

PARAMONE CONCEPTS LIMITED

(Formerly known as Aqua Pumps Infra Ventures Limited)



— 28th —
**ANNUAL
REPORT**
— 2019-20 —

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COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Govind Ram Patodia

Mr. Mushtaq Shaikh

Mr. Surendra Kumar Kulhari

Mr. Sundar Lal Sanwaram Bagaria

Mr. Vijendra Jain

Mrs. Ekta Gupta

Managing Director

Executive Director

Additional Executive Director

Non-Executive Independent Director

Non-Executive Independent Director

Non-Executive Independent Director

REGISTERED OFFICE

12 A, Narayan Plaza,
Near Boomerang Building,
Chandivali, Mumbai - 400072
Tel: 022 - 62360263
Email: info@paramoneconcepts.com
Website: <http://paramoneconcepts.com>

COMPANY SECRETARY & COMPLIANCE OFFICER

CS Amit Soni

CHIEF FINANCIAL OFFICER

Mr. Deepak Ranjan Nayak

REGISTRAR & SHARE TRANSFER AGENT

Skyline Financial Services Pvt. Ltd.
D-153A, 1st Floor, Okhla Industrial Area,
Phase-I, New Delhi- 110020
Ph. 011 41044923
E-mail: info@skylinerta.com

STATUTORY AUDITORS

M/s. Agarwal Desai & Shah
Chartered Accountants
Ground Floor,
Bandra Arcade Building,
Opp. Railway Station,
Bandra (W), Mumbai - 400 050

BANKERS TO THE COMPANY

HDFC Bank
Canara Bank

SECRETARIAL AUDITORS

M/s. Nidhi Bajaj & Associates
Company Secretaries
A/ 401, Kailash Mansarovar,
Amritvani Road, Bhayander (West), Thane - 401 101

MESSAGE FROM MANAGING DIRECTOR

Dear Shareholders,

As I write this for our 28th Annual Report, for FY 2019-20, we are experiencing an unprecedented pandemic that has resulted in economically challenging times.

Fy20 was perhaps the most unpredictable year of the decade due to COVID 19 pandemic. There is an overall pessimism among the people all over the world due to wide spread infection and its consequent effect on economy. The Governments of all countries have imposed lockdowns, restricted movement of people, enforced social distancing, compelled usage of masks etc. to control this pandemic. As no specific medicine/vaccine is available, adherence to the preventive norms suggested by WHO and the Government are the only way to stay safe. In view of this situation, we are forced to hold this Annual General Meeting through Audio/Video Conferencing instead of physical presence of the esteemed shareholders.

I pray that you and your families are safe and in good health. Ensuring the safety and well-being of our employees and their families being highest priority, I am glad to report that all are safe and doing well. We enabled work from home as soon as lockdown was announced and I commend our HR and IT teams in getting this executed quickly and ensuring all customer commitments were met without delay. We believe work-from-anywhere will become the new norm, creating new business models and opportunities.

The Company is one of the rapidly growing consultancy firms in India with the presence in segments like, Roads and Highways, Affordable Housing, Water Management, Urban Development, Sustainability Environment and Solid Waste Management Public Financial Reforms. These crisis has provided new opportunities.

With zero travel, we actively engaged with our clients/customers and associates on video calls to explore how we could continue rendering services such as, formulation of detailed project report, feasibility study, project management consultancy, independent engineer, authority engineer, surveys etc., to various Government departments and other clients across the country.

The technology roadmap for the future is robust, and the current crisis has only accentuated the need for businesses to deploy digital technologies urgently. When we emerge out of this crisis, the world will be a very different place. We are witnessing many of those changes already. With cloud and the new class of collaboration tools, people are discovering that they are able to collaborate with each other just as well working from home, as they did in person in the pre-COVID era.

The next few months will be difficult, but your company is strong with deep relationships with customers and associates, enviable scale, a diversified business mix, a robust and resilient business model, and strong financials. Your Company is well positioned to weather the storms ahead and take advantage of opportunities that come up during the downturn to acquire new capabilities and gain market share. In the post pandemic world, technology will play an ever larger role in helping enterprises adapt to the new normal and differentiate themselves. Your company is well poised to take the lead in partnering customers to recover and rebound on to their growth and transformation journeys. On behalf of the Board of Directors of Paramone Concepts Limited, I want to thank you for your continued trust, confidence, and support.

