

**PALI COMMERCIAL COMPANY LIMITED**  
32, EZRA STREET,  
KOLKATA - 700 001

Audited  
Balance Sheet  
&  
Statement of Profit & Loss  
For the year ended on 31st March, 2017

**AUDITORS**  
**AGARWAL GUPTA NOKARI & RUSTAGI ASSOCIATES**  
Chartered Accountants

12, Waterloo Street, 3rd floor,  
Suite No.6, Kolkata - 700 069

Tel.: (033) 2248 7696 / 3296 -2308

PALI COMMERCIAL CO. LTD

*Vinita Khaitan*  
MANAGING DIRECTOR



**Agarwal Gupta Nokari & Rustagi Associates**  
Chartered Accountants

12, Waterloo Street  
3rd Floor  
Kolkata - 700069  
Phone : 2248 7696, 4004 8575

**AUDITORS' REPORT**

TO  
THE BOARD OF DIRECTORS  
M/S PALI COMMERCIAL COMPANY LIMITED

As required under **Non-Banking Financial Companies Auditors' Report (Reserve Bank) Directions, 2008** and on the basis of information and explanations given to us, we report that:

3A)

- 1 The Company is engaged in the Business of Non Banking Financial Institution and it has obtained a certificate of Registration from the Reserve Bank of India.
- 2 On the basis of Balance Sheet and the statement of Profit & Loss for the year ended 31.03.2017, in our opinion the Company is entitled to continue to hold such certificate of Registration in terms of its asset/income pattern.
- 3 On the basis of Balance Sheet and the statement of Profit & Loss for the year ended 31.03.2017, in our opinion the Company may be classified as Investment Company.

3C)

- 1 The Board of Directors has passed a resolution for Non Acceptance of any Public Deposits.
- 2 The Company has not accepted any deposits from the public during the year ended 31st March, 2017.
- 3 The Company has complied with the Prudential Norms relating to the Income Recognition, Accounting Standards, assets classification and provisioning for bad and doubtful debts as applicable to it in terms of Non-Banking Financial (Non Deposits Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions-2007.
- 4 The Company is not a systematically Important Company as defined in Paragraph 2(1)(XIX) of the Non Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.

**For AGARWAL GUPTA NOKARI & RUSTAGI ASSOCIATES**

Chartered Accountants  
Firm Registration No.310041E

**Bhal Chandra Khaitan**  
(Partner)

Membership No.017387  
12, Waterloo Street, Kolkata - 700 069  
Dated this 12th day of June, 2017

**PALI COMMERCIAL CO. LTD**

MANAGING DIRECTOR

**DIRECTOR'S REPORT**

Dear Shareholders,

On behalf of the Board of Directors, it is our pleasure to present the Thirty Sixth Annual Report together with the Audited Statement of Accounts of **PALI COMMERCIAL COMPANY LIMITED** for the year ended March 31, 2017.

**FINANCIAL PERFORMANCE**

Particulars	Amount (Rs.)	
	2016-17	2015-16
Profit/(Loss) Before Tax	(1,797,871)	79,292
Less: Provision for Tax	-	26,355
(Add)/Less: Deferred Tax	(4,253)	(5,882)
Less: I Tax adjustment for earlier years	(25,587)	-
Profit/(Loss) After Tax	(1,768,031)	58,819
Add:Balance in Profit & Loss Account	11,649,339	11,602,284
Less: Appropriation	-	-
Trf to Other Reserve as per RBI Act, 1934	-	11,764
Closing Balance	9,881,307	11,649,339

**RESULTS OF OPERATION AND THE STATE OF COMPANY'S AFFAIRS**

The highlights of the Company's performance are as under:

- > The company has incurred a loss of Rs. 17,97,871/-/- during the current year(P.Y. profit Rs 79292/-)
- > The company has not made significant capital expenditure during the current year.

The Directors are hopeful for better performance in the future.

The company continues to maintain liquidity during the current financial year. The company maintains sufficient cash to meet the short term requirements.

**DIVIDEND**

The Directors do not recommend any dividend during the year.

**NUMBER OF MEETINGS OF THE BOARD**

During the Financial year 2016-17, 6 (Six) number Board meetings were held, details of which are given below:

Date of the Meeting	Strength of Board of Directors	No. of Directors attended the meeting
30.04.2016	4	4
30.05.2016	4	4
31.07.2016	4	4
29.10.2016	4	4
30.01.2017	4	4
30.03.2017	4	4



#### SHARE CAPITAL/ FINANCE

During the year, the Company has not allotted any shares.

As on 31<sup>st</sup> March, 2017, the issued, subscribed and paid up share capital of your Company stood at Rs. 99,00,000/- comprising of 9,90,000 Equity shares of Rs.10/- each.

#### EXTRACT OF ANNUAL RETURN

Pursuant to section 92(3) of the Companies Act, 2013 ('the Act') and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return is Annexed as **Annexure 1**.

#### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures from the same;
- (b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- (c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors have prepared the annual accounts on a going concern basis;
- (e) the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating effectively; and
- (f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### STATUTORY AUDITORS, THEIR REPORT AND NOTES TO FINANCIAL STATEMENTS

M/s. Agarwal Gupta Nokari & Rustagi Associates, Chartered Accountants, Statutory Auditor of the Company hold office till the conclusion of the 36th Annual General Meeting of the Company. The Board has recommended the appointment of M/s Uttam Agarwal & Associates as the Statutory auditors of the Company in their place, for a term of five consecutive years, from the conclusion of 36th Annual General Meeting of the Company scheduled to be held in the year 2017 till the conclusion of the 41st Annual General Meeting to be held in the year 2022, for approval of shareholders of the Company.

The Notes on financial statement referred to in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditors Report does not contain any qualification, reservation and adverse remark.

#### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Particulars of investments made is provided in the financial statement (Please refer note 7 to the financial statements).

#### RISK MANAGEMENT

During the year, the Directors have developed and implemented a Risk Management Policy for the Company for the purpose of identification of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company.



#### INTERNAL FINANCIAL CONTROL

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

#### DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Sita Ram Pansari (DIN 00450601) retires by rotation and offers himself being eligible for reappointment as per Section 156 (6) and (7) of the Companies Act 2013

#### DEPOSITS

Your Company has not accepted any deposits from public in terms of Section 76(1) of the Companies Act, 2013.

#### PARTICULARS OF EMPLOYEES

There was no employee whose remuneration was in excess of the limits prescribed under section 134(3)(q) of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

#### General

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

- (i) Details relating to deposits covered under chapter V of the Act.
- (ii) Issue of equity shares with differential voting rights as to dividend, voting or otherwise.
- (iii) Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- (iv) No significant or material orders were passed by Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

Your Director further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

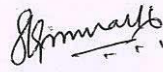
#### ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institution, banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed service rendered by the Company's executives, staff and workers.

For and on behalf of the Board,  
Pali Commercial Company Limited

Date: 12th day of June, 2017  
Place: Kolkata

  
Vinita Khaitan  
Director  
(DIN: 07168477)

  
Suresh Kumar Murarka  
Director  
(DIN: 02130810)

## FORM NO. MGT 9

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

## EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31/03/2017

I REGISTRATION & OTHER DETAILS:

i	CIN	L51909WB1981PLC034414
ii	Registration Date	29/12/1981
iii	Name of the Company	PALI COMMERCIAL COMPANY LIMITED
iv	Category of the Company	Company Limited by Shares
v	Address of the Registered office & contact details	
	Address :	32, Ezra Street, 7th Floor, Room no. 755
	Town / City :	Kolkata 700 001
	State :	West Bengal
	Country Name :	India
	Telephone (with STD Code) :	033-2225 3846
	Fax Number :	-
	Email Address :	pali@khaitanwire.com
	Website, if any:	No
vi	Whether listed company	YES
vii	Name and Address of Registrar & Transfer Agents ( RTA ):-	
	Name of RTA :	Maheshwari Datamatics Pvt. Ltd
	Address :	6, Mangoe Lane, 2nd Floor,
	Town / City :	Kolkata
	State :	West Bengal
	Pin Code :	700 001.
	Telephone :	033-22435029 /22482248
	Fax Number :	033 22484787
	Email Address :	mdpldc@yahoo.com

II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Other Services Auxiliary to financial services n.e.c.	99715990	45.10%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

