sd/-
Bhavin P. Bhansali
Partner
Membership No.: 043796
Firm Registration No.: 101383W

ANNEXURE "A" TO THE AUDITOR'S REPORT

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

1. a) The Company has maintained electronic records showing value of fixed assets.
b) As per information & explanation given to us by the management of the company, all the assets have been physically verified by them management during the year and no material discrepancies were noticed on such verification.
c) As per information & explanation given to us by the management of the company, the title deeds of the immovable properties are held in the name of the company.
2. As explained to us, stock of inventories has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
3. In our opinion and according to the information and explanation given to us, The Company has not granted any loan secured or unsecured to any parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of clause 3(iii)(a) and 3(iii)(b) of the Companies [Auditor's Report] Order, 2016 are not applicable to the company.
4. As per information & explanation given to us, the company, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loan, investment, guarantees, and security.
5. In our opinion and according to the information and explanation given to us, the company has not accepted/invited any deposits falling within the preview of provisions of section 73 to 76 of any other relevant provisions of the Companies Act, 2013 and rules framed the under.
6. In our opinion and according to the information and explanation given to us, the company is not required of maintain cost records as per the provisions of clause 3(vi) of the Companies [Auditor's Report] order, 2016 specified by the Central Government under section 148 (1) of the Companies Act, 2013.
7. In our opinion and according to the information and explanation given to us, the company has not defaulted in depositing undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.
8. In our opinion and according to the information and explanation given to us, the Company has not defaulted in the repayment of dues to any financial institution or Bank during the year. The Company has not issued any debentures, hence there are no due to debenture holder.
9. In our opinion and according to the information and explanation given to us, the term loan is applied for the purpose for which loan was obtained.
10. According to the information and explanations given to us, neither any fraud by the company nor any fraud on the company by its officers and employees has been noticed or reported during the financial year.
11. According to the information and explanation given to us, the managerial remuneration paid or provided, are in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
12. As the company is not a Nidhi Company, the provisions of clause 3(xii) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
13. According to the information and explanation given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements as required under Accounting Standards (AS 18-Related Party Transaction).
14. According to the information and explanation given to us and based on our examination of the records the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under view.
15. According to the information and explanation given to us and based on our examination of the records the company has not entered into any non-cash transactions with directors of persons connected with him. So the clause 3(xv) of the Companies [Auditor's Report] Order, 2016 is not applicable to the company.



Parin Furniture Limited

16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence the clause 3(vi) of the Companies (Auditor's Report) Order 2016 is not applicable to the Company.

Date: 28th June 2021

Place: Rajkot

UDIN: 21043796AAAACZ4297

For Bhavin Associates

Chartered Accountants

Firm Registration No.: 101383W

Sd/-

Bhavin P. Bhansali

Partner

Membership No.: 043796

Firm Registration No.: 101383W

ANNEXURE "B"

TOTHE INDEPENDENT AUDITOR'S REPORT of Even Date on the Standalone Financial Statements of PARIN FURNITURE LIMITED

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

We have audited the internal financial controls over financial reporting of **PARIN FURNITURE LIMITED** ("the Company") as of 31st March, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Bhavin Associates
Chartered Accountants
Firm Registration No.:101383W

Date: 28th June 2021
Place:Rajkot
UDIN: 21043796AAAACZ4297

Sd/-
Bhavi n P. Bhansali
Partner
Membership No.: 043796
Firm Registration No.: 101383W



PARIN FURNITURE LIMITED
Balance Sheet as at 31st March, 2021

(in Rs.)

| Particulars | | Note No. | Year as at 31/03/2021 | Year as at 31/03/2020 |
|-------------|-----------------------------------|-----------|--------------------------|--------------------------|
| I. | EQUITY AND LIABILITIES | | | |
| 1 | Shareholders' funds | | | |
| | (a) Share capital | 1 | 11,11,80,000 | 111,180,000 |
| | (b) Reserves and surplus | 2 | 31,41,07,412 | 285,041,138 |
| 2 | Non-current liabilities | | | |
| | (a) Long-term borrowings | 3 | 8,50,15,297 | 71,751,409 |
| | (b) Long-term provisions | 4 | 30,36,081 | 3,642,990 |
| | (c) Other Long Term Liability | 5 | 27,018 | - |
| 3 | Current liabilities | | | |
| | (a) Short-term borrowings | 6 | 17,85,43,159 | 138,558,788 |
| | (b) Trade payables | 7 | 9,65,46,330 | 73,223,190 |
| | (c) Other current liabilities | 8 | 1,97,51,228 | 12,701,592 |
| | (d) Short-term provisions | 9 | 1,54,10,384 | 9,681,247 |
| | TOTAL | | 82,36,16,909 | 705,780,355 |
| II. | ASSETS | | | |
| | Non-current assets | | | |
| 1 | (a) Fixed assets | | | |
| | (i) Property, Plant & Equipment | 10 | 6,43,99,243 | 15,668,841 |
| | (ii) Intangible assets | 10 | 5,00,000 | 500,000 |
| | (b) Non-current investments | 11 | 4,05,58,000 | 40,558,000 |
| | (c) Deferred Tax Assets(Net) | 12 | 50,932 | 1,685,098 |
| | (d) Long-term loans and advances | 13 | 3,83,52,884 | 20,242,809 |
| | (e) Other non-current assets | 14 | 1,08,81,718 | 12,835,848 |
| 2 | Current assets | | | |
| | (a) Inventories | 15 | 28,30,45,795 | 254,801,734 |
| | (b) Trade receivables | 16 | 32,45,72,886 | 302,059,848 |
| | (c) Cash and cash equivalents | 17 | 3,14,78,975 | 34,803,222 |
| | (d) Short-term loans and advances | 18 | 2,97,76,475 | 22,624,955 |
| | (e) Other current assets | | - | - |
| | TOTAL | | 82,36,16,909 | 705,780,355 |

The accompanying notes form an integral part of the standalone financial statements dated 28th June, 2021, at RAJKOT

FOR & BEHALF OF Board of Directors of
PARINFURNITURELIMITED

AS PER OUR REPORT ON EVENDATE
M/S. BHAVIN ASSOCIATES
CHARTEREDACCOUNTANTS
Firm Registration No.:101383W

Sd/-
Umesh D.Nandani
(CMD) DIN: 00039757

Sd/-
Parin U.Nandani
(WTD): DIN: 02343309

Sd/-
Bhavin P.Bhansali
Partner
Mem. No.043796
UDIN : 21043796AAAACZ4297

Sd/-
AlpaJogi
(CFO)

Sd/-
Binika Chudasama
(CS)- MEMBERSHIP NO: 39841



PARIN FURNITURE LIMITED
Profit and loss for the year ended 31.03.2021(Amt. in Rs.)

| Particulars | | Refer Note No. | Yearly Ended 31/03/2021 | Yearly Ended 31/03/2020 |
|--------------|--|----------------|-------------------------|-------------------------|
| I. | Revenue from operations | 20 | 82,77,56,012 | 662,854,221 |
| II. | Other income | 21 | 52,20,500 | 4,837,466 |
| III. | Total Revenue (I + II) | | 83,29,76,512 | 667,691,686 |
| IV. | Expenses: | | | |
| | Cost of Material & Components Consumed | 22 | 4,82,19,716 | |
| | Purchases of Stock-in-Trade | | 51,42,48,211 | 491,619,841 |
| | Changes in inventories of Stock-in-Trade | | 33,52,078 | -19,459,359 |
| | Manufacturing Expenses | 23 | 3,16,57,243 | |
| | Employee benefits expense | 24 | 5,05,65,834 | 40,980,216 |
| | Finance costs | 25 | 2,83,62,007 | 20,373,602 |
| | Depreciation and amortization expense | 10 | 1,06,22,394 | 5,081,830 |
| | Other expenses | 26 | 9,93,29,781 | 97,489,355 |
| | Total expenses | | 78,63,57,265 | 636,085,484 |
| V. | Profit before prior period, exceptional and extraordinary items and tax (III- IV) | | 4,66,19,247 | 31,606,202 |
| VI. | Prior period items | | | |
| | Profit Before Exceptional Items | | 4,66,19,247 | 31,606,200 |
| VII. | Profit before tax | | 4,66,19,247 | 31,606,200 |
| VIII. | Tax expense: | | | |
| | (1) Current year tax | | 1,39,57,830 | 8,696,230 |
| | (2) Previous year tax | | 19,60,977 | 431,399 |
| | (3) Deferred tax | | 16,34,166 | -1,107,659 |
| IX | Profit (Loss) for the period (VII + VIII) | | 2,90,66,274 | 23,586,231 |
| X | Earnings per equity share: | | | |
| | (1) Basic EPS/Adjusted Basic EPS | | 2.61 | 2.12 |
| | (2) Diluted EPS/Adjusted Diluted EPS | | 2.61 | 2.12 |

The accompanying notes form an integral part of the standalone financial statements.
DATED 28th JUNE, 2021, ATRAJKOT.

FOR & BEHALF OF Board of Directors of
PARINFURNITURELIMITED

AS PER OUR REPORT ON EVENDATE
M/S. BHAVIN ASSOCIATES
CHARTEREDACCOUNTANTS
Firm Registration No.:101383W

Sd/-
UmeshD.Nandani
(CMD) DIN: 00039757

Sd/-
Parin U.Nandani
(WTD): DIN: 02343309

Sd/-
Bhavin P.Bhansali
Partner
Mem. No.043796
UDIN : 21043796AAAACZ4297

Sd/-
AlpaJogi
(CFO)

Sd/-
Binika Chudasama
(CS)- MEMBERSHIP NO: 39841

PARIN FURNITURE LIMITED

Cash flow statement for the year ended 31st March, 2021

| Particulars | 31.03.2021 | 31.03.2020 |
|--|---------------------|---------------------|
| | Rs. | Rs. |
| Cash flow from operating activities | | |
| Net profit before tax and extraordinary items | 4,66,19,247 | 3,16,06,200 |
| Adjustment for | | |
| Depreciation & Amortisation | 1,06,22,394 | 50,81,830 |
| Finance Cost | 2,83,62,007 | 2,03,73,602 |
| Interest Receipt/Non operating receipt | -22,82,870 | -22,72,218 |
| IPO Expense | | |
| Transfer to Defferred IPO Expense | | |
| Operating profit before working capital changes | 8,33,20,778 | 5,47,89,414 |
| Adjustment for | | |
| Movements in working capital : | | |
| (Increase)/Decrease in Sundry Debtors | -2,25,13,038 | -17,21,71,058 |
| (Increase)/decrease In Inventories | -2,82,44,061 | -1,94,59,359 |
| (increase)/Decrease in Short Term Loans & Advances & other assets | -21,25,393 | 1,93,69,489 |
| (increase)/Decrease in Other Current Assets | 19,54,130 | 13,78,923 |
| (increase)/Decrease in Long Term Loans & Advances | -1,23,44,627 | 20,81,312 |
| (increase)/Decrease in Deposit With Customers | -57,65,448 | 30,53,367 |
| Increase/(Decrease) in Trade Payables | 2,33,23,140 | 6,51,18,637 |
| Increase/(Decrease) in Current Liability | 70,49,636 | -28,04,481 |
| (Increase)/Decrease Short Term Provision | 4,67,537 | -6,56,329 |
| (Increase)/Decrease Long Term Provision | -6,06,909 | 11,58,455 |
| Increase/(Decrease) in Other Non-Current Liability | 27,018 | -40,000 |
| IPO Proceeds by way of Issue of Equity Share Capital (For Working Capital & General Corporate Operational Activities) | | |
| Cash generated from/(used in) operation | 4,45,42,762 | -4,81,81,630 |
| Income Tax (Paid)/Refund | -1,56,83,334 | -36,51,505 |
| Net cash flow from/(used in) operating activities (A) | 2,88,59,428 | -5,18,33,135 |
| Cash flow from investing activities | | |
| Interest receipt/other non-operative received | 22,82,870 | 22,72,218 |
| (Purchased) Fixed Assets (Net) | -5,93,52,797 | -82,13,084 |
| Net cash flow from/(used in) investing activities (B) | -5,70,69,927 | -59,40,866 |
| Cash flow from financing activities | | |
| Proceed from Share issue | | |
| Share Issue Expense | | |
| Finance Cost | -2,83,62,007 | -2,03,73,602 |
| Proceed/Repay from Long Term Loan | 1,32,63,888 | 4,47,18,245 |
| Proceed/Repay from Short Term Loan | 3,99,84,370 | 3,99,71,600 |
| Net cash flow from/(used in) financing activities (C) | 2,48,86,252 | 6,43,16,243 |



Parin Furniture Limited

| | | |
|--|-------------------|------------------|
| Net increase/(decrease) in cash & cash equivalents(A+B+C) | -33,24,247 | 65,42,242 |
| Cash and cash equivalents at the beginning of the year | 3,48,03,222 | 2,82,60,980 |
| Cash and cash equivalents at the end of the year | 3,14,78,976 | 3,48,03,222 |
| Components of cash and cash equivalents | | |
| Cash on hand | 31,72,457 | 33,98,235 |
| In Earmarked / Deposit Accounts | 2,77,85,873 | 3,12,66,666 |
| In current Account with Banks | 5,20,645 | 1,38,322 |
| Total cash and cash equivalents | 3,14,78,975 | 3,48,03,222 |

Notes: The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on "Cash Flow Statement" issued by ICAI.