No. of Companies for which information is being filled	1
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Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY /ASSOCIATE	% of shares held	Applicable Section
1	Khaitan Strips & Wires Private Limited P- 38, India Exchange Place, Kolkata- 01	U27109WB1997PTC085831	Associate	42.37	2(6)



iv SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	-	10,010	10,010	1.01%	-	10,010	10,010	1.01%	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>(2) Foreign</b>									
a) NRI - Individual	-	-	-	-	-	-	-	-	-
b) Other - Individual	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Others	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A)</b>	-	10,010	10,010	1.01%	-	10,010	10,010	1.01%	-
<b>B. Non- Promoter</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	-	-	-	-	-	-	-	-	-
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	-	267,100	267,100	26.98%	-	267,100	267,100	26.98%	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	138,070	138,070	13.95%	-	138,070	138,070	13.95%	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	574,820	574,820	58.06%	-	574,820	574,820	58.06%	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	-	979,990	979,990	98.99%	-	979,990	979,990	98.99%	-
<b>Total Non Promoters Shareholding (B)=(B)(1)+(B)(2)</b>	-	979,990	979,990	98.99%	-	979,990	979,990	98.99%	-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	-	990,000	990,000	100%	-	990,000	990,000	100%	-



ii *Shareholding of Promoters*

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	SHIV KUMAR DIDWANIA	10	0.001%	-	10	0.001%	-	
2	SITARAM PANSARI	10,000	1.01%	-	10,000	1.01%	-	
	<b>TOTAL</b>	<b>10,010</b>	<b>1.01%</b>	<b>-</b>	<b>10,010</b>	<b>1.01%</b>	<b>-</b>	

iii *Change in Promoters' Shareholding:* There is no change in the promoters shareholding during the year

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

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of	No. of	% of total
<b>1 JESH VYAOAR PVT. LTD.</b>				
At the beginning of the year	45,000	4.55%	45,000	4.55%
At the End of the year	45,000	4.55%	45,000	4.55%
<b>2 SUNIL KUMAR KHATTAN</b>				
At the beginning of the year	34,600	3.49%	34,600	3.49%
At the End of the year	34,600	3.49%	34,600	3.49%
<b>3 DEOKINANDAN DHANUKA</b>				
At the beginning of the year	30,010	3.03%	30,010	3.03%
At the End of the year	30,010	3.03%	30,010	3.03%
<b>4 MADAN LAL SHARMA</b>				
At the beginning of the year	25,000	2.53%	25,000	2.53%
At the End of the year	25,000	2.53%	25,000	2.53%
<b>5 BARCLA VINIMOQY PVT. LTD.</b>				
At the beginning of the year	22,100	2.23%	22,100	2.23%
At the End of the year	22,100	2.23%	22,100	2.23%
<b>6 SURESH KUMAR DHANUKA</b>				
At the beginning of the year	20,010	2.02%	20,010	2.02%
At the End of the year	20,010	2.02%	20,010	2.02%
<b>7 SAROJ DEVI CHORARIA</b>				
At the beginning of the year	20,000	2.02%	20,000	2.02%
At the End of the year	20,000	2.02%	20,000	2.02%
<b>8 NEERU CHOUDHARY</b>				
At the beginning of the year	20,000	2.02%	20,000	2.02%
At the End of the year	20,000	2.02%	20,000	2.02%
<b>9 ANNUVART DEAL COMM PVT. LTD.</b>				
At the beginning of the year	20,000	2.02%	20,000	2.02%
At the End of the year	20,000	2.02%	20,000	2.02%
<b>10 NANDANEK AD SERVICES PVT. LTD.</b>				
At the beginning of the year	20,000	2.02%	20,000	2.02%
At the End of the year	20,000	2.02%	20,000	2.02%

v *Shareholding of Directors and Key Managerial Personnel:*

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1 SHIV KUMAR DIDWANIA</b>				
At the beginning of the year	10	0.001%	10	0.001%
At the End of the year	10	0.001%	10	0.001%
<b>2 SITARAM PANSARI</b>				
At the beginning of the year	10,000	1.01%	10,000	1.01%
At the End of the year	10,000	1.01%	10,000	1.01%

V **INDEBTEDNESS**

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

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

A. *Remuneration To Managing Director, Whole-Time Directors and/or Manager:* Vinita Khaitan Rs. 528500

B. *Remuneration To Other Directors:* NIL

C. *Remuneration To Key Managerial Personnel Other than MD/ Manager/WTD* NIL

VII. **PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:** NIL



**Agarwal Gupta Nokari & Rustagi Associates**  
Chartered Accountants

12, Waterloo Street  
3rd Floor  
Kolkata - 700069  
Phone : 2248 7696, 4004 8575

## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PALI COMMERCIAL COMPANY LIMITED

### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Pali Commercial Company Limited ("the company") which comprise the standalone Balance Sheet as at 31st March, 2017, the standalone Statement of Profit and Loss for the year then ended, standalone Cash Flow statement and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company 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 responsibilities also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of assets of the Company and for preventing and detecting frauds and other irregularities; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### 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 rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone 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 but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone 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:







**Agarwal Gupta Nokari & Rustagi Associates**  
Chartered Accountants

12, Waterloo Street  
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Phone : 2248 7696, 4004 8575

- a) in the case of the Standalone Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- b) in the case of the Standalone Statement of Profit and Loss, of loss for the year ended on that date.
- c) in the case of Standalone Cash Flow Statement, of its cash flow for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

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

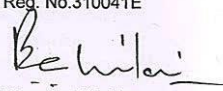
2 As required by section 143(3) of the Act, we report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 Standalone Balance Sheet, and the Standalone Statement of Profit and Loss and Standalone 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 March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.
- f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and
- g) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
  - (i) The Company does not have any pending litigations which would impact its financial position.
  - (ii) The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
  - (iii) there are no amounts that are due to be transferred to the Investor Education and Protection Fund by the Company
  - (iv) The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management.

Place : Kolkata  
Dated : 12th day of June, 2017



For AGARWAL GUPTA NOKARI &  
RUSTAGI ASSOCIATES  
Chartered Accountants  
Firm Reg. No.310041E

  
Bhal Chandra Khaitan  
(Partner)

Membership No.017387



**Annexure - A**

**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

The Annexure referred to in paragraph 1 under the "Report on other Legal and Regulatory requirements" our report to the members of Pali Commercial Company Limited ('the Company') on the standalone financial statement for the year ended 31st March, 2017, we report that :

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, the Company has a system of verifying all its major fixed assets at a reasonable intervals. The fixed assets so scheduled for verification during this year have been physically verified by the management. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.
- (c) The title deeds of immovable properties are held in the name of the company.
- (ii) The inventories of the Company mainly consists of Shares & Securities which are in dematerialised form. Hence physical verification of such Inventories of the Company is not possible. Thus Sub Clause (a) & (b) of clause (ii) of para 4 of the order is not applicable to such Inventories of the Company. However, some of the Shares & securities are in physical form which have been physically verified by the management. Further, proper records of inventories have been maintained by the Company.
- (iii) The Company has granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act; the company has complied with the applicable provisions of the Act in this regard.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- (v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- (vii) (a) According to the information and explanations given to us and records examined by us, the company is generally depositing with appropriate authorities undisputed statutory dues including provident fund, investors education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and any other statutory dues wherever applicable. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at 31st March, 2017 for a period of more than six months from the date they became payable;







**Agarwal Gupta Nokari & Rustagi Associates**  
Chartered Accountants

12, Waterloo Street  
3rd Floor  
Kolkata - 700069  
Phone : 2248 7696, 4004 8575

- (ii) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed by us for expressing our opinion on these standalone financial statements and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during course of our audit.
- (xi) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- (xii) The Paragraph 3(xii) of the order is not applicable since the Company is not the Nidhi Company.
- (xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.
- (xiv) Based on the information and explanations given to us by the management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- (xvi) The Company being a NBFC has obtained registration under section 45-IA of the Reserve Bank of India Act, 1934.