Figures of Cash & Cash equivalents have been taken from Note 17 as per our report of event date

**FOR & BEHALF OF Board of Directors of
PARINFURNITURELIMITED**

**AS PER OUR REPORT ON EVENDATE
M/S. BHAVIN ASSOCIATES
CHARTEREDACCOUNTANTS
Firm Registration No.:101383W**

Sd/-
Umesh D.Nandani
(CMD) DIN: 00039757

Sd/-
Parin U.Nandani
(WTD): DIN: 02343309

Sd/-
Bhavin P.Bhansali
Partner
Mem. No.043796
UDIN : 21043796AAAACZ4297

Sd/-
Alpa Jogi
(CFO)

Sd/-
Binika Chudasama
(CS)- MEBERSHIP NO: 39841

NOTE 1
Share Capital

(in Rs.)

| <u>Share Capital</u> | Year as at 31/03/2021 | Year as at 31/03/2020 |
|---|--------------------------|--------------------------|
| | Amount | Amount |
| Authorized 1,25,00,000 Equity Shares of Rs.10 each (Previous year 1,25,00,000 Equity Share of Rs. 10 each) | 12,50,00,000 | 12,50,00,000 |
| Issued 1,11,18,000 Equity Shares of Rs.10 each (Previous year 1,11,18,000 Equity Share of Rs. 10 each) | 11,11,80,000 | 11,11,80,000 |
| Subscribed & Paid up 1,11,18,000 Equity Shares of Rs.10 each (Previous year 1,11,18,000 Equity Share of Rs. 10 each) | 11,11,80,000 | 11,11,80,000 |
| Total | 11,11,80,000 | 11,11,80,000 |

NOTE 1 A

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting

| Particulars | 31/03/2021 | | 31/03/2020 | |
|---|-------------|--------------|-------------|--------------|
| | Number | Amount | Number | Amount |
| A) EQUITY SHARES | | | | |
| Shares outstanding at the beginning of the year | 1,11,18,000 | 11,11,80,000 | 1,11,18,000 | 11,11,80,000 |
| Shares Issued during the year | - | - | - | - |
| Shares issued on conversion | - | - | - | - |
| Right shares issued | - | - | - | - |
| Bonus Shares issued | - | - | - | - |
| Shares bought back during the year | - | - | - | - |
| Shares outstanding at the end of the year | 1,11,18,000 | 11,11,80,000 | 1,11,18,000 | 11,11,80,000 |

NOTE 1 B

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

| Share Holder Name | As on 31.03.2021 | % of Holding | As on 31.03.2020 | % of Holding |
|-------------------------|---------------------|-----------------|---------------------|-----------------|
| | Number of Share | | Number of Share | |
| DARSHIL U. NANDANI | 1343600 | 12.08% | 1343600 | 12.08% |
| DEVEN D. NANDANI | 2687200 | 24.17% | 2687200 | 24.17% |
| P.P. FURNITURE PVT LTD. | 1400000 | 12.59% | 1400000 | 12.59% |
| PARINBHAI U. NANDANI | 1342280 | 12.07% | 1342280 | 12.07% |
| UMESHKUMAR D. NANDANI | 913120 | 8.21% | 913120 | 8.21% |
| HEMANG BADIANI | 708000 | 6.37% | 708000 | 6.37% |

NOTE 1 C

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

(in Rs.)

| Particular | No. of shares | |
|---|---------------|---------|
| | 2020-21 | 2019-20 |
| Equity Shares: | | |
| Fully paid up pursuant to contract (s) without payment being received in cash | - | - |
| Fully Paid up by way of bonus shares | - | - |
| Share bough Back | - | - |

NOTE 2

| Reserves & Surplus | Year as at 31/03/2021 | Year as at 31/03/2020 |
|--|--------------------------|--------------------------|
| | Amount | Amount |
| a. Capital Reserves | | - |
| b. Capital Redemption Reserve | | - |
| c. Securities Premium Account | | |
| Opening Balance | 20,91,57,508 | 20,91,57,508 |
| Closing Balance | 20,91,57,508 | 20,91,57,508 |
| d. Debenture Redemption Reserve | | - |
| e. Revaluation Reserve | | - |
| f. Share Options Outstanding Account | | - |
| Reserves | | - |
| h. Surplus | | |
| Opening balance | 7,58,83,630 | 5,22,97,399 |
| (+) Net Profit/(Net Loss) For the current year | 2,90,66,274 | 2,35,86,231 |
| (+) Transfer from Reserves | | - |
| (-) Utilized for Bonus Issue | | - |
| (-) Interim Dividends | | - |
| (-) Transfer to Reserves | | - |
| Closing Balance | 10,49,49,904 | 7,58,83,630 |
| Total | 31,41,07,412 | 28,50,41,138 |

Note 3

| <u>Long Term Borrowings</u> | Year as at 31/03/2021 | Year as at 31/03/2020 |
|--|--------------------------|--------------------------|
| | Amount | Amount |
| <u>Secured</u> | | |
| (a) Bonds/debentures | | |
| (b) Term loans | | |
| 1. IDFC First Bank -10.50% Terms of Repayment :- Repayable within 15 yrs from Balance Sheet date Security Details: - Secured by equitable mortgage of residential property and commercial property of Relative of Director | 3,47,09,438 | 4,42,30,131 |
| 2. ICICI BANK LTD. TERM LOAN - 9.15% Terms of Repayment :- Repayable within 84 equal monthly installment from Balance Sheet date Security Details: - Secured by equitable mortgage of residential property and commercial property of Relative of Director | 2,04,36,175 | - |
| 3. GECL WC LOAN - HDFC - 8.25% Terms of Repayment :- Repayable within 48 months from Balance Sheet date Security Details: - Secured by equitable mortgage of residential property and commercial property of Relative of Director | 1,84,31,025 | - |
| <u>Unsecured</u> | | |
| (a) Loans and advances from Director | 1,14,38,659 | 2,75,21,278 |
| Total | 8,50,15,297 | 7,17,51,409 |

NOTE4

| <u>Long-term provisions</u> | Year as at 31/03/2021 | Year as at 31/03/2020 |
|--|--------------------------|--------------------------|
| | Amount | Amount |
| Provision for Employee Benefits-Gratuity | 30,36,081 | 36,42,990 |
| Total | 30,36,081 | 36,42,990 |

NOTE5

| <u>Other Long Term Liability</u> | Year as at 31/03/2021 | Year as at 31/03/2020 |
|----------------------------------|--------------------------|--------------------------|
| | Amount | Amount |
| Security Deposit | 27,018 | - |
| Total | 27,018 | - |

NOTE 6

| <u>Short Term Borrowings</u> | Year as at 31/03/2021 | Year as at 31/03/2020 |
|--|--------------------------|--------------------------|
| | Amount | Amount |
| (1) Cash Credit | | |
| a) HDFC Bank Rate of Interest :- 9.20% 9.95% till 31.05.2019, 10.25% wef 01.06.2019(Last yr) Terms of Repayment :- Repayable on Demand Security details : Secured Registered Equitable mortgage of Showroom Premises in the name of Director and also secured By Stock & Book Debts and guaranteed by Directors | 13,86,56,003 | 13,39,47,724 |
| b) ICICI Bank Rate of Interest :- 9.5% 10%(Last year) Terms of Repayment :- Repayable on Demand Security details : Secured Registered Equitable mortgage of Residential Property of Director and lien on fixed deposit and also secured By Stock & Book Debts and guaranteed by Directors | 2,43,39,289 | 46,11,064 |
| c) PWD MOBILIZATION ADVANCE Rate of Interest :- 10% Terms of Repayment :- Repayable on Demand | 1,55,47,867 | - |
| | 17,85,43,159 | 13,85,58,788 |
| | | |
| Total | 17,85,43,159 | 13,85,58,788 |

NOTE 7

| <u>Trade Payable</u> | Year as at 31/03/2021 | Year as at 31/03/2020 |
|---|--------------------------|--------------------------|
| | Amount | Amount |
| (a) Due to Micro & Small Enterprise | 16,42,451 | - |
| (b) Dues to other than Micro & Small -Goods | 9,49,03,879 | 7,32,23,190 |
| | 9,65,46,330 | 7,32,23,190 |
| Total | | |

NOTE 8

| <u>Other Current Liabilities *</u> | Year as at 31/03/2021 | Year as at 31/03/2020 |
|---|--------------------------|--------------------------|
| | Amount | Amount |
| (a) Current maturities of long-term debt | | |
| (a) (1)Term loans :ICICI Term Loan repayable within 12 months | - | - |
| (a) (2)Term loans :Capital First repayable within 12 months | - | - |
| (a) (3)Term loans : Daimler Financial Services Pvt. Ltd. | - | - |



Parin Furniture Limited

| | | |
|---|--------------------|--------------------|
| (a) (4)Term loans : GECL WC LOAN - HDFC | 54,23,975 | - |
| (a) (5)Term loans : ICICI BANK LTD. TERM LOAN | 37,98,987 | - |
| (a) (6)Term loans : IDFC First Bank Ltd. | 3,31,152 | 14,15,647 |
| (b) Advances received from customers | 27,83,001 | 39,87,071 |
| (c) Other payables (As per annexure) | 74,14,113 | 72,98,874 |
| TOTAL | 1,97,51,228 | 1,27,01,592 |

NOTE 9

| <u>Short Term Provisions</u> | Year as at 31/03/2021 | Year as at 31/03/2020 |
|---|--------------------------|--------------------------|
| | Amount | Amount |
| (a) Gratuity Provision Payable with in one year | 1,20,890 | 2,10,036 |
| (b) Others | 1,52,89,494 | 94,71,211 |
| Total | 1,54,10,384 | 96,81,247 |



NOTE 10

| Fixed Assets | Gross Block | | | | | Accumulated Depreciation | | | | | Net Block | | |
|--|---------------------|------------------------|--|-----------------------------|-----------------------|--------------------------|----------------------------------|----------------------------------|--------------------------------|--------------|-----------------------|-----------------------|---------------------|
| | As at 31 March 2020 | Additions/ (Disposals) | Acquired through business combinations | Revaluations/ (Impairments) | As at 31st March 2021 | As at 31 March 2020 | Depreciation charge for the year | Depreciation related Prior years | Adjustment due to revaluations | On disposals | As at 31st March 2021 | As at 31st March 2021 | As at 31 March 2020 |
| | Amount (Rs.) | Amount (Rs.) | Amount (Rs.) | Amount (Rs.) | Amount (Rs.) | Amount (Rs.) | Amount (Rs.) | Amount (Rs.) | Amount (Rs.) | Amount (Rs.) | Amount (Rs.) | Amount (Rs.) | Amount (Rs.) |
| a Property, Plant & Equipments | | | | | | | | | | | | | |
| Plant & Machinery | 52,70,735 | 4,73,24,870 | - | - | 5,25,95,605 | 43,46,409 | 47,61,538 | - | - | - | 91,07,947 | 4,34,87,658 | 9,24,326 |
| Air conditioner | 48,46,621 | - | - | - | 48,46,621 | 39,02,477 | 1,76,650 | - | - | - | 40,79,127 | 7,67,494 | 9,44,143 |
| Furniture and Fixtures | 1,44,09,136 | 81,65,813 | - | - | 2,25,74,949 | 1,11,47,974 | 16,90,004 | - | - | - | 1,28,37,978 | 97,36,971 | 32,61,162 |
| Vehicles | 3,04,05,588 | 16,63,683 | - | - | 3,20,69,271 | 2,10,69,052 | 30,76,211 | - | - | - | 2,41,45,263 | 79,24,008 | 93,36,536 |
| Office equipment | 30,16,416 | 20,63,494 | - | - | 50,79,910 | 24,88,988 | 7,04,452 | - | - | - | 31,93,440 | 18,86,470 | 5,27,427 |
| Others-Computer Hardware & Software | 59,84,103 | 1,34,936 | - | - | 61,19,039 | 53,08,857 | 2,13,539 | - | - | - | 55,22,396 | 5,96,644 | 6,75,247 |
| Total | 6,39,32,599 | 5,93,52,797 | - | - | 12,32,85,396 | 4,82,63,758 | 1,06,22,394 | - | - | - | 5,88,86,152 | 6,43,99,243 | 1,56,68,841 |
| b Intangible Assets | 5,00,000 | - | - | - | 5,00,000 | - | - | - | - | - | - | 5,00,000 | 5,00,000 |
| Total | 5,00,000 | - | - | - | 5,00,000 | - | - | - | - | - | - | 5,00,000 | 5,00,000 |
| c Capital Work In Progress | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total | - | - | - | - | - | - | - | - | - | - | - | - | - |
| c Intangible assets under Development | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Grand Total | 6,44,32,599 | 5,93,52,797 | - | - | 12,32,85,396 | 4,82,63,758 | 1,06,22,394 | - | - | - | 5,88,86,152 | 6,48,99,243 | 1,61,68,841 |
| Previous year | 5,57,19,513 | 82,13,086 | - | - | 6,39,32,599 | 4,31,81,928 | 50,81,830 | - | - | - | 4,82,63,758 | 1,61,68,841 | 1,30,37,585 |