Place : Kolkata  
Dated : 12th day of June, 2017



For AGARWAL GUPTA NOKARI &  
RUSTAGI ASSOCIATES  
Chartered Accountants  
Firm Reg. No.310041E

  
Bhal Chandra Khaitan  
(Partner)  
Membership No.017387





**Agarwal Gupta Nokari & Rustagi Associates**  
Chartered Accountants

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**Annexure-B**

**Report on the Internal Financial Controls under clause (i) of sub-section 3 of the Companies Act, 2013 ('the Act')**

We have audited the internal financial controls over financial reporting of **Pali Commercial Company Limited** ("the Company") as of 31st March, 2017 in conjunction with our audit of financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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

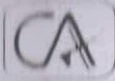
**Auditor's Responsibility**

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 the 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 an audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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

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





**Agarwal Gupta Nokari & Rustagi Associates**  
Chartered Accountants

12, Waterloo Street  
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#### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial controls 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 controls 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 the management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Controls over Financial Reporting

Because of inherent limitations of internal 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 financial controls system over financial reporting and such internal financial controls system over financial reporting were operating effectively as at 31<sup>st</sup> March 2017, based on the internal financial 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 AGARWAL GUPTA NOKARI &  
RUSTAGI ASSOCIATES  
Chartered Accountants  
Firm Reg. No.310041E



Place : Kolkata  
Dated : 12th day of June, 2017

  
**Bhal Chandra Khaitan**  
(Partner)  
Membership No.017387



PALI COMMERCIAL COMPANY LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	Note No.	As at 31st March, 2017	As at 31st March, 2016
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	9,900,000	9,900,000
Reserves and Surplus	3	12,826,641	14,594,672
	<b>A</b>	<b>22,726,641</b>	<b>24,494,672</b>
<b>Non-Current Liabilities</b>			
Long-Term Provisions	4	309,808	295,673
	<b>B</b>	<b>309,808</b>	<b>295,673</b>
<b>Current Liabilities</b>			
Other Current Liabilities	5	224,873	158,973
Short-Term Provisions	6	5,316	31,399
	<b>C</b>	<b>230,189</b>	<b>190,372</b>
<b>TOTAL (A + B + C)</b>		<b>23,266,638</b>	<b>24,980,717</b>
<b>II. ASSETS</b>			
<b>Non-Current Assets</b>			
Non-current Investments	7	19,559,462	21,964,585
Deferred Tax Assets (Net)	8	96,118	91,864
	<b>D</b>	<b>19,655,580</b>	<b>22,056,449</b>
<b>Current Assets</b>			
Inventories	9	85,452	84,537
Cash and Bank Balances	10	1,204,560	512,090
Short-Term Loans and Advances	11	2,321,046	2,327,642
	<b>E</b>	<b>3,611,058</b>	<b>2,924,268</b>
<b>TOTAL (D + E)</b>		<b>23,266,638</b>	<b>24,980,717</b>

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENTS

1 to 29

As per our report of even date attached.

Mr. AQARWAL GUPTA NOKARI & RUSTAGI ASSOCIATES  
Chartered Accountants.  
FRN: 310041E

Bhal Chandra Khaitan  
(Partner)

Membership No.: 017387  
1, Waterloo Street, Kolkata - 700 069  
dated this 12th day of June, 2017



DIRECTORS

Vinita Khaitan  
VINITA KHAITAN  
(DIN 07168477)

Suresh Kumar Murarka  
SURESH KUMAR MURARKA  
(DIN 02130810)



**PALI COMMERCIAL COMPANY LIMITED**

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2017**

Sl. No.	Particulars	Note No.	For the year ended 31st March, 2017	For the year ended 31st March, 2016
I	Revenue from Operation	12	-	14,939
	Other Income	13	1,548,391	1,242,338
<b>II</b>	<b>Total Revenue</b>		<b>1,548,391</b>	<b>1,257,277</b>
III	Expenses:			
	Changes in Inventories of Shares & Securities	14	(915)	15,523
	Employee Benefits Expense	15	1,249,020	634,647
	Other Expenses	16	2,098,157	527,816
<b>IV</b>	<b>Total Expenses</b>		<b>3,346,262</b>	<b>1,177,986</b>
<b>V</b>	<b>Profit Before Tax (II - IV)</b>		<b>(1,797,871)</b>	<b>79,292</b>
VI	Tax Expense:	17		
	Current Tax		(25,588)	26,355
	Deferred Tax		(4,254)	(5,882)
<b>VII</b>	<b>Profit / (Loss) for the period (VI - VII)</b>		<b>(1,768,031)</b>	<b>58,818</b>
VIII	Earnings per Equity Share:	18		
	(1) Basic		(1.79)	0.06
	(2) Diluted		(1.79)	0.06

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENTS**

1 to 29

As per our report of even date attached.

**FOR AGARWAL GUPTA NOKARI & RUSTAGI ASSOCIATES**  
Chartered Accountants.  
FRN: 310941E

*Bhal Chandra Khaitan*  
(Partner)

Membership No. 017387  
18, Waterloo Street, Kolkata - 700 069  
Dated this: 12th day of June, 2017



**DIRECTORS**

*Vinita Khaitan*  
**VINITA KHAITAN**  
(DIN 07168477)

*Suresh Kumar Murarka*  
**SURESH KUMAR MURARKA**  
(DIN 02130810)

**PALI COMMERCIAL COMPANY LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017**

Amount (in Rupees)

PARTICULARS	For the yr ended 31st March, 2017	For the yr ended 31st March, 2016
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit before tax and Extra Ordinary Items	(1,797,871)	79,292
<i>Adjustment for:</i>		
Provision for Gratuity	14,135	19,788
Statutory Provision for Standard Assets	272	880
(Profit)/ Loss on sale of Investment	1,810,045	209,976
Dividend Received	(426,172)	(279,910)
Interest Received	(272,219)	(182,828)
Gratuity Paid	-	-
	<u>1,126,061</u>	<u>(232,094)</u>
<b>Operating Profit Before working Capital</b>	<b>(671,810)</b>	<b>(152,803)</b>
<i>Adjustment for:</i>		
Inventories	(916)	15,523
Trade & Other Receivables	(139,705)	(645,362)
Other Current Assets	-	808,322
Trade Payables	65,900	26,070
<b>Cash Generated from Operations (Before tax &amp; Extra Ordinary Items)</b>	<b>(74,721)</b>	<b>204,553</b>
	<u>(746,531)</u>	<u>51,751</u>
Income tax Paid (incl TDS)	(54,616)	(195,087)
Income tax refund	200,150	-
<b>Cash Flow before Extra Ordinary Items</b>	<b>(600,997)</b>	<b>(143,337)</b>
<b>Net Cash From Operating activities</b>	<b>(600,997)</b>	<b>(143,337)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Investments	(9,691,458)	(5,190,001)
Sale of Investments	10,286,534	4,479,679
Purchase of Fixed Assets	-	-
Interest Received	272,219	182,828
Dividend Received	426,172	279,910
<b>Net Cash used in Investing activities</b>	<b>1,293,467</b>	<b>(247,584)</b>
	<u>1,293,467</u>	<u>(247,584)</u>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Long Term Borrowings	-	-
Interest Paid	-	-
Dividend Paid	-	-
<b>Net Cash used in Financing activities</b>	<b>-</b>	<b>-</b>
	<u>-</u>	<u>-</u>
<b>D NET CASH FLOW DURING THE YEAR (A+B+C)</b>	<b>692,470</b>	<b>(390,921)</b>
	<u>692,470</u>	<u>(390,921)</u>
<b>NET INCREASE / DECREASE IN CASH AND CASH EQUIVALENTS</b>		
Cash and Cash equivalents as at 01.04.2016	512,090	903,011
Cash and Cash equivalents as at 31.03.2017	1,204,560	512,090
	<u>692,470</u>	<u>(390,921)</u>

In terms of our report of even date

**H AGARWAL GUPTA NOKARI & RUSTAGI ASSOCIATES**  
 Chartered Accountants.  
 PRN: 318041E

*Bhai Chandra Khaitan*  
 (Partner)  
 Membership No. : 017387  
 Waterloo Street, Kolkata - 700 069  
 dated this: 12th day of June, 2017



**DIRECTORS**

*Vinita Khaitan*  
**VINITA KHAITAN**  
 (DIN 07168477)

*Suresh Kumar Murarka*  
**SURESH KUMAR MURARKA**  
 (DIN 02130810)

## PALI COMMERCIAL COMPANY LIMITED

### NOTES FORMING PART OF THE ACCOUNTS

#### NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

##### **(i) Basis of Preparation**

i) These financial statements have been prepared to comply with Generally Accepted Accounting Principles India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act 2013.

The financial statements are prepared on accrual basis under the historical cost convention method. The same are prepared on a going concern basis.

ii) The Company follows Mercantile System of Accounting and recognises income and expenditure on Accrual Basis.