NOTE 11

(in Rs.)

| B. Details of Other Investments | | | | | | | | | | | | | | | |
|---------------------------------|----------------------------------|---|-----------------------|---------------------|---------------------|-------------------|--------------------------|-----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------------------|---|
| Sr. No. | Name of the Body Corporate | Subsidiary / Associate / JV/ Controlled Entity / Others | No. of Shares / Units | | | Quoted / Unquoted | Partly Paid / Fully paid | Extent of Holding (%) | | | Amount (₹) | | | Whether stated at Cost Yes / No | If Answer to Column (9) is 'No'- Basis of Valuation |
| | | | As at 31 March 2021 | As at 31 March 2020 | As at 31 March 2019 | | | As at 31 March 2021 | As at 31 March 2020 | As at 31 March 2019 | As at 31 March 2021 | As at 31 March 2020 | As at 31 March 2019 | | |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) | | | |
| (a) | Investment in Equity Instruments | Subsidiary | 1900000 | 1900000 | 1900000 | Unquoted | Fully paid | 0.98 | 0.98 | 0.98 | 40,558,000 | 40,558,000 | 40,558,000 | Yes | |
| Total | | | | | | | | | | | 40,558,000 | 40,558,000 | 40,558,000 | | |

NOTE 12

(in Rs.)

| <u>Deferred tax Assets (Net)</u> | Year as at 31/03/2021 | Year as at 31/03/2020 |
|---|--------------------------|--------------------------|
| | Amount | Amount |
| (a) Timing Difference Depreciation: | | |
| Closing WDV as per Income Tax | 6,76,60,041 | 2,76,12,716 |
| Closing WDV as Companies Act | 6,48,99,243 | 1,61,68,841 |
| Timing Difference | 27,60,798 | 1,14,43,875 |
| Deferred tax Assets @ 27.82% (FY. 2020-21) @ 25.17%(FY 19-20) @ 27.82%(F.Y.18-19) @33.063% (F.Y.17-18) | 7,68,054 | 2,880,423 |
| (b) Timing Difference on Gratuity Provision | 31,56,971 | 38,53,026 |
| Deferred tax Assets @ 27.82% (FY. 2020-21)@ 25.17%(FY19-20) @ 27.82%(F.Y.18-19) @33.063% (F.Y.17-18) | 8,78,269 | 9,69,807 |
| (b) Timing Difference on IPO Expense | 57,34,689 | 86,02,033 |
| Deferred tax Assets @ 27.82% (FY. 2020-21) @ 25.17%(FY19-20)@ 27.82%(F.Y. 18-19) @33.063% (F.Y.17-18) | -15,95,391 | -21,65,132 |
| Total | 50,932 | 16,85,098 |

NOTE13

| <u>Long Term Loans and Advances</u> | Year as at 31/03/2021 | Year as at 31/03/2020 |
|---|--------------------------|--------------------------|
| | Amount | Amount |
| a. Capital Advances | - | - |
| b. Security Deposits | 3,83,52,884 | 2,02,42,809 |
| Unsecured, considered good | 3,83,52,884 | 2,02,42,809 |
| c. Loans and advances to related parties | - | - |
| d. Other loans and advances | - | - |
| Total | 3,83,52,884 | 2,02,42,809 |

NOTE14

| <u>Other Non Current Assets</u> | Year as at 31/03/2021 | Year as at 31/03/2020 |
|--------------------------------------|--------------------------|--------------------------|
| | Amount | Amount |
| IPO Expense | 57,34,689 | 86,02,033 |
| Interest Receivable on Fixed Deposit | 51,47,029 | 42,33,815 |
| Total | 1,08,81,718 | 1,28,35,848 |

NOTE 15

(in Rs.)

| Inventories | Year as at 31/03/2021 | Year as at 31/03/2020 |
|----------------------------------|--------------------------|--------------------------|
| | Amount | Amount |
| a. Stock-in-trade Raw Material | 3,15,96,139 | - |
| b. Stock-in-trade Finished Goods | 25,14,49,656 | 25,48,01,734 |
| Grand Total | 28,30,45,795 | 25,48,01,734 |

NOTE 16

| Trade Receivables | Year as at 31/03/2021 | Year as at 31/03/2020 |
|--|--------------------------|--------------------------|
| | Amount | Amount |
| Trade receivables outstanding for a period less than six months, Unsecured considered good | 24,71,16,682 | 22,25,39,183 |
| Trade receivables outstanding for a period exceeding six months Unsecured considered good | 7,74,56,204 | 7,95,20,665 |
| Total | 32,45,72,886 | 30,20,59,848 |

NOTE 17

| Cash and cash equivalents | Year as at 31/03/2021 | Year as at 31/03/2020 |
|-----------------------------|--------------------------|--------------------------|
| | Amount | Amount |
| a. Balances with banks | 5,20,645 | 1,38,322 |
| b. Fixed deposits with Bank | 2,77,85,873 | 3,12,66,666 |
| c. Cash on hand* | 31,72,457 | 33,98,235 |
| Total | 3,14,78,975 | 3,48,03,222 |

NOTE 18

| Short-term loans and advances | Year as at 31/03/2021 | Year as at 31/03/2020 |
|--|--------------------------|--------------------------|
| | Amount | Amount |
| a (1) Advance payment to Creditors for Goods | 50,24,079 | 70,57,551 |
| a (2) Advance payment to Creditors for Expense | 49,30,563 | 3,46,013 |
| | 99,54,643 | 74,03,564 |
| b. GST adjustment | 55,297 | 7,67,795 |
| c. Others | | |
| Custom Duty Refundable | - | 1,83,022 |
| Prepaid Expenses | 31,37,177 | 32,08,868 |
| Advance Income Tax | 48,54,268 | 23,54,268 |
| Other Receivable | 9,80,753 | 12,36,962 |
| TDS & TCS Receivable | 34,74,947 | 9,48,819 |
| CST Refund | 1,66,506 | 1,66,506 |
| PROFESSIONAL TAX REFUND | 15,255 | 15,255 |
| Vat Receivable/Refundable | 5,79,489 | 5,79,489 |
| Loans & Advances to Staff | 65,58,140 | 57,60,407 |
| | 1,98,21,833 | 1,52,21,391 |
| Total | 2,97,76,475 | 2,26,24,955 |

NOTE19

(in Rs.)

| Contingent liabilities and commitments (to the extent not provided for) | Year as at 31/03/2021 | Year as at 31/03/2020 |
|--|--------------------------|--------------------------|
| | Amount | Amount |
| (i) Contingent Liabilities | | |
| (1)The appeal lying with Deputy Commissioner of Sales Tax, VAT Department, Maharashtra for demand for the FY 2012-13 (tax paid of 13,900) | | - |
| (2) Performance Bank Guarantee issued against Work Order Received | 9,24,93,853 | 5,05,79,974 |
| (3) The appeal lying with commissioner of income tax (tax paid of Rs. 30000/- for AY 2012-13, Rs.145040/- for AY 2013-14, Rs. 14,28,840/- for AY 2014-15, Rs. 750388/- For AY 2015-16) | 1,07,13,512 | 1,07,13,512 |
| (ii) Commitments | | |
| | 10,32,07,365 | 6,12,93,486 |

NOTE20

| Particulars | Yearly Ended 31/03/2021 | Yearly Ended 31/03/2020 |
|----------------------------|----------------------------|----------------------------|
| | Amount (Rs.) | Amount (Rs.) |
| Sale of furniture products | 82,77,56,012 | 66,28,54,221 |
| Total | 82,77,56,012 | 66,28,54,221 |

NOTE21

| Other Income | Yearly Ended 31/03/2021 | Yearly Ended 31/03/2020 |
|---|----------------------------|----------------------------|
| | Amount (Rs.) | Amount (Rs.) |
| Interest Income | 22,82,870 | 22,72,218 |
| Short/ Excess provision | 64,738 | 6,06,248 |
| Written Back | 22,65,502 | 16,61,600 |
| Profit on Sales of Assets, Exchange Gain/ Loss, | | |
| Other Misc Income | 6,07,390 | 2,97,400 |
| Total | 52,20,500 | 48,37,466 |

NOTE 22

| Cost of Material & Components Consumed | Yearly Ended 31/03/2021 | Yearly Ended 31/03/2020 |
|--|----------------------------|----------------------------|
| | Amount (Rs.) | Amount (Rs.) |
| Opening Stock | | - |
| Add : Purchases | 7,98,15,855 | - |
| Closing Stock | 3,15,96,139 | - |
| Total Of Purchase Of Stock In Trade | 4,82,19,716 | - |

NOTE 23

| Manufacturing Expenses | Yearly Ended 31/03/2021 | Yearly Ended 31/03/2020 |
|------------------------------|----------------------------|----------------------------|
| | Amount (Rs.) | Amount (Rs.) |
| Biliyala Factory Rent | 76,50,000 | - |
| Factory Electric Consumption | 10,66,686 | - |
| Factory Expenses | 10,16,191 | - |
| Job Work Expenses | 80,900 | - |
| Royalty Expense | 1,80,00,000 | - |
| Freight Inward Expenses | 37,72,701 | - |
| Repairing Expenses Machinery | 70,765 | - |
| Total | 3,16,57,243 | - |

NOTE24

| Employee Benefits Expense | Yearly Ended 31/03/2021 | Yearly Ended 31/03/2020 |
|--|----------------------------|----------------------------|
| | Amount (Rs.) | Amount (Rs.) |
| (a) Salaries and incentives | 4,21,64,561 | 3,47,39,383 |
| (b) Salaries and incentives (To Directors) | 60,00,000 | 35,30,000 |
| (c) Contributions to - | | |
| (i) Provident fund/ Labour welfare fund | | |
| (ii) Superannuation scheme | 12,05,907 | 8,00,616 |
| (d) Gratuity fund contributions | -6,96,055 | 13,21,954 |
| overseas employees | - | - |
| (ESOP) and Employee Stock Purchase Plan (ESPP) | - | - |
| (g) Staff welfare expenses | 18,91,421 | 5,88,263 |
| Total | 5,05,65,834 | 4,09,80,216 |

NOTE 25

| Finance costs | Yearly Ended 31/03/2021 | Yearly Ended 31/03/2020 |
|-----------------------|----------------------------|----------------------------|
| | Amount (Rs.) | Amount (Rs.) |
| Interest expense | 2,49,42,187 | 1,75,04,277 |
| Other borrowing costs | 30,23,138 | 28,69,324 |
| Other | 3,96,681 | - |
| Total | 2,83,62,007 | 2,03,73,602 |

NOTE 26

| SR No | Other expenses | Yearly Ended 31/03/2021 | Yearly Ended 31/03/2020 |
|--------------|---------------------------------|----------------------------|----------------------------|
| | | Amount (Rs.) | Amount (Rs.) |
| 1 | Consumption of Stores & Spares | - | - |
| 2 | Power & Fuel | 21,99,747 | 23,77,561 |
| 3 | Repairs to building | 40,287 | 3,59,142 |
| 4 | Insurance | 28,41,820 | 23,78,445 |
| 5 | Rates & taxes | 74,737 | 9,83,434 |
| 6 | Legal & Professional Fees | 52,83,115 | 34,34,357 |
| 7 | Office Maintenance | 6,42,169 | 3,88,486 |
| 8 | Telephone & Internet Charges | 6,03,398 | 7,65,852 |
| 9 | Travelling Expense | 33,29,216 | 67,31,973 |
| 10 | Business Promotion | 42,64,992 | 93,65,391 |
| 11 | Rent | 1,54,96,838 | 1,71,57,549 |
| 12 | Project Expenses | 4,40,10,991 | 3,51,63,160 |
| 13 | Selling Expense | 93,02,146 | 84,02,083 |
| 14 | Freight Inward Expense | - | 25,11,207 |
| 15 | Other expenses(as per annexure) | 1,09,52,825 | 74,20,714 |
| Total | | 9,90,42,281 | 9,74,39,355 |

| SR No | Audit fees | Yearly Ended 31/03/2021 | Yearly Ended 31/03/2020 |
|--------------|---|----------------------------|----------------------------|
| | | Amount (Rs.) | Amount (Rs.) |
| 1 | Payments to the auditor as a. auditor, | 287,500 | 50,000 |
| Total | | 287,500 | 50,000 |

PARIN FURNITURE LIMITED CIN :L36101GJ2006PLC049074

SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation of Financial Statements

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

(b) Use of Estimates

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

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

(c) Revenue Recognition

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

(d) Provisions and contingent liabilities

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

(e) Fixed Assets & Depreciation thereon

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

(f) Retirement benefits to employees

- Gratuity

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

- Provident Fund

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

(g) Inventories

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

(h) Provision for Current Tax & Deferred Tax

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

(i) Investments

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

(j) Current Assets, Loans and Advances &Liabilities

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

(k) Regrouping of Previous Year figures

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

NOTES ON ACCOUNTS AND OTHER DISCLOSURES :

(a) Earning Per Share:

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

| Particulars | As on 31.3.21 | As on 31.3.20 |
|--|---------------|---------------|
| Net Profit after tax | 29,066,274 | 2,35,86,233 |
| Average No. of Equity Shares Outstanding | 1,11,18,000 | 1,11,18,000 |
| EPS | 2.61 | 2.12 |

(b) Liabilities:

Contingent Liabilities represents claims against the company not acknowledged as debts includes,

a) Bank Guarantee issued in HDFC Bank is of Rs.3,16,25,247 and in ICICI Bank is of Rs.1,89,54,727

b) IT Outstanding demand are as follows :

| Sr. No. | Assessment Year | Demand Amount | Amount Paid | Outstanding Amount |
|---------|-----------------|--------------------|------------------|--------------------|
| 1 | 2012-13 | 14,46,440 | 30,000 | 14,16,440 |
| 2 | 2013-14 | 7,25,200 | 1,45,040 | 5,80,160 |
| 3 | 2014-15 | 71,44,200 | 14,28,840 | 57,15,360 |
| 4 | 2015-16 | 37,51,940 | 7,50,388 | 30,01,552 |
| | TOTAL | 1,30,67,780 | 23,54,268 | 1,07,13,512 |

(c) Due to Micro and Small Enterprises:

We have sent letter to our creditors and from some creditors received confirmation of micro and small enterprises status. Company have bifurcated creditors into micro and small enterprises as per data received from creditors.

(d) Payment to Auditors:

Statutory Audit Fees :50,000/- Other capacity : 3,72,500/-

(e) Related Party Disclosures

(1) Related parties & their relationship

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

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

ii) Key Managerial Personnel

- Umesh D Nandani –Managing Director
- Parin U Nandani -Director
- Deven D Nandani -Director
- Alpa V Jogi - Chief Financial Officer
- Kishor Kikani-Company Secretary

(2) Transactions with related parties (Rs. in lakhs)

| Particulars | Subsidiary/ Entities significantly influenced by Directors and or Relative of Directors | Key Managerial Personnel & their relatives | Total |
|-----------------------------------|---|--|---------|
| Expenses paid | - | 130.14 | 130.14 |
| Purchase of Goods (Including Tax) | 4571.14 | - | 4571.14 |
| Remuneration | - | 82.14 | 82.14 |
| Revenue/Sales (Including Tax) | 16.82 | 0.62 | 17.44 |
| Loan Taken | - | 387.76 | 387.76 |
| Loan Repaid | - | 548.59 | 548.59 |

(3) Balances with Related Parties as at 31st March, 2021 (Rs. In lacs)

| Particulars | Subsidiary/ Entities significantly influenced by Directors and or Relative of Directors | Key Managerial Personnel & their relatives | Total |
|---|---|--|--------|
| Trade Receivables, Loans & Advances, Advances to suppliers of Goods | 3.68 | - | 3.68 |
| Trade Payables for Goods , Expenses | 402.23 | - | 402.23 |
| Investment | 405.58 | - | 405.58 |
| Unsecured Loan | - | 114.39 | 114.39 |

(4) Disclosure of material transactions/balances with related parties (Rs. In lacs)

| Particulars | Nature of Transaction | FY 2020-21 | FY 2019-20 |
|---------------------------------------|-----------------------|------------|------------|
| Investment - Pearl Furniture Pvt. Ltd | Share Purchase | 405.58 | 405.58 |
| Revenue: (Basic Value) | Nature of Transaction | | |
| Poonam Furniture | Sales of Goods | 0.08 | 1.86 |
| Parin Motors | Sales of Goods | 7.22 | 0.41 |
| Prince Furniture | Sales of Goods | 0.11 | - |
| -Paradise Furniture | Sales of Goods | 9.41 | - |
| Deven Nandani | Sales of Goods | 0.21 | - |
| Parin Nandani | Sales of Goods | 0.41 | - |

| Expense Paid: | | | |
|-----------------|------|-------|-------|
| Deven D Nandani | Rent | 68.75 | 33.00 |

| | | | |
|------------------|----------------------------|-------|-------|
| Deven D. Nandani | Interest on Unsecured Loan | 15.05 | 21.14 |
| Umesh D. Nandani | Interest on Unsecured Loan | 8.09 | 5.40 |
| Neha U. Nandani | Rent | 38.25 | - |
| | | | |

| | | | |
|---|-------------|---------|---------|
| Remuneration: | | | |
| Umesh D Nandani (Director) | Salary | 36.00 | 18.00 |
| Deven D Nandani (Director) | Salary | 0.00 | 3.80 |
| Parin U. Nandani | Salary | 36.00 | 13.50 |
| Roshan Gupta/Alpa Jogi (CFO) | Salary | 8.26 | 9.14 |
| Kishor Kikani | Salary | 1.88 | - |
| Krishna Lodhiya (CS) | Salary | - | 0.57 |
| Kajal Shah | Salary | - | 1.58 |
| Purchase of Goods: (Basic Value) | | | |
| Poonam Furniture | Purchase | 6.22 | 5.49 |
| Paradise Furniture | Purchase | 126.43 | 255.59 |
| Prince Furniture | Purchase | | 1.75 |
| Pearl Furniture Pvt. Ltd. | Purchase | 4438.49 | 3207.83 |
| Deven Impex | Purchase | | 571.29 |
| | | | |
| Unsecured Loan: | | | |
| Umesh D. Nandani | Loan Taken | 234.48 | 337.70 |
| Deven D. Nandani | Loan Taken | 153.28 | 717.18 |
| Umesh D. Nandani | Loan Repaid | 149.86 | 393.44 |
| Deven D. Nandani | Loan Repaid | 398.73 | 656.56 |

(f) The details of amount payable to Small Scale Industrial undertakings in excess of Rupees one Lacs and outstanding for a period of more than 30 days have been submitted.

(g) The foreign Exchange earning is NIL and out go during the year is \$1,06,375 and EURO 3,28,341.41 equivalent to Rs. 7,23,59,496

The previous year's figures have been regrouped / reclassified, wherever necessary to confirm to the current year presentation

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

**Sd/-
Umesh D. Nandani
(CMD): 00039757**

**Sd/-
Alpa Jogi
(CFO)**

**Sd/-
Parin U. Nandani
(WTD): 02343309**

**Sd/-
Binika Chudasama
(CS)(M.No 39841)**

AS PER OUR REPORT ON EVEN DATE

**M/S. BHAVIN ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No.: 101383W**

**Sd/-
Bhavin P. Bhansali
Partner
Mem. No. 043796
UDIN : 21043796AAAACZ4297**

INDEPENDENT AUDITOR'S REPORT

Financial Year : 2020-21

INDEPENDENT AUDITOR'S REPORT

To,

The Members of PARIN FURNITURE LIMITED, RAJKOT

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated financial statements of **PARIN FURNITURE LIMITED**, which comprise the Balance Sheet as at 31st March 2021, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on audit.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

Opinion :-

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March, 2021, and its profit/loss and its cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in term of sub-section (11) of section 143 of the Act (the "Order"), we enclose in the "**Annexure-A**" a statement on the matters specified in the paragraphs 3 and 4 of the said Order.

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31st March, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021, from being appointed as a director in terms of Section 164(2) of the Act.
- f) with respect to the adequacy of internal financial controls over financial reporting of the company and operating effectiveness of such controls, referred to our separate report in "**Annexure B**" and
- g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements, under notes on account of the financial statement.
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

There are no amounts which were required to be transferred to the Investor Education and protection Fund by the Company during the year ended March 31, 2021.

For Bhavin Associates
Chartered Accountants
Firm Registration No.:101383W

Date: 28th June, 2021
Place: Rajkot

Sd/-
Bhavin P. Bhansali
Partner
Membership No.: 043796
Firm Registration No.: 101383W

ANNEXURE "A" TO THE AUDITOR'S REPORT

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

1. a) The Company has maintained electronic records showing value of fixed assets.
 - b) As per information & explanation given to us by the management of the company, all the assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification.
 - c) As per information & explanation given to us by the management of the company, the title deeds of the immovable properties are held in the name of the company.
2. As explained to us, stock of inventories has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
3. In our opinion and according to the information and explanation given to us, The Company has not granted any loan secured or unsecured to any parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of clause 3(iii)(a) and 3(iii)(b) of the Companies [Auditor's Report] Order, 2016 are not applicable to the company.
4. As per information & explanation given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loan, investment, guarantees, and security.
5. In our opinion and according to the information and explanation given to us, the company has not accepted/invited any deposits from public, falling within the preview of provisions of section 73 to 76 of any other relevant provisions of the Companies Act, 2013 and rules framed there under.
6. In our opinion and according to the information and explanation given to us, the company is not required of maintain cost records as per the provisions of clause 3(vi) of the Companies [Auditor's Report] order, 2016 specified by the Central Government under section 148(1) of the Companies Act, 2013.
7. In our opinion and according to the information and explanation given to us, the company has not defaulted in depositing undisputed statutory dues including provident fund, employee's state insurance, Income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.
8. In our opinion and according to the information and explanation given to us, the Company has not defaulted in the repayment of dues to any financial institution of Bank or Debenture holders during the year. The company has not issued any debentures, hence there are no due to debenture holder.
9. In our opinion and according to the information and explanation given to us, the term loan is applied for the purpose for which loan was obtained.
10. According to the information and explanations given to us, neither any fraud by the company nor any fraud on the company by its officers and employees has been noticed or reported during the financial year.
11. According to the information and explanation given to us, the managerial remuneration paid or provided, are in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
12. As the company is not a Nidhi Company, the provisions of clause 3(xii) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
13. According to the information and explanation given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements as required under the Accounting Standards (AS 18-Related Party Transaction)
14. According to the information and explanation given to us and based on our examination of the records the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
15. According to the information and explanation given to us and based on our examination of the records the company has not entered into any non-cash transactions with directors or persons connected with him. So the

16. claus e3 (xv) of the Co mpanies [Auditor"s Report] Order, 2016 is not applicable to the company.
17. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence the claus e3 (xvi) of the Co mpanies (Auditor"s Report) Order 2016 is not applicable t o the Co mpany.

For Bhavin Associates
Chartered Accountants
Firm Registration No.:101383W

Date: 28th June,2021
Place:Rajkot

Sd/-
Bhavi n P. Bhansali
Partner
Membership No.: 043796
Firm Registration No.: 101383W

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT of Even Date on the Consolidated Financial Statements of PARIN FURNITURE LIMITED

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

We have audited the internal financial controls over financial reporting of **PARIN FURNITURE LIMITED** (“the Company”) as of 31st March, 2021 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Date: 28th June, 2021
Place: Rajkot

For Bhavin Associates
Chartered Accountants
Firm Registration No.: 101383W

Sd/-
Bhavin P. Bhansali
Partner
Membership No.: 043796
Firm Registration No.: 101383W