##### **(ii) Fixed Assets**

Fixed Assets are stated at the original cost including other Expenses relating to acquisition and installation.

##### **(iii) Depreciation**

Depreciation is provided for in the accounts on written down value method in the manner specified in Schedule II of the Companies Act, 2013.

##### **(iv) Sales**

Sales of Shares / Securities comprises Net Value of Sales.

##### **(v) Revenue Recognition**

i) Interest Income and Commission Income is recognised on a time proportion basis taking into account the amount outstanding and rate applicable.

ii) Dividend Income is recognised when the shareholder's right to receive dividend is established by the balance sheet date.

##### **(vi) Stock in trade**

Value of Stock of Equity Shares are stated at Cost or Market Value whichever is less, category wise.

##### **(vii) Investments**

All investments are classified as Long Term Investment. Long Term Investments are valued at Cost and provisions for permanent diminution in value are made wherever considered necessary.

##### **(viii) Retirement / Terminal benefits**

The company provides for gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to vested employees at retirement, death while in employment or termination of employment in an amount equivalent to 15 days salary payable for each completed year of services. Vesting occurs upon completion of five years of services.

##### **(ix) Income Tax**

i) Provision for Income Tax, if any, is made after considering exemptions, deduction and allowances available as per the provision of the Income Tax Act, 1961.





## PALI COMMERCIAL COMPANY LIMITED

### NOTES FORMING PART OF THE ACCOUNTS

ii) Deferred Tax assets or Liability is recognised for timing differences between the Profit as per Financial Statements and the Profit offered for Income Taxes, based on tax rates that have been enacted or substantively enacted at the Balance Sheet date. Deferred Tax Assets or liability is recognised only for those timing differences that originate during the tax holiday period but reverse after the tax holiday period. Deferred tax assets are recognised only if there is reasonable certainty that sufficient future taxable income will be available, against which they can be realised. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

**ii) Provisioning on Standard Assets**

The Reserve Bank of India ( RBI ) vide Notification No. DNBS 223/CGM ( US ) - 2011 dated January 17, 2011 has issued direction to all NBFCs to make provision of 0.25% on Standard Assets and accordingly the Company has made the required provision for the year ending 31st march,2017.

**k) Earning Per Share**

Basic Earnings Per Share is calculated by dividing the net profit or loss for the year attributable to equity shareholders, by the weighted average number of equity shares outstanding during the year.

The company doesnot issue any Potential Equity Shares, so diluted earning per share is equal to basic earning per share.

**l) Cash & Cash Equivalents**

Cash & Cash Equivalents in the cash flow statement comprises of Cash at Bank, Cash on hand and Fixed Deposits with maturity more than one year.

iii) In the opinion of the Board of directors, the aggregate value of Current assets, Loans & Advances on realisation in the ordinary course of Business will not be less than the amount at which they are stated in the Balance Sheet.

**iv) Statutory Fund**

In accordance with Section 45IC(1) of the Reserve Bank of India (Amendment) Act,1997 amount not less than twenty percent of the profit after Taxation is required to be transferred to Statutory Fund.As the management has made provision for doubtful assets, there is no profit left in the books of account. Therefore, no amount has been transferred to statutory Fund in the F.Y. 2016-17



**PALI COMMERCIAL COMPANY LIMITED**

**NOTES ON FINANCIAL STATEMENTS**

NOTE 2

<i>Share Capital</i>	<i>As at 31st March, 2017</i>	<i>As at 31st March, 2016</i>
<b>Authorised</b> 990,000 (P.Yr. 990,000) Equity Shares of Rs 10/- each	9,900,000	9,900,000
<b>Issued</b> 990,000 (P.Yr. 990,000) Equity Shares of Rs 10/- each	9,900,000	9,900,000
<b>Subscribed &amp; Paid up</b> 990,000 (P.Yr. 990,000) Equity Shares of Rs 10/- each	9,900,000	9,900,000
<b>Total</b>	<b>9,900,000</b>	<b>9,900,000</b>

**NOTE 2A**

All the equity shares carry equal rights and obligations including for dividend and with respect to voting.

**NOTE 2B**

Since Shareholding Percentage of all the shareholders is less than 5 % so no disclosure required.

**NOTE 2C**

The reconciliation of the Number of Shares Outstanding and the amount of Share Capital.:

<i>Particulars</i>	<i>Equity Shares(31.03.2017)</i>		<i>Equity Shares(31.03.2016)</i>	
	<i>Number</i>	<i>Amount</i>	<i>Number</i>	<i>Amount</i>
Shares outstanding at the beginning of the year	990,000	9,900,000	990,000	9,900,000
Shares outstanding at the end of the year	990,000	9,900,000	990,000	9,900,000

**NOTE 2D**

The Company has not issued any securities convertible into equity/ preference shares.

**NOTE 2E**

During any of the last years from year ended 31st March, 2017:-

- i) No shares were allotted as fully paid up pursuant to contract(s) without payment being received in cash.
- ii) No shares were allotted as fully paid up by way of bonus shares.
- iii) No shares were bought back.

**NOTE 2F**

Each holder of equity shares is entitled to one vote per share.



PALI COMMERCIAL COMPANY LIMITED

NOTES ON FINANCIAL STATEMENTS

NOTE 3

<i>Reserves &amp; Surplus</i>	<i>As at 31st March, 2017</i>	<i>As at 31st March, 2016</i>
<b>a. General Reserves</b>		
Opening Balance	33,000	33,000
Closing Balance	33,000	33,000
<b>b. Other Reserves (Reserve Fund in terms of Section 451C of the Reserve Bank of India Act, 1934)</b>		
Opening Balance	2,912,334	2,900,570
(+) Current Year Transfer	-	11,764
Closing Balance	2,912,334	2,912,334
<b>c. Surplus</b>		
Opening balance	11,649,338	11,602,284
(+) Net Profit for the current year	(1,768,031)	58,818
(-) Transfer to Other Reserves as per Sec. 451C of the RBI Act, 1934	-	11,764
Closing Balance	9,881,307	11,649,338
<b>Total</b>	<b>12,826,641</b>	<b>14,594,672</b>

NOTE 4

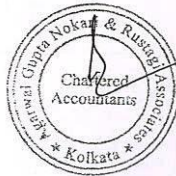
<i>Long Term Provisions</i>	<i>As at 31st March, 2017</i>	<i>As at 31st March, 2016</i>
Provision for Employee Benefits		
Gratuity (Funded through Fixed Deposits with Banks)	309,808	295,673
<b>Total</b>	<b>309,808</b>	<b>295,673</b>

NOTE 5

<i>Other Current Liabilities</i>	<i>As at 31st March, 2017</i>	<i>As at 31st March, 2016</i>
Liability for Expense	159,588	158,818
Professional Tax Payable	285	155
Dues Payable	65,000	-
<b>Total</b>	<b>224,873</b>	<b>158,973</b>

NOTE 6

<i>Short Term Provisions</i>	<i>As at 31st March, 2017</i>	<i>As at 31st March, 2016</i>
Provision for Fringe Benefit Tax (Net of Advance FBT)	44	44
Provision for Income tax	-	26,355
Contingent provision against standard Assets	5,272	5,000
<b>Total</b>	<b>5,316</b>	<b>31,399</b>





PALI COMMERCIAL COMPANY LIMITED

NOTES ON FINANCIAL STATEMENTS

1011 /

<i>Non-Current Investments</i>	<i>As at 31st March,2017</i>	<i>As at 31st March,2016</i>
<i>Trade Investments</i>		
<i>Investment in Equity Instruments - Quoted fully paid up</i>		
<i>Aash Industries Limited</i> 104 (700) Equity Shares of Rs. 5/- fully paid up	25,835	36,609
<i>Aash Opti Fibre Limited</i> 10000 (Nil) Equity Shares of Rs. 5/- fully paid up	278,937	-
<i>Aash Offshore Limited</i> Nil (800) Equity Shares of Rs. 2/- each fully paid up	-	411,618
<i>Asharchem (India) Ltd</i> (192 shares received during the year on demerger)	-	-
<i>Amtek Auto Limited</i> Nil (800) Equity Shares of Rs 2/-each fully paid up	-	35,364
<i>Apar Industries Limited</i> 800 (Nil) Equity Shares of Rs 10/- each fully paid up	252,403	252,403
<i>Aashi Bangwon Colors Limited</i> 1000(1000) Equity Shares of Rs.10/- each fully paid up	115,035	115,035
<i>Associated Pigments Limited</i> 100(100) Equity Shares of Rs 10/- each fully paid up	1,500	1,500
<i>Bank of Maharashtra Limited</i> Nil (8000) Equity Shares of Rs. 10/- each fully paid up/-	-	364,196
<i>Bayer Cropscience Limited</i> Nil (800) Equity Shares of Rs. 10/- each fully paid up	-	444,743
<i>Bharat Electronics Limited</i> 4000 (Nil) Equity Shares of Rs. 10/- each fully paid up	535,342	-
<i>Belle Controls Limited,</i> 10 (10) Equity Shares of Rs 10/- each fully paid up	100	100
<i>Bharat Shipyard Limited</i> Nil (7040 ) Equity Shares of Rs 10/-each fully paid up	-	527,433
<i>Bharat Forge Ltd</i> 400 ( 400 ) Equity Shares of Rs 2/-each fully paid up	358,501	358,501