PARIN FURNITURE LIMITED
Consolidated Balance Sheet as at 31st March 2021

| Particulars | | Note No. | As At 31.03.2021 | As At 31.03.2020 |
|-------------|------------------------------------|-----------|-----------------------|---------------------|
| I. | EQUITY AND LIABILITIES | | | |
| 1 | Shareholders' funds | | | |
| | (a) Share capital | 1 | 11,11,80,000 | 11,11,80,000 |
| | (b) Reserves and surplus | 2 | 37,22,64,586 | 32,60,09,076 |
| | (c) Minority Interest | 3 | 15,54,175 | 12,83,547 |
| 2 | Non-current liabilities | | | |
| | (a) Long-term borrowings | 4 | 13,17,07,974 | 10,65,06,947 |
| | (b) Deferred tax liabilities (Net) | 12 | 65,55,962 | 47,12,277 |
| | (c) Long-term provisions | 5 | 40,69,826 | 50,56,628 |
| | (d) Other Long Term Liability | 6 | 27,018 | - |
| 3 | Current liabilities | | | |
| | (a) Short-term borrowings | 7 | 23,28,68,859 | 19,27,20,036 |
| | (b) Trade payables | 8 | 12,23,94,548 | 21,23,44,091 |
| | (c) Other current liabilities | 9 | 35,6,00,761 | 1,88,11,689 |
| | (d) Short-term provisions | 10 | 22,1,38,567 | 1,47,69,940 |
| | TOTAL | | 1,04,03,62,275 | 99,33,94,230 |
| II. | ASSETS | | | |
| | Non-current assets | | | |
| 1 | (a) Fixed assets | | | |
| | (i) Property, Plant & Equipment | 11 | 12,45,70,629 | 8,64,10,135 |
| | (ii) Intangible assets | 11 | 5,91,382 | 6,66,362 |
| | (b) Non-current investments | | | |
| | (c) Deferred tax Assets (Net) | | | |
| | (d) Long-term loans and advances | 13 | 3,99,50,018 | 2,09,64,707 |
| | (e) Other non-current assets | 14 | 1,08,81,718 | 1,28,35,848 |
| 2 | Current assets | | | |
| | (a) Current investments | | - | - |
| | (b) Inventories | 15 | 46,84,07,097 | 49,05,71,110 |
| | (c) Trade receivables | 16 | 32,68,26,335 | 30,66,64,335 |
| | (d) Cash and cash equivalents | 17 | 3,37,04,520 | 3,64,59,015 |
| | (e) Short-term loans and advances | 18 | 3,30,37,383 | 3,81,22,718 |
| | (f) Other current assets | 19 | 23,93,193 | 7,00,000 |
| | TOTAL | | 1,04,03,62,275 | 99,33,94,230 |

The accompanying notes form an integral part of the consolidated financial statements dated 28th June, 2021, at RAJKOT

**FOR & BEHALF OF Board of Directors of
PARINFURNITURELIMITED**

**AS PER OUR REPORT ON EVENDATE
M/S. BHAVIN ASSOCIATES
CHARTEREDACCOUNTANTS
Firm Registration No.:101383W**

Sd/-
Umesh D.Nandani
(CMD): 00039757

Sd/-
Parin U.Nandani
(WTD): 02343309

Sd/-
Bhavin P.Bhansali
Partner
Mem. No.043796
UDIN : 21043796AAAACY1749

Sd/-
AlpaJogi
(CFO)

Sd/-
Binika Chudasama
(CS)

PARIN FURNITURE LIMITED

Consolidated Profit and loss statement for the year ended 31 .03.2021

| Particulars | | Note No. | For the year 31.03.2021 | For the year 31.03.2020 |
|-------------|---|----------|----------------------------|----------------------------|
| I. | Revenue from operations | 21 | 83,90,64,763 | 67,05,30,537 |
| II. | Other income | 22 | 55,06,370 | 52,55,958 |
| III. | Total Revenue (I + II) | | 84,45,71,106 | 67,57,86,495 |
| IV. | Expenses: | | 34,59,71,337 | 28,74,65,193 |
| | Cost of materials consumed | 23 | | |
| | Purchases of Stock-in -Trade | | 7,82,33,250 | 17,08,36,600 |
| | Changes in inventories of finished goods work-in - progress and Stock-in -Trade | | 4,93,27,326 | (7,37,94,996) |
| | Manufacturing Expenses | 24 | 4,79,50,402 | 1,45,30,388 |
| | Employee benefits expense | 25 | 9,24,87,463 | 8,18,59,659 |
| | Finance costs | 26 | 3,81,34,557 | 2,94,14,383 |
| | Depreciation and amortization expense | 11 | 1,55,64,781 | 93,64,832 |
| | Other expenses | 27 | 10,57,89,098 | 10,20,16,647 |
| | Total expenses | | 773,4,58,215 | 621,692,707 |
| | Profit before prior period, exceptional and extraordinary items and tax (III-IV) | | 7,11,12,891 | 5,40,93,788 |
| V. | Prior period items | | | |
| | Depreciation of earlier year | | - | - |
| | Gratuity Provision of earlier year | | - | - |
| | Profit before exceptional and extraordinary items and tax (III-IV) (V- VI-VII) | | 7,11,12,891 | 5,40,93,788 |
| VIII. | Extraordinary Items | | | - |
| iX. | Profit Before Tax | | 7,11,12,891 | 54,093,788 |
| iX. | Tax expense: | | | |
| | (1) Current year tax | | 2,01,94,584 | 1,26,50,230 |
| | (2) Previous year tax | | 25,48,485 | 9,22,899 |
| | (3) Deferred tax | | 18,43,685 | 21,88,626 |
| X | Profit (Loss) for the period (VIII- IX) before Minority Interest | | 4,65,26,137 | 3,83,32,033 |
| X | Minority Interest | | 2,70,628 | 2,28,560 |
| XII. | Profit (Loss) for the period (X - XI) | | 4,62,55,509 | 3,81,03,473 |
| XIII. | Earnings per equity s hare: | | | |
| | (1) Basic | | 4.16 | 3.43 |
| | (2) Diluted | | 4.16 | 3.43 |

The accompanying notes form an integral part of the consolidated financial statements dated 28th June, 2021, at RAJKOT

FOR & BEHALF OF Board of Directors of
PARIN FURNITURE LIMITED

AS PER OUR REPORT ON EVENDATE
M/S. BHAVIN ASSOCIATES
CHARTEREDACCOUNTANTS
Firm Registration No.:101383W

Sd/-
Umesh D.Nandani
(CMD):00039757

Sd/-
Parin U.Nandani
(WTD):02343309

Sd/-
Bhavin P.Bhansali

Sd/-
AlpaJogi
(CFO)Sd/-
Binika Chudasama
(CS)Partner
Mem. No.043796
UDIN : 21043796AAAACY1749**PARIN FURNITURE LIMITED**
Consolidated Cash Flow Statement For The Year Ended 31st March, 2021All amounts in rupees unless
otherwise stated

| Particulars | For the Year March 31, 2021 Rs. | For the Year March 31, 2020 Rs. |
|--|---------------------------------------|---------------------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITY | | |
| Profit before tax and before exceptional items | 7,11,12,891 | 5,40,93,788 |
| Add: Non Cash and Operating Expenses | | |
| Depreciation Expenses | 1,55,64,781 | 93,64,832 |
| Interest & Financial Charges | 3,81,34,557 | 2,94,14,383 |
| Less: Non Operating Income | | |
| Interest Income | 23,20,108 | 23,56,498 |
| Operating profit before changes in current and non-current assets and liabilities | 12,24,92,121 | 9,05,16,505 |
| Adjustment for: | | |
| (Increase) / Decrease in Inventories | 2,21,64,013 | -12,43,01,423 |
| (Increase) / Decrease in Trade Receivables | -2,01,61,999 | -17,56,50,577 |
| (Increase) / Decrease in Loans and Advances | 45,19,978 | -1,11,13,240 |
| (Increase) / Decrease in Other Current Assets | -16,93,193 | - |
| (Increase) / Decrease in Other Non Current Assets | 19,54,130 | 16,24,493 |
| (Increase) / Decrease in Long Term Loans & Advances | -1,89,85,311 | 22,73,312 |
| (Increase) / Decrease in Deposit with Customers | - | 30,53,367 |
| Increase / (Decrease) in Trade Payables | -8,99,49,542 | 17,83,25,257 |
| Increase / (Decrease) in Current Liabilities | 1,67,89,072 | 29,05,913 |
| Increase / (Decrease) in Short term Provisions & Long Term Provisions | 1,03,35,825 | 16,63,338 |
| Increase / (Decrease) in Non Current Liabilities | 27,018 | -40,000 |
| IPO Proceeds by way of Issue of Equity Share Capital (For Working Capital & General Corporate Operational Activities) | | |
| Cash Generated from Operation | 4,74,92,110 | -3,07,43,055 |
| Taxes paid | -2,61,31,713 | -68,93,198 |
| Net Cash Flow from Operating Activities | 2,13,60,397 | -3,76,36,253 |
| B. CASH FLOW FROM INVESTING ACTIVITY | | |
| (Increase) / Decrease in Fixed Assets (net) | -5,36,50,295 | -4,31,32,988 |
| Interest Income | 23,20,108 | 23,56,498 |
| (Increase) / Decrease in Investments | - | - |
| Net Cash Flow from Investing Activities | -5,13,30,187 | -4,07,76,490 |
| C. CASH FLOW FROM FINANCING ACTIVITY | | |
| Increase / (Decrease) in Long Term Loan | 2,52,01,027 | 7,21,09,317 |

| | | |
|---|--------------------------------|--------------------------------|
| Increase / (Decrease) in Short Term Loan | 4,01,48,823 | 4,39,13,458 |
| IPO Proceeds by way of Issue of Equity Share Capital (For Repayment of Secured Borrowings) | | |
| Issue of Share Capital (Preferential Allotment) | - | - |
| Change in Capital reserve | - | - |
| Change in Minority Interest | 2,70,628 | 2,28,560 |
| Share in profit of Subsidiary (Minority Interest) | -2,70,628 | -2,28,560 |
| Interest Expenses | -3,81,34,557 | -2,94,14,383 |
| Net Cash Flow from Financing Activities | 2,72,15,293 | 8,66,08,391 |
| Net Increase / (Decrease) in Cash and Cash Equivalents | -27,54,497 | 81,95,648 |
| Opening Balance of Cash and Cash Equivalents | 3,64,59,016 | 2,82,63,373 |
| Closing Balance of Cash and Cash Equivalents | 3,37,04,520 | 3,64,59,016 |
| Components of Cash and Cash Equivalents | For the Year March 31, 2021 | For the Year March 31, 2020 |
| | Rs. | Rs. |
| Cash on hand & Equivalents | | |
| - Cash on hand | 32,39,557 | 34,13,028 |
| - Cheque on hand | - | - |
| Balances with Scheduled Banks | | |
| - In Current Accounts | 5,20,645 | 1,38,322 |
| - In Fixed deposit | 2,99,44,318 | 3,29,07,666 |
| | 3,37,04,520 | 3,64,59,015 |

Notes : The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on "Cash Flow Statement" issued by ICAI. Figures of Cash & Cash Equivalents have been taken from Note 16

NOTE 1
Share Capital

(in Rs.)

| <u>Share Capital</u> | As At 31.03.2021 | As At 31.03.2020 |
|--|---------------------|---------------------|
| | Amount | Amount |
| Authorised 1,25,00,000 Equity Shares of Rs.10 each (Previous year 1,25,00,000 Equity Shares of Rs. 10 each) | 125,000,000 | 125,000,000 |
| Issued 1,11,18,000 Equity Shares of Rs.10 each (Previous year 1,11,18,000 Equity Shares of Rs. 10 each) | 111,180,000 | 111,180,000 |
| Subscribed & Paid up 1,11,18,000 Equity Shares of Rs.10 each (Previous year 1,11,18,000 Equity Shares of Rs. 10 each) | 111,180,000 | 111,180,000 |
| Total | 111,180,000 | 111,180,000 |

NOTE 1 A

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period.

| Particulars | 31/03/2021 | | 31/03/2020 | |
|---|------------|-------------|------------|-------------|
| | Number | Amount | Number | Amount |
| A) EQUITY SHARES | | | | |
| at the beginning of | 11,118,000 | 111,180,000 | 11,118,000 | 111,180,000 |
| Shares Issued during the year | - | - | - | - |
| Shares issued on conversion | - | - | - | - |
| Right shares issued | - | - | - | - |
| Bonus Shares issued | | | | |
| Shares bought back during the year | | | | - |
| Shares outstanding at the end of the year | 11,118,000 | 111,180,000 | 11,118,000 | 111,180,000 |

NOTE 1 B

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

| Share Holder Name | As on 31.03.2021 | % of Holding | As on 31.03.2020 | % of Holding |
|-------------------------|---------------------|-----------------|---------------------|-----------------|
| | Number of Share | | Number of Share | |
| DARSHIL U. NANDANI | 1343600 | 12.08% | 1343600 | 12.08% |
| DEVEN D. NANDANI | 2687200 | 24.17% | 2687200 | 24.17% |
| P.P. FURNITURE PVT LTD. | 1400000 | 12.59% | 1400000 | 12.59% |
| PARINBHAI U. NANDANI | 1342280 | 12.07% | 1342280 | 12.59% |
| UMESHKUMAR D.NANDANI | 913120 | 8.21 | 913120 | 12.07% |
| HEMAND BADIANI | 708000 | 6.37% | 708000 | 6.37% |

NOTE 1 C

(in Rs.)

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

| Particular | No. of shares | |
|---|---------------|---------|
| | 2020-21 | 2019-20 |
| Equity Shares: | | |
| Fully paid up pursuant to contract (s) without payment being received in cash | - | - |
| Fully Paid up by way of bonus | - | - |
| Share bough Back | - | - |

NOTE 2

| <u>Reserves & Surplus</u> | As at 31 March 2021 | As at 31 March 2020 |
|--|---------------------|---------------------|
| | Amount | Amount |
| a. Capital Reserves | 4,25,527 | 4,25,527 |
| b. Capital Redemption Reserve | | |
| c. Securities Premium Account | | |
| Opening Balance | 20,91,57,508 | 20,91,57,508 |
| Add : Securities premium credited on Share issue | | |
| Less : Premium Utilised for Bonus issue | - | - |
| Closing Balance | 20,91,57,508 | 20,91,57,508 |
| d. Debenture Redemption Reserve | - | - |
| e. Revaluation Reserve | - | - |
| f. Share Options Outstanding Account | - | - |
| g. Other Reserves | - | - |
| h. Surplus | | |
| Opening balance | 11,64,26,041 | 7,83,22,573 |
| (+) Net Profit/(Net Loss) For the current year | 4,62,55,510 | 3,81,03,467 |
| (+) Transfer from Reserves | | |
| (-) Utilised for Bonus Issue | | |
| (-) Interim Dividends | | |
| Closing Balance | 16,26,81,551 | 11,64,26,041 |
| Total | 37,22,64,586 | 32,60,09,076 |

NOTE 3

| <u>Minority Interest (1.55%)</u> | As at 31 March 2021 | As at 31 March 2020 |
|----------------------------------|---------------------|---------------------|
| | Amount | Amount |
| - | | |
| Opening Minority Interest | 1,283,547 | 1,054,987 |
| Revenue Profit | 270,628 | 228,560 |
| - | | |
| Total | 1,554,175 | 1,283,547 |

NOTE 4

(in Rs.)

| <u>Long Term Borrowings</u> | As at 31 March 2021 | As at 31 March 2020 |
|--|---------------------|---------------------|
| | Amount | Amount |
| <u>Secured</u> | | |
| (a) Bonds/debentures | | |
| (b) Term loans | | |
| 1. IDFC First Bank -10.50% Terms of Repayment :- Repayable within 15 yrs from Balance Sheet date Security Details: - Secured by equitable mortgage of residential personal property | 3,47,09,438 | 4,42,30,131 |
| 2. STATE BANK OF INDIA - T .L(33811633631) Terms of Repayment :- Repayable within 7 yrs from Balance Sheet date Security Details: - Secured by equitable mortgage of residential personal property | 85,38,357 | 1,12,98,440 |
| 3. ICICI BANK LTD. TERM LOAN - 9.15% Terms of Repayment :- Repayable within 84 equally monthly installment from Balance Sheet date Security Details: - Secured by equitable mortgage of residential personal property | 2,04,36,175 | - |
| 4. GECL WC LOAN - HDFC - 8.25% Terms of Repayment :- Repayable within 48 monthly installment from Balance Sheet date Security Details: - Secured by equitable mortgage of residential personal property | | |
| 5. STATE BANK OF INDIA - GECL T.L. (39444716453) Rate of Interest:- 7.40% Terms of Payment :- Payable within 4 years from Balance sheet date Security Details:- Secured by hypothecation of stock, book debts, other current assets, plant & machinery and other fixed assets of the company, equitable mortgage of personal property | 1,84,31,025 | - |
| 6. HDFC Car Loan | 99,66,670 | - |
| <u>Unsecured</u> | | |
| (a) Loans and advances from Directors | 46,67,543 | - |
| | 9,67,49,208 | 5,55,28,571 |
| | 3,49,58,766 | 5,09,78,376 |
| | 3,49,58,766 | 5,09,78,376 |
| Total | 13,17,07,974 | 10,65,06,947 |

NOTE5

(in Rs.)

| <u>Long-term provisions</u> | As at 31 March 2021 | As at 31 March 2020 |
|--|---------------------|---------------------|
| | Amount | Amount |
| Provision for Employee Benefits-Gratuity | 40,69,826 | 50,56,628 |
| Total | 40,69,826 | 50,56,628 |

NOTE6

| <u>Other Long Term Liability</u> | As at 31 March 2021 | As at 31 March 2020 |
|--|---------------------|---------------------|
| | Amount | Amount |
| Security Deposit- The Furniture Town Mehsana | 27,018 | - |
| Total | 27,018 | - |

NOTE7

| <u>Short Term Borrowings</u> | As at 31 March 2021 | As at 31 March 2020 |
|---|---------------------|---------------------|
| | Amount | Amount |
| Secured | | |
| (a) (1)Cash Credit from | | |
| HDFC Bank | 13,86,56,003 | 13,39,47,724 |
| Rate of Interest :- 9.95% | | |
| Terms of Repayment :- Repayable on Demand | | |
| Security details : Secured By Stock & Book Debtors and guaranteed by Directors | | |
| from ICICI Bank | | |
| Rate of Interest :- 10% | 2,43,39,289 | 46,11,064 |
| Terms of Repayment :- Repayable on Demand | | |
| Security details : Secured Registered Equitable mortgage of Residential Property of Director and lien on fixed deposit and also secured By Stock & Book Debts and guaranteed by Directors | | |
| Mobilization Advance | 1,55,47,867 | - |
| from SBI Bank | | |
| Rate of Interest :- 9.95% | 5,43,25,700 | 5,41,61,248 |
| Terms of Repayment :- Repayable on Demand | | |
| Security Details:- Secured by hypothecation of stock, book debts, other current assets, plant & machinery and other fixed assets, equitable mortgage of commercial property of Director's relative and guaranteed by Directors and relative | | |
| | 23,28,68,859 | 19,27,20,036 |
| Total | 23,2,868,859 | 19,27,20,036 |

NOTE 8

(in Rs.)

| <u>Trade Payable</u> | As at 31 March 2021 | As at 31 March 2020 |
|--|------------------------|------------------------|
| | Amount | Amount |
| (a) Due to Micro & Small Enterprise | 29,67,592 | - |
| (b) Dues to other than Micro & Small-Goods | 11,94,26,956 | 21,23,44,091 |
| Total | 12,23,94,548 | 21,23,44,091 |

NOTE 9

| <u>Other Current Liabilities *</u> | As at 31 March 2021 | As at 31 March 2020 |
|--|------------------------|------------------------|
| | Amount | Amount |
| (a) Current maturities of long-term debt | | |
| (a) (1)Term loans :ICICI Term Loan repayable within 12 | 37,98,987 | - |
| (a) (2)Term loans :SBI repayable within 12 months | 39,69,000 | 27,60,000 |
| (a) (3)Term loans : Daimler Financial Services Pvt. Ltd. | - | - |
| (a) (4)Term loans : IDFC First Bank Ltd. | 3,31,152 | 14,15,647 |
| (a) (5)Term loans : HDFC Car Loan | 16,35,096 | 17,90,880 |
| (a) (4)Term loans : GECL WC LOAN - HDFC | 54,23,975 | |
| (a) (4)Term loans : GECL WC LOAN - SBI | 38,33,330 | |
| (a) (4)Term loans : WCDL T.L. LOAN - SBI | 27,60,000 | |
| (b) Advances received from customers | 27,83,001 | 48,16,294 |
| (c) Other payables (As per annexure) | 1,10,66,220 | 80,28,868 |
| Total | 3,56,00,761 | 1,88,11,689 |

NOTE 10

| <u>Short Term Provisions</u> | As at 31 March 2021 | As at 31 March 2020 |
|---|------------------------|------------------------|
| | Amount | Amount |
| (a) Gratuity Provision Payable with in one year | 1,77,967 | 2,42,807 |
| (b) Others | 2,19,60,600 | 1,45,27,133 |
| Total | 2,21,38,567 | 1,47,69,940 |

NOTE 11 given after NOTE 12 on next page due to page adjustment.

NOTE 12

| <u>Deferred tax Assets(Liability) (Net)</u> | As at 31 March 2021 | As at 31 March 2020 |
|--|------------------------|------------------------|
| | Amount | Amount |
| (a)Timing Difference Depreciation: | | |
| Closing WDV as per Income Tax | 6,76,60,041 | 2,76,12,716 |
| Closing WDV as Companies Act | 6,48,99,243 | 1,61,68,841 |
| Timing Difference | 27,60,798 | 1,14,43,875 |
| Deferred tax Assets | 7,68,054 | 92,77,798 |
| | | - |
| (b) Timing Difference on Gratuity Provision | 31,56,971 | 38,53,026 |



Parin Furniture Limited

| | | |
|---|---------------|------------------|
| Deferred tax Assets | 8,78,269 | 9,69,807 |
| (b) Timing Difference on IPO Expense | 57,34,689 | 86,02,032 |
| Deferred tax Liability @ 27.82%(F.Y. 18-19) @33.063% (F.Y.17-18) | (15,95,391) | (21,65,132) |
| Deferred tax Assets (Net) | 50,932 | 80,82,473 |



NOTE 11

(in Rs.)

| Fixed Assets | Gross Block | | | | | Accumulated Depreciation | | | | | Net Block | | |
|--|---------------------|------------------------|--|-----------------------------|-----------------------|--------------------------|----------------------------------|----------------------------------|---------------------------------|--------------|-----------------------|-----------------------|---------------------|
| | As at 31 March 2020 | Additions/ (Disposals) | Acquired through business combinations | Revaluations/ (Impairments) | As at 31st March 2021 | As at 31 March 2020 | Depreciation charge for the year | Depreciation related Prior years | Adjust-ment due to revaluations | On disposals | As at 31st March 2021 | As at 31st March 2021 | As at 31 March 2020 |
| | Amount (Rs.) | Amount (Rs.) | Amount (Rs.) | Amount (Rs.) | Amount (Rs.) | Amount (Rs.) | Amount (Rs.) | Amount (Rs.) | Amount (Rs.) | Amount (Rs.) | Amount (Rs.) | Amount (Rs.) | Amount (Rs.) |
| a Property, Plant & Equipments | | | | | | | | | | | | | |
| Plant & Machinery | 52,70,735 | 4,73,24,870 | - | - | 5,25,95,605 | 43,46,409 | 47,61,538 | - | - | - | 91,07,947 | 4,34,87,658 | 9,24,326 |
| Air conditioner | 48,46,621 | - | - | - | 48,46,621 | 39,02,477 | 1,76,650 | - | - | - | 40,79,127 | 7,67,494 | 9,44,143 |
| Furniture and Fixtures | 1,44,09,136 | 81,65,813 | - | - | 2,25,74,949 | 1,11,47,974 | 16,90,004 | - | - | - | 1,28,37,978 | 97,36,971 | 32,61,162 |
| Vehicles | 3,04,05,588 | 16,63,683 | - | - | 3,20,69,271 | 2,10,69,052 | 30,76,211 | - | - | - | 2,41,45,263 | 79,24,008 | 93,36,536 |
| Office equipment | 30,16,416 | 20,63,494 | - | - | 50,79,910 | 24,88,988 | 7,04,452 | - | - | - | 31,93,440 | 18,86,470 | 5,27,427 |
| Others-Computer Hardware & Softwares | 59,84,103 | 1,34,936 | - | - | 61,19,039 | 53,08,857 | 2,13,539 | - | - | - | 55,22,396 | 5,96,644 | 6,75,247 |
| Total | 6,39,32,599 | 5,93,52,797 | - | - | 12,32,85,396 | 4,82,63,758 | 1,06,22,394 | - | - | - | 5,88,86,152 | 6,43,99,243 | 1,56,68,841 |
| b Intangible Assets | 5,00,000 | - | - | - | 5,00,000 | - | - | - | - | - | - | 5,00,000 | 5,00,000 |
| Total | 5,00,000 | - | - | - | - | - | - | - | - | - | - | 5,00,000 | 5,00,000 |
| c Capital Work In Progress | | | | | | | | | | | | | |
| Total | - | - | - | - | - | - | - | - | - | - | - | - | - |
| c Intangible assets under Development | | | | | | | | | | | | | |
| Grand Total | 6,44,32,599 | 5,93,52,797 | - | - | 12,32,85,396 | 4,82,63,758 | 1,06,22,394 | - | - | - | 5,88,86,152 | 6,48,99,243 | 1,61,68,841 |
| Previous year | 6,44,32,599 | 3,07,09,094 | - | - | 9,46,41,693 | 4,82,63,758 | 33,96,952 | - | - | - | 5,16,60,710 | 4,34,80,982 | 1,61,68,841 |



Parin Furniture Limited

NOTE 11 -FIXED ASSETS (Subsidiary)

(in Rs.)