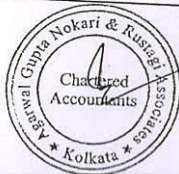


PALI COMMERCIAL COMPANY LIMITED

NOTES ON FINANCIAL STATEMENTS

NOTE 7

Non-Current Investments	As at 31st March, 2017	As at 31st March, 2016
<u>Orissa Zinc Limited (Binani Zinc Limited)</u> 115 Bonus Equity Shares	-	-
1000 (Nil) Equity Shares of Rs 10/- each fully paid up 100 Bonus Equity Shares	502,204	-
<u>UPL Engineering Limited</u> 1500 (1500) Equity Shares of Rs 10/- each fully paid up	6,694	6,694
<u>Usha India Limited</u> Nil (1800) Equity Shares of Rs. 10/- each fully paid up	-	395,605
<u>Usha Homes Limited</u> 400 (400) Equity Shares of Rs 10/- each fully paid up	152,391	152,391
<u>Usharunium Universal Limited</u> 400 (400) Equity Shares of Rs 1/- each fully paid up	42,654	42,654
<u>Ushasana India Limited</u> Nil (800) Equity Shares of Rs 10/- each fully paid up	-	24,624
<u>Century Enka Limited</u> 800 (Nil) Equity Shares of Rs. 10/- each fully paid up	138,701	-
<u>Ushana Petroleum Corporation Limited</u> 800 (Nil) Equity Shares of Rs 10/- each fully paid up	134,036	-
<u>Usha India Limited</u> 800 (800) Equity Shares of Rs 10/- each fully paid up	82,877	82,877
<u>Usha Health Care Limited</u> 800 (800) Equity Shares of Rs 10/- each fully paid up	34,488	34,488
<u>Usha &amp; Sons Limited</u> 1000 (Nil) Equity Shares of Rs 5/- each fully paid up	207,180	-
<u>Usha Bank Limited</u> Nil (750) Equity Shares of Rs 10/- each fully paid up	-	49,884
<u>Dewan Housing Finance Corporation (DHFL)</u> 4000 (4000) Equity Shares of Rs 10/- each fully paid up	400,783	400,783
<u>Usha Care of India Limited</u> Nil (100) Equity Shares of Rs 10/- each fully paid up	-	68,259
<u>Ushasara India Limited</u> 9000 (900) Equity Shares of Rs 5/- each fully paid up 500 Bonus Equity Shares	563,497	247,068



PALI COMMERCIAL COMPANY LIMITED

NOTES ON FINANCIAL STATEMENTS

NOTE 7

<i>Non-Current Investments</i>	<i>As at 31st March, 2017</i>	<i>As at 31st March, 2016</i>
<u>OH Housing Finance Ltd</u> 300,300 Equity Shares of Rs. 10/- each fully paid up	35,705	35,705
<u>UMT Infrastructure Limited</u> Nil (0000) Equity Shares of Rs 1/- each fully paid up	-	374,132
<u>Godfrey Phillips India Limited</u> Nil (200) Equity Shares of Rs. 2/- each fully paid up	-	115,728
<u>Grindwell Norton Limited</u> Nil (160) Equity Shares of Rs 5/- each fully paid up	-	32,751
<u>GVK Power &amp; Infrastructure Limited</u> Nil (16000) Equity Shares of Rs 1/- each fully paid up	-	293,393
<u>HDFC Bank Ltd.</u> 800 (800) Equity Shares of Rs. 2/- each fully paid up	461,865	461,865
<u>HEQ Limited</u> Nil (100) Equity Shares of Rs 10/- each fully paid up	-	22,433
<u>Hinduja Global solutions Limited</u> 1800 (1800) Equity Shares of Rs. 10/- each fully paid up	857,347	857,347
<u>Hindustan Oil Exploration Company Limited</u> Nil (6760) Equity Shares of Rs 10/- each fully paid up	-	746,284
<u>HPCL</u> Nil (1000) Equity Shares of Rs 10/- each fully paid up 2000 Bonus Equity Shares	-	752,758
<u>ICICI Bank Limited</u> 2000 (Nil) Equity Shares of Rs 2/- each fully paid up	548,331	-
<u>IDBI Bank Limited</u> Nil (8000) Equity Shares of Rs 10/- each fully paid up	-	322,693
<u>IFCI Limited</u> Nil (600) Equity Shares of Rs 10/- each fully paid up	-	29,954
<u>Indraprastha Medical Corp Limited (Indra Medico Limited)</u> 4000 (Nil) Equity Shares of Rs 10/- each fully paid up	243,581	-
<u>Info Edge India Limited</u> 300 (300) Equity Shares of Rs. 10/- each fully paid up	290,067	290,067





PALI COMMERCIAL COMPANY LIMITED

NOTES ON FINANCIAL STATEMENTS

NOTE 7

Non-Current Investments	As at 31st March, 2017	As at 31st March, 2016
<u>Infosys Ltd</u> 400 (200) Equity Shares of Rs. 5/- each fully paid up 200 Bonus Equity Shares	397,327	397,327
<u>Insecticides (India) Limited</u> 225 (150) Equity Shares of Rs. 10/- each fully paid up 75 Bonus Equity Shares	64,816	64,816
<u>IOC</u> 2200 (Nil) Equity Shares of Rs 10/- each fully paid up 600 Bonus Equity Shares	733,290	-
<u>IIC Limited</u> 300 (300) Equity Shares of Rs 1/- each fully paid up	24,356	24,356
<u>Kanwal Nerolac Paints Limited</u> 4000 (4000) Equity Shares of Rs 1/- each fully paid up 8000 Bonus Equity Shares	94,560	94,560
<u>Kesoram Textile Mills Limited (Kesoram Industries Limited)</u> 99 (92) Equity Shares of Rs 10/- each fully paid up	-	-
<u>Lakshmi Vilas Bank</u> 1000 (2600) Equity Shares of Rs 10/- each fully paid up	88,656	221,640
<u>Larsen &amp; Toubro Limited</u> 75 (75) Equity Shares of Rs 2/- each fully paid up 25 Bonus Equity Shares	67,634	67,634
<u>LIC Housing Finance Limited</u> 260 (260) Equity Shares of Rs 2/- each fully paid up	49,028	49,028
<u>Maars Software International Limited</u> 64646 (64646) Equity Shares of Rs 10/- each fully paid up	104,153	104,153
<u>Mannapuram Finance Limited</u> 10000 (10000) Equity Shares of Rs 10/- each fully paid up	381,789	250,027
<u>Maruti Suzuki India Limited</u> 100 (100) Equity Shares of Rs. 5/- each fully paid up	342,071	342,071
<u>Mawana Sugars Limited</u> 1817 (18291) Equity Shares of Rs 10/- each fully paid up/-	14,988	642,682
<u>MCX India Limited</u> 600 (600) Equity Shares of Rs. 10/- each fully paid up	593,639	593,639
<u>Merck Limited</u> 600 (Nil) Equity Shares of Rs. 10/- each fully paid up	447,125	-