| PARTICULARS | % | GROSS BLOCK (AT COST) | | | | DEPRECIATION | | | | NET BLOCK | | |
|--|---|-----------------------|--------------------|-----------------|------------------|--------------------|--------------------|------------------|------------|--------------------|--------------------|--------------------|
| | | As At | Additions | Deductions | As At | As At | For the | On | As At | As At | As At | |
| | | 01/04/20 | | | 31/03/2021 | 01/04/20 | Year | Deductions | 31/03/2021 | 31/03/2021 | 31/03/2020 | |
| FIXED ASSETS - PLANT AND MACHINERY | | | | | | | | | | | | |
| 1 | AIR CONDITION | 6.33 | 1,33,119 | 46,476 | - | 1,79,595 | 28,815 | 9,004 | - | 37,819 | 1,41,776 | 1,04,304 |
| 2 | C.C. TV CAMERA | 6.33 | 3,13,571 | - | - | 3,13,571 | 98,453 | 13,617 | - | 1,12,070 | 2,01,501 | 2,15,118 |
| 3 | DIES AND MOULD FOR HOSPITAL FURNITURE | 6.33 | 8,50,000 | - | - | 8,50,000 | 3,675 | 53,572 | - | 57,247 | 7,92,753 | 8,46,325 |
| 4 | FORK LIFT TRUCK : GX 300D (C) | 6.33 | 11,29,240 | - | - | 11,29,240 | 3,38,705 | 50,041 | - | 3,88,746 | 7,40,494 | 7,90,535 |
| 5 | INDUSTRIAL RO SYSTEM MODEL RO250LPH | 6.33 | 89,500 | - | - | 89,500 | 28,989 | 3,830 | - | 32,819 | 56,681 | 60,511 |
| 6 | NEW C.C. TV CAMERA | 6.33 | 2,852 | - | - | 2,852 | 138 | 172 | - | 310 | 2,542 | 2,714 |
| 7 | NEW PLANT AND MACHINERY (2019-20) | 6.33 | 3,08,86,210 | 7,27,442 | 3,38,604 | 3,12,75,048 | 13,79,134 | 18,95,269 | - | 32,74,403 | 2,80,00,645 | 2,95,07,076 |
| 8 | PLANT AND MACHINERY | 6.33 | 3,52,69,908 | - | 51,23,507 | 3,01,46,401 | 1,01,82,012 | 15,48,314 | - | 1,17,30,326 | 1,84,16,075 | 2,50,87,896 |
| 9 | SUBMERCIBLE PUMP SET | 6.33 | 22,205 | - | - | 22,205 | 6,567 | 990 | - | 7,557 | 14,648 | 15,638 |
| | Total of FIXED ASSETS - PLANT AND MACHINERY | | 6,86,96,605 | 7,73,918 | 54,62,111 | 6,40,08,412 | 1,20,66,488 | 35,74,809 | - | 1,56,41,297 | 4,83,67,115 | 5,66,30,117 |
| FIXED ASSETS - FURNITURE AND FITTINGS | | | | | | | | | | | | |
| 10 | CANTEEN ASSETS | 9.5 | 4,57,746 | 1,700 | 2,68,593 | 1,90,853 | 68,116 | 33,818 | - | 1,01,934 | 88,919 | 3,89,630 |
| 11 | FURNITURE AND FITTINGS | 9.5 | 9,23,123 | - | - | 9,23,123 | 3,94,562 | 50,213 | - | 4,44,775 | 4,78,348 | 5,28,561 |
| 12 | PLASTIC CARTES | 9.5 | 74,810 | - | - | 74,810 | 33,106 | 3,962 | - | 37,068 | 37,742 | 41,704 |
| 13 | RACK | 9.5 | 8,06,722 | - | - | 8,06,722 | 3,39,700 | 44,367 | - | 3,84,067 | 4,22,655 | 4,67,022 |
| 14 | TROLY / HAND PALLET TRUCK / GRIL | 9.5 | 1,23,249 | - | - | 1,23,249 | 55,295 | 6,456 | - | 61,751 | 61,498 | 67,954 |
| 15 | WOODEN PALLET | 9.5 | 7,52,037 | - | 51,705 | 7,00,332 | 3,17,653 | 40,685 | - | 3,58,338 | 3,41,994 | 4,34,384 |
| 16 | WORKING TABLE | 9.5 | 84,668 | - | - | 84,668 | 37,375 | 4,493 | - | 41,868 | 42,800 | 47,293 |
| | Total of FIXED ASSETS - FURNITURE AND FITTINGS | | 32,22,355 | 1,700 | 3,20,298 | 29,03,757 | 12,45,807 | 1,83,994 | - | 14,29,801 | 14,73,957 | 19,76,549 |



Parin Furniture Limited

| | | | | | | | | | | | | |
|---|---|------|--------------------|------------------|--------------------|--------------------|--------------------|------------------|-----------------|--------------------|--------------------|--------------------|
| | Total of FIXED ASSETS - BUIDING CONSTRUCTION | | 36,77,288 | 10,42,447 | 36,77,288 | 10,42,447 | - | - | - | - | 10,42,447 | 36,77,288 |
| | <<< TOTAL >>> | | 8,60,34,985 | 88,32,080 | 1,48,96,589 | 7,99,70,476 | 1,52,93,692 | 48,67,407 | 3,62,008 | 1,97,99,091 | 6,01,71,386 | 7,07,41,294 |
| | FIXED ASSETS - INTANGIBLE ASSETS | | | | | | | | | | | |
| 3 | DESIGN BED SERIES | 45.1 | 9,66,805 | - | - | 9,66,805 | 8,00,443 | 74,980 | - | 8,75,423 | 91,382 | 1,66,362 |
| 2 | Total of FIXED ASSETS - INTANGIBLE ASSETS | | 9,66,805 | - | - | 9,66,805 | 8,00,443 | 74,980 | - | 8,75,423 | 91,382 | 1,66,362 |

NOTE 13

(in Rs.)

| Long Term Loans and Advances | As at 31 March 2021 | As at 31 March 2020 |
|--|------------------------|------------------------|
| | Amount | Amount |
| a. Capital Advances b. Security Deposits | | - |
| Unsecured, considered good | 383,52,884 | 202,42,809 |
| c. Loans and advances to related parties (refer Note 2) d. Other loans and advances | 383,52,884 | 202,42,809 |
| | - | - |
| | 15,97,134 | 7,21,898 |
| Total | 399,50,018 | 209,64,707 |

NOTE 14

| Other Non current assets | As at 31 March 2021 | As at 31 March 2020 |
|------------------------------|------------------------|------------------------|
| | Amount | Amount |
| IPO Expense | 57,34,689 | 86,02,033 |
| Interest Receivable on Fixed | 51,47,029 | 42,33,815 |
| Other Non current Assets | - | - |
| Total | 1,08,81,718 | 1,28,35,848 |

NOTE15

| Inventories | As at 31 March 2021 | As at 31 March 2020 |
|----------------------|------------------------|------------------------|
| | Amount | Amount |
| a. Raw Materials | 17,91,49,547 | 15,05,10,114 |
| b. Work-in -Progress | 76,28,493 | 57,08,497 |
| c. Finished Goods | 28,08,37,703 | 7,72,83,290 |
| d. Stores & Spares | 7,91,354 | 22,67,475 |
| e. Stock-in-trade | | 25,48,01,734 |
| Grand Total | 46,84,07,097 | 49,05,71,110 |

NOTE16

| Trade Receivables | As at 31 March 2021 | As at 31 March 2020 |
|--|------------------------|------------------------|
| | Amount | Amount |
| Trade receivables outstanding for a period less than six months, Unsecured and considered good | 24,72,36,752 | 24,03,64,298 |
| Trade receivables outstanding for a period exceeding six months, Unsecured and considered good | 7,95,89,583 | 6,63,00,037 |
| Total | 32,68,26,335 | 30,66,64,335 |

NOTE17

(in Rs.)

| Cash and cash equivalents | As at 31 March 2021 | As at 31 March 2020 |
|--|------------------------|------------------------|
| | Amount | Amount |
| a. Balances with banks | 5,20,645 | 1,38,322 |
| b. Bank deposits with more than 12 months maturity | 2,99,44,318 | 3,29,07,665 |
| c. Cash on hand | 32,39,557 | 34,13,028 |
| Total | 3,37,04,520 | 3,64,59,015 |

NOTE18

| Short-term loans and advances | As at 31 March 2021 | As at 31 March 2020 |
|--|------------------------|------------------------|
| | Amount | Amount |
| a(1) Advance payment to Creditors for Goods | 59,20,443 | 84,10,715 |
| a(2) Advance payment to Creditors for Expense | 49,30,563 | 3,46,013 |
| | 1,08,51,007 | 87,56,728 |
| b. GS T Adjustment | 99,967 | 1,22,93,714 |
| b. Others | | |
| Custom Duty Refundable | - | 1,83,022 |
| Prepaid Expenses | 35,60,492 | 33,14,248 |
| Advance Income Tax | 48,54,268 | 23,54,268 |
| Other Receivable | 9,80,753 | 12,36,962 |
| CST Refund | 1,66,506 | 1,66,506 |
| TDS & TCS Receivable | 37,07,098 | 9,64,013 |
| Vat Receivable/ Refundable | 5,79,489 | 5,79,489 |
| Loans & Advances to Staff | 82,22,548 | 82,58,513 |
| Professional Tax Refund | 15,255 | 15,255 |
| | 2,21,86,377 | 2,93,65,990 |
| Total | 3,30,37,383 | 3,81,22,718 |

NOTE19

| Other Current Asset | As at 31 March 2021 | As at 31 March 2020 |
|-------------------------------------|------------------------|------------------------|
| | Amount | Amount |
| RECEIVABLES | | |
| BALAJI AUTO CONSULTANT | 7,00,000 | 700,000 |
| INTEREST SUBSIDY REIMBURSEMENT | 16,79,858 | - |
| FASTAG | 835 | - |
| INDIAN OIL CORPORATION X POWER CARD | 12,500 | - |
| Total | 23,93,193 | 700,000 |

NOTE 20

(in Rs.)

| Contingent liabilities and commitments (to the extent not provided for) | As at 31 March 2021 | As at 31 March 2020 |
|---|---------------------|---------------------|
| | Amount | Amount |
| (i) Contingent Liabilities | | |
| (1) Performance Bank Guarantee issued against Work Order Received | 9,24,93,853 | 5,05,79,974 |
| (2) The appeal lying with commissioner of income tax (tax paid of Rs. 30000/- for AY 2012-13, Rs. 145040/- for AY 2013-14, Rs. 14,28,840/- for AY 2014-15, Rs. 750388/- For AY 2015-16) | 1,07,13,512 | 1,07,13,512 |
| (ii) Commitments | | |
| Total | 1,03,207,365 | 6,12,93,486 |

NOTE 21

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

| Particulars | For the year 31.03.2021 | For the year 31.03.2020 |
|----------------------------|-------------------------|-------------------------|
| | Amount (Rs.) | Amount (Rs.) |
| Sale of furniture products | 83,90,64,736 | 67,05,30,537 |
| Total | 83,90,64,736 | 67,05,30,537 |

NOTE 22

| Other Income | For the year 31.03.2021 | For the year 31.03.2020 |
|---|-------------------------|-------------------------|
| | Amount (Rs.) | Amount (Rs.) |
| Interest Income (in case of a company other than a finance company) | 23,20,108 | 23,56,498 |
| Short/ Excess provision | 64,738 | 6,38,248 |
| Written Back | 24,73,654 | 18,11,117 |
| Profit on Sales of Assets and Other Misc Income | 6,47,870 | 4,50,095 |
| Total | 55,06,370.20 | 52,55,958 |

NOTE 23

| COST OF MATERIALS & COMPONENTS CONSUMED | For the year 31.03.2021 | For the year 31.03.2020 |
|---|-------------------------|-------------------------|
| | Amount (Rs.) | Amount (Rs.) |
| Opening Stock | 15,27,77,589 | 10,22,71,160 |
| Add : Purchases | 37,31,34,650 | 33,79,71,621 |
| Less : Closing Stock | -17,99,40,901 | -15,27,77,589 |
| Total | 34,59,71,337 | 28,74,65,193 |

NOTE 24

(in Rs.)

| Manufacturing Expense | For the year 31.03.2021 | For the year 31.03.2020 |
|------------------------|----------------------------|----------------------------|
| | Amount (Rs.) | Amount (Rs.) |
| Manufacturing Expenses | 4,79,50,402 | 1,45,30,388 |
| Total | 4,79,50,402 | 1,45,30,388 |

NOTE 25

| Employee Benefits Expense | For the year 31.03.2021 | For the year 31.03.2020 |
|---|----------------------------|----------------------------|
| | Amount (Rs.) | Amount (Rs.) |
| (a) Salaries, Wages and Incentives | 8,57,46,151 | 75,037,841 |
| (b) Contributions to - | | |
| (ii) Superannuation scheme | 30,13,092 | 1,989,634 |
| (c) Gratuity fund contributions | (10,51,642) | 1,321,954 |
| (d) Social security and other benefit plans for overseas employees | | - |
| (e) Expense on Employee Stock Option Scheme (ESOP) and Employee Stock Purchase Plan (ESPP), | | - |
| (f) Staff welfare expenses | 47,79,862 | 3,510,230 |
| Total | 9,24,87,463 | 81,859,659 |

NOTE 26

| Finance costs | For the year 31.03.2021 | For the year 31.03.2020 |
|-----------------------|----------------------------|----------------------------|
| | Amount (Rs.) | Amount (Rs.) |
| Interest expense | 3,38,86,130 | 25,737,056 |
| Other borrowing costs | 37,31,240 | 3,661,014 |
| Other | 5,17,186 | 16,313 |
| Total | 3,81,34,557 | 29,414,383 |