## NOTE 7

<i>Non-Current Investments</i>	<i>As at 31st March, 2017</i>	<i>As at 31st March, 2016</i>
<u>Moil Limited</u> 1881 (1017) Equity Shares of Rs 10/- each fully paid up/-	569,931	360,149
<u>Moser Baer India Limited</u> 5000 (20000) Equity Shares of Rs. 10/- each fully paid up	41,737	193,423
<u>MTZ (India) Limited</u> 900 (900) Equity Shares of Rs 10/- each fully paid up	2,243	2,243
<u>Munjial Auto Industries Limited</u> 4000 (4000) Equity Shares of Rs 2/- each fully paid up	31,602	31,602
<u>Munjul Showa Limited</u> 800 (800) Equity Shares of Rs 2/- each fully paid up	48,160	48,160
<u>Mukand Limited</u> Nil (4300) Equity Shares of Rs 10/- each fully paid up	-	279,656
<u>Ncl Industries Limited</u> 2000 (Nil) Equity Shares of Rs 10/- each fully paid up	263,197	-
<u>Nectar Lifesciences</u> Nil (2000) Equity Shares of Rs 1/- each fully paid up	-	117,549
<u>NIIT Technologies Limited</u> 600 (600) Equity Shares of Rs 10/- each fully paid up	51,330	51,330
<u>NMDC Ltd.</u> 2000 (1000) Equity Shares of Rs. 1/- each fully paid up	327,180	186,297
<u>NRB Industrial Bearings Limited</u> 1500 (1000) Equity Shares of Rs. 2 each fully paid up	12,086	12,086
<u>Oil And Natural Gas Corporation Limited</u> 960 Bonus Equity Shares	-	-
<u>Parasnath Developers Limited</u> Nil (14600) Equity Shares of Rs 5/- each fully paid up	-	595,511
<u>Precision Wires India Limited</u> 200 (100) Equity Shares of Rs 10/- each fully paid up	11,731	11,731
<u>Rajshree Sugar &amp; Chemical Limited</u> 5000 (Nil) Equity Shares of Rs 10/- each fully paid up	309,969	-
<u>Ram Ratna Wires Limited</u> 200 (200) Equity Shares of Rs 5/- each fully paid up	2,772	2,772
<u>Raymond Limited</u> Nil (300) Equity Shares of Rs 10/- each fully paid up	-	68,157



PALI COMMERCIAL COMPANY LIMITED

NOTES ON FINANCIAL STATEMENTS

NOTE 7

Non-Current Investments	As at 31st March, 2017	As at 31st March, 2016
<u>REC Limited</u> 3000 (Nil) Equity Shares of Rs 10/- each fully paid up	445,415	-
<u>Reliance Communications Limited</u> Nil (4595) Equity Shares of Rs 5/- each fully paid up	-	814,843
<u>Reliance Industries Limited</u> 400 (400) Equity Shares of Rs 10/- each fully paid up	409,050	409,050
<u>Reliance Infrastructure Limited</u> 800 (800) Equity Shares of Rs 10/- each fully paid up	897,221	897,221
<u>R S Software India Limited</u> 1000 (1000) Equity Shares of Rs. 10/- each fully paid up	95,627	146,764
<u>SAIL Ltd.</u> Nil (2000) Equity Shares of Rs. 10/- each fully paid up	-	176,817
<u>Sakthi Sugars Limited</u> 19000 (19000) Equity Shares of Rs 10/- each fully paid up	896,353	896,353
<u>Satyam Computer Services Limited(Tech Mahindra Limited)</u> Nil (306) Equity Shares of Rs 5/- each fully paid up	-	72,884
<u>Seamec Limited</u> Nil (100) Equity Shares of Rs 10/- each fully paid up	-	20,885
<u>Sil Investments Limited</u> Nil (500) Equity Shares of Rs 10/- each fully paid up	-	45,335
<u>Sirpur Paper Mills Limited</u> 1000 (1000) Equity Shares of Rs 10/- each fully paid up	90,000	90,000
<u>South Indian Bank Limited</u> 15000 (Nil) Equity Shares of Rs 1/- each fully paid up	336,024	-
<u>Spartek Ceramics Limited</u> 7449 (7449) Equity Shares of Rs 10/- each fully paid up	63,664	63,664
<u>Spice Jet</u> 700 (Nil) Equity Shares of Rs 10/- each fully paid up	51,846	-
<u>State Bank of India</u> 3000 (3000) Equity Shares of Rs 1/- each fully paid up	560,620	560,620
<u>Ineos Styrolution India Limited (Styrolution ABS (India) Limited)</u> 300 (300) Equity Shares of Rs 10/- each fully paid up	53,278	53,278





PALI COMMERCIAL COMPANY LIMITED

NOTES ON FINANCIAL STATEMENTS

NOTE 7

Non-Current Investments	As at 31st March, 2017	As at 31st March, 2016
<u>Supreme Petrochem Limited</u> 1000 (1000) Equity Shares of Rs 10/- each fully paid up	26,177	26,177
<u>Suzlon Energy Limited</u> Nil (2800) Equity Shares of Rs. 2/- each fully paid up	-	254,789
<u>Tata Motors Limited</u> 2500 (2000) Equity Shares of Rs 2/- each fully paid up	280,331	280,331
<u>Tata Steel Limited</u> Nil (1739) Equity Shares of Rs 10/- each fully paid up	-	694,591
<u>TCS Limited</u> Nil (100) Equity shares of Rs. 1/- each fully paid up	-	222,247
<u>TFCL</u> 6000 (Nil) Equity shares of Rs. 1/- each fully paid up	355,536	-
<u>Tilaknagar Industries Limited</u> Nil (10000) Equity Shares of Rs. 10/- each fully paid up	-	364,258
<u>TNPL</u> 1320 (Nil) Equity Shares of Rs. 10/- each fully paid up	465,792	-
<u>Torrent Pharmaceuticals Limited</u> 300 (Nil) Equity Shares of Rs. 5/- each fully paid up	441,507	-
<u>Torrent Power Limited</u> 2000 (Nil) Equity Shares of Rs. 10/- each fully paid up	343,193	-
<u>Unitech Limited</u> Nil (10000) Equity Shares of Rs. 2/- each fully paid up	-	291,318
<u>United Spirits Ltd</u> 200 (100) Equity Shares of Rs 10/- each fully paid up	613,282	369,507
<u>VST Industries</u> 65 (200) Equity Shares of Rs 10/- each fully paid up	111,124	335,118
<b>Total A</b>	<b>17,881,462</b>	<b>20,286,585</b>



PALI COMMERCIAL COMPANY LIMITED

NOTES ON FINANCIAL STATEMENTS

NOTE 7

<i>Non-Current Investments</i>	<i>As at 31st March, 2017</i>	<i>As at 31st March, 2016</i>
<b><i>Investment in Preference Shares - Quoted fully paid up</i></b>		
JSW Industries Ltd (Ispat Industries Ltd) 800 (800) Preference Shares of Rs 10/- each fully paid up	8,000	8,000
<b><i>Total B</i></b>	<b>8,000</b>	<b>8,000</b>
<i>Non-Current Investments</i>	<i>As at 31st March, 2017</i>	<i>As at 31st March, 2016</i>
<b><i>Investment in Equity Instruments Unquoted</i></b>		
<b><i>Khaitan Strips &amp; Wires Pvt Limited</i></b>		
55000 (55000) Equity Shares of Rs 10/- each fully paid up	220,000	220,000
<b><i>Khaitan Winding Wire Private Limited</i></b>		
29000 (29000) Equity Shares of Rs.10/- each fully paid up	1,450,000	1,450,000
<b><i>Total C</i></b>	<b>1,670,000</b>	<b>1,670,000</b>
<b><i>Total A+B+C</i></b>	<b>19,559,462</b>	<b>21,964,585</b>



PALI COMMERCIAL COMPANY LIMITED

NOTES ON FINANCIAL STATEMENTS

Particulars	As at 31st March, 2017	As at 31st March, 2016
Aggregate amount of Quoted Investments	17,889,462	20,294,584
Aggregate amount of Unquoted Investments	1,670,000	1,670,000
Market Value of Quoted Investments	26,931,105	20,847,141

NOTE 8

Deferred Tax Assets	As at 31st March, 2017	As at 31st March, 2016
Deferred Tax Assets		
Provision for Gratuity	95,731	91,363
Timing Difference in Depreciable Assets	387	501
<b>Net Deferred Tax Assets</b>	<b>96,118</b>	<b>91,864</b>

NOTE 9

Inventories	As at 31st March, 2017	As at 31st March, 2016
<b>Shares &amp; Securities (Quoted) -</b>		
1000 Equity Shares of Gauvery Software Ltd	25,150	25,150
500 Equity Shares of GRB Corporation Ltd	925	925
500 Equity Shares of GRB Marketing Ltd	825	825
4000 Equity Shares of DBG Software Ltd	931,431	931,431
1000 Equity Shares of Goodearth Organics Ltd	33,000	33,000
100 Equity Shares of Gujrat Optical Co Ltd	100	100
500 Equity Shares of Inda Biotech Foods Ltd	2,000	2,000
1500 Equity Shares of Motorola India Ltd	114,275	114,275
1000 Equity Shares of Marine Cargo Ltd	1,000	1,000
1000 Equity Shares of Pertech Computer Ltd	27,640	27,640
1000 Equity Shares of Sath Global Trust Ltd	26,640	26,640
200 Equity Shares of Skyline NEPC Ltd	100	100
155 Bonus Equity Shares of Hind Engineering	-	-
400 Bonus Equity Shares of Keeram Textile	-	-
<b>Total Cost of Shares</b>	<b>1,163,086</b>	<b>1,163,086</b>
Less: Diminution in value of shares (Excess of cost over market price of shares and securities)	1,077,634	1,078,549
<b>Market price of Shares</b>	<b>85,452</b>	<b>84,537</b>





PALI COMMERCIAL COMPANY LIMITED

NOTES ON FINANCIAL STATEMENTS

**NOTE 10**

<i>Cash and Cash Balances</i>	<i>As at 31st March, 2017</i>	<i>As at 31st March, 2016</i>
<b>i) Cash &amp; Cash Equivalents</b>		
Balances with Banks	771,663	170,249
Cash in Hand	151,763	38,382
<b>ii) Other Bank Balances</b>		
Fixed Deposit with original maturity for more than 3 months	281,134	303,458
<b>Total</b>	<b>1,204,560</b>	<b>512,090</b>

**NOTE 11**

<i>Short-Term Loans and Advances</i>	<i>As at 31st March, 2017</i>	<i>As at 31st March, 2016</i>
<b>Unsecured, considered good</b>		
Related party	2,108,733	2,001,357
Advance Income Tax & TDS	172,555	313,027
Advance to Staff	29,000	2,500
Security Deposit	3,000	3,000
Income Tax Refundable	7,758	7,758
<b>Total</b>	<b>2,321,046</b>	<b>2,327,642</b>



**PALI COMMERCIAL COMPANY LIMITED**  
**NOTES ON FINANCIAL STATEMENTS**

**NOTE 12**

	For the year ended 31st March 2017	For the year ended 31st March 2016
<i>Revenue from Operations</i>		
Sales	-	14,939
<b>Total</b>	-	14,939

**NOTE 13**

	For the year ended 31st March 2017	For the year ended 31st March 2016
<i>Other Income</i>		
Interest Income (Refer Note 13A)	272,219	182,828
Dividend Income	426,172	279,910
Other Non Operating - Commission Received ( TDS Current Year : Rs 42600/-, Previous Year : Rs 77,960/- )	850,000	779,600
<b>Total</b>	1,548,391	1,242,338

**NOTE 13A**

	For the year ended 31st March 2017	For the year ended 31st March 2016
<i>Interest Income</i>		
Interest Income on Fixed Deposit	23,860	15,096
Interest Income on Income Tax Refund	5,829	-
Interest Income on Loan	242,530	167,732
<b>Total</b>	272,219	182,828

**NOTE 14**

	For the year ended 31st March 2017	For the year ended 31st March 2016
<i>Changes in Inventories</i>		
<b>Shares &amp; Securities</b>		
At the beginning of the Period	84,537	100,060
At the end of the Period	85,452	84,537
<b>Total</b>	(915)	15,523

**NOTE 15**

	For the year ended 31st March 2017	For the year ended 31st March 2016
<i>Employee Benefits Expenses</i>		
Directors Remuneration	528,500	-
Salaries	276,608	276,139
Bonus	36,750	31,500
Conveyance Allowance	117,886	110,469
Contribution to Provident Fund	42,995	43,778
House Rent Allowance	124,967	111,496
Leave Salary	22,483	21,192
Provision for Gratuity	14,135	19,788
Staff Welfare Expenses	60,604	20,285
Tiffin Allowance	24,092	-
<b>Total</b>	1,249,020	634,647





**PAL COMMERCIAL COMPANY LIMITED**  
**NOTES ON FINANCIAL STATEMENTS**

**NOTE 16**

<i>Other Expenses</i>	<i>For the year ended 31st March 2017</i>	<i>For the year ended 31st March 2016</i>
<b>Administrative, Selling and Other Expenses</b>		
Advertisement	-	522
Director's Remunerations	16,100	16,030
Bank Charges	668	727
Capital Loss on sale of Investment	1,810,045	209,976
Computer Expenses	2,500	2,500
Conveyance Expenses	10,799	11,954
Formation & Subscription	11,000	-
Format Charges	3,481	2,912
Electricity Charges	355	386
Printing Fees	1,500	3,000
General Expenses	9,822	9,508
Printing Fees	28,625	28,090
Meeting Fees	8,000	8,000
Membership Fees	5,850	6,370
Office Maintenance	9,564	9,564
Postage & Stamps	-	8,750
Printing & Stationery	3,884	6,280
Professional Tax (Company)	2,500	2,500
Professional & Legal Expenses	12,270	36,750
Rates & Taxes	4,284	4,580
Retention Fees	58,738	60,637
Rent	96,000	96,000
Statutory Provision for Standard Assets	272	880
Trade Licence fees	1,900	1,900
<b>Total</b>	<b>2,098,157</b>	<b>527,816</b>

**NOTE 17**

<i>Tax Expenses</i>	<i>For the year ended 31st March 2017</i>	<i>For the year ended 31st March 2016</i>
<b>Current Tax</b>		
Current year Tax	-	26,355
Income tax adjustment	(25,588)	-
Deferred Tax Assets	4,254	5,882

**NOTE 18**

<i>Earnings per Share</i>	<i>For the year ended 31st March 2017</i>	<i>For the year ended 31st March 2016</i>
Profit attributable to Equity Shareholders	-1,768,031	58,818
Weighted Average Number of Equity Shares	990,000	990,000
Nominal Value of Equity Shares	10	10
Earnings per Shares (in Rupees)	-1.79	0.06

**NOTE 19**

<i>Payment to Auditor</i>	<i>For the year ended 31st March 2017</i>	<i>For the year ended 31st March 2016</i>
Audit Fees	16,100	16,030





**PALI COMMERCIAL COMPANY LIMITED**  
**NOTES ON FINANCIAL STATEMENTS**

**NOTE 20**

**Retirement benefits**

As per Accounting standard 16 related to "Employee benefits", (issued by The Institute of Chartered Accountants of India) contributions made to the Provident fund of the organisation are recognized on an accrual basis and payments thereof are made to appropriate employees as and when they fall due. The company has made provision for Gratuity and the payments related to gratuity and other employee retirement benefit are made as and when required as per the provisions of the standard in this regard.

**NOTE 21**

Contingent Liability not provided for Rs.Nil (P.Y.Rs.Nil)

**NOTE 22**

Since the company has not accepted any Public Deposit, Prudential Norms as regards requirements as to Capital Adequacy and Concentration of Credit / Investments are not applicable to it. Hence no observations as regards these has been made.

**NOTE 23**

**Provisions and Contingencies**

The Company creates a provision when there is present obligation as a result a past event that probably requires an outflow of resources and a reliable estimate can be made of the amounts of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised in the financial statements. However contingent assets are assessed continually and fit it is virtually certain that an economic benefit will rise, asset and related income are recognised in the period in which the change occurs.

**NOTE 24**

**Impairment of Assets**

As stipulated in Accounting Standard on Impairment of Assets (AS 28) the Management has carried out review of the remaining useful lives of its fixed assets and its value in use. As the recoverable amount as per projections exceeds the carrying amount, no impairment has been provided for in the accounts.

**NOTE 25**

Details of Specified Bank Notes(SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as per the table given below :-

Particulars	SBNs	Other	Total
Closing cash in hand as on 08.11.2016	-	104,389	104,389
(+) permitted receipts	-	373,000	373,000
(-) permitted payments	-	49,184	49,184
(-) amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	-	428,205	428,205



PALI COMMERCIAL COMPANY LIMITED

NOTES ON FINANCIAL STATEMENTS

**NOTE 26**

**Deferred Taxation:**

Deferred Tax has been provided in accordance with Accounting Standard No.22 issued by the Institute of Chartered Accountants of India.