NOTE 27

| SR No | Other expenses | For the year 31.03.2021 | For the year 31.03.2020 |
|-------|------------------------------|----------------------------|----------------------------|
| | | Amount (Rs.) | Amount (Rs.) |
| 1 | Power & Fuel | 21,99,747 | 23,77,561 |
| 2 | Repairs to building | 40,287 | 3,59,142 |
| 3 | Insurance | 33,80,750 | 27,53,518 |
| 4 | Rates & taxes | 74,737 | 9,83,434 |
| 5 | Legal & Professional Fees | 85,01,303 | 41,98,341 |
| 6 | Office Maintenance | 6,62,833 | 4,37,585 |
| 7 | Telephone & Internet Charges | 6,79,932 | 8,79,494 |
| 8 | Travelling Expense | 34,84,329 | 72,98,953 |
| 9 | Business Promotion | 43,22,837 | 93,85,581 |
| 10 | Rent | 1,54,96,838 | 1,71,57,549 |
| 11 | Project Expenses | 4,40,10,991 | 3,51,63,160 |

| | | | |
|--------------|---------------------------------|---------------------|---------------------|
| 12 | Selling Expense | 93,51,771 | 87,50,819 |
| 13 | Freight Inward Expense | - | 25,11,207 |
| 14 | Other expenses(as per annexure) | 1,32,95,243 | 96,85,304 |
| Total | | 10,55,01,598 | 10,19,41,647 |

| SR No | Audit fees | For the year 31.03.2021 | For the year 31.03.2020 |
|--------------|---|----------------------------|----------------------------|
| | | Amount (Rs.) | Amount (Rs.) |
| 1 | Payments to the auditor as a. auditor, | 2,87,500 | 75,000 |
| 2 | b. for taxation matters, | - | - |
| 3 | c. for company law matters, | - | - |
| 4 | d. for management services, | - | - |
| 5 | e. for other services, | - | - |
| 6 | f. for reimbursement of expenses; | - | - |
| Total | | 2,87,500 | 75,000 |

PARIN FURNITURE LIMITED
CIN : L36101GJ2006PLC049074

SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED FINANCIAL STATEMENT

(a) Basis of Preparation of Financial Statements

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

(b) Use of Estimates

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

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

(c) Revenue Recognition

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

(d) Provisions and contingent liabilities

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

(e) Fixed Assets & Depreciation thereon

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

(f) Retirement benefits to employees

- Gratuity

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

- Provident Fund

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

(g) Inventories

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

(h) Provision for Current Tax & Deferred Tax

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

(i) Current Assets, Loans and Advances & Liabilities

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

(j) Regrouping of Previous Year figures

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

PARIN FURNITURE LIMITED CIN

: L36101GJ2006PLC049074

NOTES ON ACCOUNTS AND OTHER DISCLOSURES ON CONSOLIDATED FINANCIAL STATEMENT:

(a) Principal of Consolidation:

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

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

The consolidation comprises of 12 months period from 01st April, 2020 to 31st March, 2021 of Parin Furniture Limited (Holding Company) and Pearl Furniture Private limited (Subsidiary Company).

(b) Earning Per Share:

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

| Particulars | As on 31.3.21 | As on 31.3.20 |
|--|---------------|---------------|
| Net Profit after tax | 4,62,55,509 | 3,81,03,473 |
| Average No. of Equity Shares Outstanding | 1,11,18,000 | 1,11,18,000 |
| EPS | 4.16 | 3.43 |

(c) Contingent Liabilities:

Contingent Liabilities represents claims against the company not acknowledged as debts includes,

(a) Bank Guarantee issued in HDFC Bank is of Rs.3,16,25,247 and in ICICI Bank is of Rs.4,93,61,870 and

(b) IT Outstanding demand areas follows:

| Sr. No. | Assessment Year | Demand Amount | Amount Paid | Outstanding Amount |
|---------|-----------------|---------------|-------------|--------------------|
| 1 | 2012-13 | 14,46,440 | 30,000 | 14,16,440 |
| 2 | 2013-14 | 7,25,200 | 1,45,040 | 5,80,160 |
| 3 | 2014-15 | 71,44,200 | 14,28,840 | 57,15,360 |
| 4 | 2015-16 | 37,51,940 | 7,50,388 | 30,01,552 |
| | TOTAL | | | |

(d) Due to Micro and Small Enterprises:

We have sent letter to our creditors and from some creditors received confirmation of micro and small enterprises status. Company have bifurcated creditors into micro and small enterprises as per data received from creditors.

(e) Payment to Auditors:

Statutory Audit Fees : 75,000/- Other capacity : 3,72,500/-

(f) Related Party Disclosures

(1) Related parties & their relationship

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

- Poonam Furniture
- Paradise Furniture



- Parin Motors
- Prince Furniture
- Deven Impex

ii) Key Managerial Personnel

- Umesh D Nandani –Managing Director
- Parin U Nandani - Director (Holding Company & Whole Time Director in Subsidiary)
- Darshil D Nandani -Director
- Deven D Nandani -Director
- Alpa Jogi - Chief Financial Officer
- Kishor Kikani/Binika Chudasama - Company Secretary

(2) Transactions with related parties

(Rs. in lacs)

| Particulars | Subsidiary/Entities significantly influenced by Directors and or Relative of Directors | Key Managerial Personnel & their relatives | Total |
|-------------------|--|--|--------|
| Expenses paid | - | 160.31 | 160.31 |
| Purchase of Goods | 174.51 | - | 174.51 |
| Remuneration | - | 118.14 | 118.14 |
| Revenue/Sales | 19.13 | 2.61 | 21.74 |
| Loan Taken | - | 532.08 | 532.08 |
| Loan Repaid | - | 659.29 | 659.29 |

(3) Balances with Related Parties as at 31st March,2021

(Rs. in lacs)

| Particulars | Subsidiary/Entities significantly influenced by Directors and or Relative of Directors | Key Managerial Personnel & their relatives | Total |
|---|--|--|--------|
| Trade Receivables, Loans & Advances, Advances to suppliers of | 4.39 | 4.61 | 9.00 |
| Trade Payables for Goods , Expenses | 6.14 | 235.20 | 241.34 |
| Unsecured Loan | - | 138.71 | 138.71 |

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

(Rs. in lakhs)

| Particulars | Nature of Transaction | FY 2020-21 | FY 2019-20 |
|----------------------------------|----------------------------|------------|------------|
| Revenue: (Basic Value) | | | |
| Poonam Furniture | Sales of Goods | 0.08 | 2.57 |
| Paradise Furniture | Sales of Goods | 10.84 | 47.74 |
| Parin Motors | Sales of Goods | 8.10 | 2.90 |
| Prince Furniture | Sales of Goods | 0.11 | - |
| Deven D Nandani | Sales of Goods | 2.32 | - |
| Parin U Nandani | Sales of Goods | 0.29 | - |
| | | | |
| Expense Paid: | | | |
| Umesh D Nandani | Interest on Unsecured Loan | 8.09 | - |
| Deven D. Nandani | Rent | 68.75 | 33.00 |
| Neha U. Nandani | Rent | 38.25 | - |
| Deven D Nandani | Interest on Unsecured Loan | 28.34 | 3.51 |
| Darshil U. Nandani | Interest on Unsecured Loan | 5.18 | 3.36 |
| Parin U. Nandani | Interest on Unsecured Loan | 5.85 | 5.29 |
| Pooja P. Nandani | Professional fees | 5.85 | |
| Umesh D Nandani (Director) | Salary | 36.00 | 4.50 |
| Deven D Nandani | Salary | 36.00 | 17.30 |
| Parin U. Nandani | Salary | 36.00 | 18.00 |
| Darshil U. Nandani (Director) | Salary | - | 9.00 |
| Alpa Jogi (CFO) | Salary | 8.26 | 9.14 |
| Kishor Kikani (CS) | Salary | 1.88 | - |
| Krishna Lodhiya (CS) | Salary | - | 0.57 |
| Kajal Shah (CS) | Salary | - | 1.58 |
| Purchase of Goods: (Basic | | | |
| Poonam Furniture | Purchase | 21.09 | 15.33 |
| Paradise Furniture | Purchase | 153.42 | 278.59 |
| Deven Impex | Purchase | - | 571.29 |
| Prince Furniture | Purchase | - | 10.41 |

| Particulars | Nature of Transaction | FY 2020-21 | FY 2019-20 |
|------------------------|-----------------------|------------|------------|
| Unsecured Loan: | | | |
| Umesh D. Nandani | Loan Taken | 234.48 | 337.70 |
| Deven D. Nandani | Loan Taken | 196.57 | 821.69 |
| Darshil U. Nandani | Loan Taken | 50.18 | 6.99 |
| Parin U. Nandani | Loan Taken | 50.85 | 18.31 |
| Darshil U. Nandani | Loan Repaid | 45.39 | 0.49 |
| Umesh D. Nandani | Loan Repaid | 149.86 | 393.44 |
| Deven D. Nandani | Loan Repaid | 418.11 | 656.56 |



Parin Furniture Limited

| | | | |
|------------------|-------------|-------|------|
| Parin U. Nandani | Loan Repaid | 45.93 | 1.04 |
|------------------|-------------|-------|------|

- (g) The details of amount payable to Small Scale Industrial undertakings in excess of Rupees one Lacs and outstanding for a period of more than 30 days have been submitted.
- (h) The foreign Exchange earning is NIL and out go during the year is \$1,06,375 and EURO 3,28,341.4 equivalent to Rs. 7,23,59,497
- (i) The previous year's figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation

FOR & BEHALF OF Board of Directors of

PARIN FURNITURE LIMITED

**Sd/-
Umesh D. Nandani**

(CMD): 00039757

**Sd/-
AlpaJogi
(CFO)**

**Sd/-
Parin U. Nandani**

(WTD): 02343309

**Sd/-
Binika Chudasama
(CS)**

**AS PER OUR REPORT ON
EVENTDATE**

**M/S. BHAVIN ASSOCIATES
CHARTEREDACCOUNTANTS**

Firm Registration No.:101383W

Sd/-

Bhavin P.Bhansali

**Partner
Mem. No.043796
UDIN :21043796AAAACY1749**



Parin Furniture Limited

PARIN FURNITURE LIMITED
CIN: L36101GJ2006PLC049074

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

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

Form No.MGT-11
Proxy form

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

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

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

- Name: _____ Address _____
Mail ID _____ Signature _____, or failing him
- Name: _____ Address _____
Mail ID _____ Signature _____, or failing him
- Name: _____ Address _____
Mail ID _____ Signature _____, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 15th Annual general meeting of the company, to be held on Thursday the 23rd day of September, 2021 At 11:00 a.m. at the Registered office of the company situated at plot no. 6, Revenue Survey no.149, National Highway at. Vavdi, Gondal Road, Rajkot 360004, Gujarat and at any adjournment thereof in respect of such resolutions as are indicated below: *I wish my above Proxy to vote in the manner as indicated in the box below:

| Sr. No. | Business | Resolution | For | Against |
|---------|----------|--|-----|---------|
| 1 | Ordinary | To receive, Consider and adopt the Audited Financial Statements of the Company (including Audited Consolidated Financial Statements) for the financial year ended March 31, 2021 and the Reports of the Board of Directors and Auditors thereon. | | |
| 2 | Ordinary | To appoint a director in place of MR. DEVEN DIPESH NANDANI (DIN: 07576542) who retire by rotation and being eligible, offers himself for re-appointment. | | |
| 3 | Special | To approve related party transactions to be entered by the Company with related parties | | |

Signed this day of 2021
Signature of shareholder
Signature of Proxy holder(s)

Affix
Revenue
stamp of
Re. 1

Note:

- 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
- Proxy need not to be member of Company.
- *It is optional to indicate your preference. If you leave the ' For' or ' Against' blank against any or all resolutions, your Proxy will be entitled to vote in the manner as he/she may deem appropriate.



Parin Furniture Limited

PARIN FURNITURE LIMITED
L36101GJ2006PLC049074

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

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

ATTENDANCE SLIP

15th Annual General Meeting of Parin Furniture Limited to be held on 23rd September, 2021

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

Full Name of Shareholder _____ Name of Proxy _____

Address of Shareholder _____

I/We hereby record my presence at the **15th ANNUAL GENERAL MEETING** of the Company at the Registered office of the company situated at plot no. 6, Revenue Survey no.149, National Highway at. Vavdi, Gondal Road Rajkot 360004 Gujarat on **Thursday 23rd September, 2021 at 11:00 A.M**

Member's/Proxy's name in Block Letters

Member's/Proxy's Signature

Note:

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

ROUTE MAP OF VENUE FOR 15TH ANNUAL GENERAL MEETING