Composition of Deferred Tax Assets (Net)

	Upto 31.03.16	For the Current Year	Total as at 31.03.2017
<b>Deferred Tax Assets:</b>			
1) Tax impact of difference between carrying amount of Gratuity provision & Gratuity paid	91,363	4,368	95,731
2) Tax impact of difference between carrying amount of Fixed Assets in Financial Statement and Income Tax Return	501	(114)	387
	<b>91,864</b>	<b>4,254</b>	<b>96,118</b>

**NOTE 27**

**Related Party Disclosure**

As per Accounting Standard (AS) - 18, disclosure of transactions with related parties are as below -

Name of Related Party	Nature of Relationship
Sitaram Pansari (Director) Shiv Kumar Didwania (Director) Vinita Khaitan (Director) Suresh Kumar Murarka (Director)	Key Managerial Personnel
Nikunj Khaitan	Relative of KMP
Khaitan Enterprises	Associate Enterprises / Companies / Firms

**Transactions with Related Parties during the Year**

Particulars	Figures as at the end of 31.03.2017	Figures as at the end of 31.03.2016
<b>Relative of Key Managerial Personnel</b>		
Nikunj Khaitan		-
(i) Loan Given	275,000	1,500,000
(ii) Interest Received	140,991	5,885
(iii) Loan Given Received	1,000,000	-
<b>Associate Enterprises / Companies / Firms</b>		
Khaitan Enterprises		-
(i) Loan Given	1,100,000	-
(ii) Loan Given Returned	500,000	1,300,029
(iii) Interest Received	101,539	145,662

**Balances as at 31st March 2017 of Related Parties**

Particulars	Figures as at the end of 31.03.2017	Figures as at the end of 31.03.2016
<b>Associate Enterprises / Companies / Firms</b>		
(i) Loan Given		
Nikunj Khaitan	921,876	1,505,885.00
Khaitan Enterprises	1,186,857	495,472.00





**PALI COMMERCIAL COMPANY LIMITED**

**NOTES ON FINANCIAL STATEMENTS**

**NOTE 28**

**Segment Reporting**

Information given in accordance with the requirements of Accounting Standard 17 on Segment Reporting issued by the Institute of Chartered Accountants of India.

**INFORMATION ABOUT BUSINESS SEGMENT**

Particulars	Dealing in Shares & Securities	Finance & Brokerage	Unallocated	Year Ended 31.03.17
<b>SEGMENT REVENUE</b>				
Current Year	426,172	1,116,390	5,829	1,548,391
Previous Year	294,849	962,428	-	1,257,277
<b>EXPENSES</b>				
Current Year	922,456	2,409,724	14,082	3,346,262
Previous Year	289,662	885,323	3,000	1,177,985
<b>RESULTS</b>				
Segment Results	(496,284)	(1,293,334)	(8,253)	(1,797,871)
Previous Year	5,187	77,105	-3,000	79,292
Income Tax	-	-	-	-
Previous Year	-	-	-	26,355
Deferred Tax	-	-	-	(4,254)
Previous Year	-	-	-	(5,882)
Income Tax Adjustment	-	-	-	(25,588)
Previous Year	-	-	-	-
Provision for FBT	-	-	-	-
Previous Year	-	-	-	-
<b>Total Results</b>	<b>(496,284)</b>	<b>(1,293,334)</b>	<b>(8,253)</b>	<b>(1,768,030)</b>
<b>CAPITAL EMPLOYED</b>				
Segment Assets	19,644,914	2,389,867	212,313	22,247,094
Previous Year	22,119,591	2,534,840	326,285	24,980,716
Segment Liabilities	-	-	534,725	534,725
Previous Year	-	-	454,690	454,690
<b>CAPITAL EMPLOYED</b>	<b>19,644,914</b>	<b>2,389,867</b>	<b>(322,412)</b>	<b>21,712,369</b>

**BUSINESS AND GEOGRAPHICAL & SEGMENT**

i) **Business Segments:**

For management purpose, the Company's business may be divided into two major Segment.

- a) Dealing in Shares & Securities and
- b) Finance & Brokerage

ii) **Geographical Segments :**

The Company's business is concentrated in similar Geographical political and economic condition, hence, Geographical segment reporting is not applicable.

iii) **Segment revenue and Expenses :**

Revenues and expenses directly attributable to the Segments are allocated to the respective segments. Those revenues and expenses which cannot be directly allocated to the Segments are apportioned on a reasonable basis.

iv) **Segment Capital Employed :**

Segment Capital employed represents the net assets in that Segment.

v) **Inter Segment transfer :**

There is no Segment transfer between business Segment as well as between Geographical segment.

**NOTE 29**

Additional information as per guidelines issued by the Reserve Bank of India in respect of Non - Banking Financial Companies ( Non Deposit Accepting or Holding ) systemically important ( NBFC - ND - SI ) are given in Annexure I attached herewith.







**PALI COMMERCIAL COMPANY LIMITED**

Annexure I of Note 29 to the financial statement of a Non Banking Financial Company

5	Break up of Investments:			
	Current Investments:			
	1	Quoted :		
		i) Shares :	a) Equity	Nil
			b) Preference	Nil
		ii) Debentures & Bonds		Nil
		iii) Units of Mutual Funds		Nil
		iv) Government Security		Nil
	v) Others (please specify)		Nil	
	2	Unquoted :		
		i) Shares :	a) Equity	Nil
			b) Preference	Nil
		ii) Debentures & Bonds		Nil
		iii) Units of Mutual Funds		Nil
iv) Government Security			Nil	
v) Others (please specify)		Nil		
Long Term Investments:				
1	Quoted :			
	i) Shares :	a) Equity	178.81	
		b) Preference	0.08	
	ii) Debentures & Bonds		Nil	
	iii) Units of Mutual Funds		Nil	
	iv) Government Security		Nil	
v) Others (please specify)		Nil		
2	Unquoted :			
	i) Shares :	a) Equity	16.7	
		b) Preference	Nil	
	ii) Debentures & Bonds		Nil	
	iii) Units of Mutual Funds		Nil	
	iv) Government Security		Nil	
v) Others (please specify)		Nil		

6	Borrower group-wise classification of all assets, stock on hire and loans and advances				
				Amount net of Provisions	
	Category				
		Secured	Unsecured	Total	
	1. Related Parties				
a) Subsidiaries					
b) Companies in the same group					
c) Other related parties		Nil	Nil		
2. Other than related parties	Nil	Nil	Nil		
<b>Total</b>			<b>Nil</b>	<b>Nil</b>	<b>Nil</b>



**PALI COMMERCIAL COMPANY LIMITED**

Annexure I of Note 29 to the financial statement of a Non Banking Financial Company

7	Investors group wise classification of all investments (Current and long term) in shares and securities (both quoted and unquoted):	Market value / Break up or fair value or NAV	Book Value (Net of Provision)
			Category
	1) Related parties		
	a) Subsidiaries		
	b) Companies in the same group	N.A.	16.7
	c) Other related parties		
	2) Other than related parties	269.31	178.89
	<b>Total</b>	<b>269.31</b>	<b>195.59</b>
8	Other Information Particulars		Amount(Rs.)
	i) Gross Non-Performing Assets		
	a) Related Parties		Nil
	b) Other than Related Parties		Nil
	ii) Net Non-Performing Assets		
	a) Related Parties		Nil
	b) Other than Related Parties		Nil
	iii) Assets acquired in satisfaction of debts		Nil

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENTS**

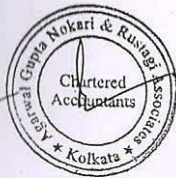
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As per our report of even date attached.

**FOR AGARWAL GUPTA NOKARI & RUSTAGI ASSOCIATES**  
Chartered Accountants.  
FRN: 310041E

*Bhal Chandra Khaitan*  
Bhal Chandra Khaitan  
(Partner)

Membership No. :017387  
12, Waterloo Street, Kolkata - 700 069  
Dated this:12th day of June, 2017



**DIRECTORS**

*Vinita Khaitan*  
VINITA KHAITAN  
(DIN 07168477)

*Suresh Kumar Murarka*  
SURESH KUMAR MURARKA  
(DIN 02130810)

**PALI COMMERCIAL CO. LTD**

*Vinita Khaitan*  
MANAGING DIRECTOR