Sd/-

Govind Ram Patodia

Managing Director

DIN No:- 02794184

DIRECTOR'S REPORT

To,
The Members,
Paramone Concepts Limited

We are pleased to present the Twenty Eighth Annual Report on the affairs of the Company along with the Audited Financial Statements and Auditor's Report for the year ended on March 31, 2020.

1) Financial Highlights

The table below gives the financial highlights of the Company for the year ended March 31, 2020 on standalone & consolidated basis compared to the previous financial Year.

Financial Highlights of the Company

(Rs. In Lakhs)

Particulars	Standalone		Consolidated	
	Year Ended 31.03.2020	Year Ended 31.03.2019	Year Ended 31.03.2020	Year Ended 31.03.2019
Total Income	5593.25	1371.79	5593.25	1371.79
Total Expenditure	5458.59	2143.75	6060.67	2151.09
Profit Before Tax	134.66	(771.96)	(467.42)	(779.30)
Provision for Tax	199.64	(177.83)	199.64	(177.83)
Profit After Tax	(64.98)	(594.13)	(667.05)	(601.47)
Add: Other Comprehensive income (net of tax) Items that will not be reclassified to profit & Loss	(1.02)	(637.55)	(0.43)	(390.20)
Re-measurement of net defined benefit obligations	(637.55)	(390.20)	(637.55)	(390.20)
Re - measurement of investment in equity	(703.55)	(984.76)	(1305.63)	(992.11)

2) Company's Performance:

On Consolidated basis, the total income of the Company for the Year under Review is Rs. 5593.25 Lakhs as compared to Rs. 1371.79 Lakhs in the previous year. On Standalone basis, the total income of the Company for the Year under Review is Rs. 5593.25 Lakhs as compared to Rs. 1371.79 Lakhs in the previous year. Net Profit after Tax stood at Rs. (64.98) Lakhs as compared to Net Profit of Rs. (594.13) Lakhs in the previous year.

During the Nationwide Lockdown, economic activities across all sectors are adversely affected. Gradually all activities are resuming, however it is very much uncertain to assume the time by which the same will return to normalcy. This will certainly affect the operations including revenue and profitability and liquidity of the company. However your Company is in the position to mitigate the uncertainties.

No significant and material orders have been passed by the regulators or Courts or Tribunals impacting the going concern status and the company's operations in future during the year under review.

3) Reserves

No amount is apportioned from Profit and Loss Account and transferred to any Reserve Account in Financial Year 2019- 20.

4) Dividend

Considering the loss incurred in the current financial year and accumulated losses, your Directors have not recommended dividend the financial under review.

DIRECTOR'S REPORT

5) Share Capital

The paid up Equity Share Capital as on 31st March, 2020 was Rs. 151,276,000. During the year under review, the Company has not issued any shares. The Company has not issued shares with differential voting rights. It has neither issued employee stock options nor sweat equity shares and does not have any scheme to fund its employees to purchase the shares of the Company.

6) Subsidiary Company / Associate

Your Company has one wholly owned subsidiary M/s. Choice Realty Private Limited, which is engaged in the activity of Development & Construction. Pursuant to Section 129(3) of the Companies Act, 2013 the consolidated financial statements of the company and its subsidiary, prepared in accordance with the relevant accounting standards specified under section 133 of the companies Act, read with rule 7 of the Companies Account rules, 2014 form part of this Annual Report.

7) Meeting of Board of Directors

During the Year under review, four Board Meetings were held, the details of which are given in the Corporate Governance report.

8) Board of Directors

The details of Board of Directors of the Company as on date of Report are as follows:

Sr. No.	Name of the Director	DIN No.	Nature of Directorship
1.	Mr. Govind Ram Patodia	02794184	Managing Director
2.	Mr. Mushtaq Shaikh	08144509	Executive Director
3.	*Mr. Surendra Kumar Kulhari	00727964	Additional Executive Director
4.	Mr. Sundarlal Sanwermal Bagaria	07269962	Independent Director Non Executive
5.	Mrs. Ekta Gupta	08353871	Independent Director Non Executive
6.	Mr. Vijendra Jain	07318877	Independent Director Non Executive

* Mr. Surendra Kumar Kulhari (DIN No. 00727964) was appointed as Additional Executive Director with effect from November 06, 2020 subject to his appointment being regularised at the scheduled Annual General Meeting to be held on December 28, 2020.

Note : Mr. Deepak Ranjan (DIIN No.08406471) Executive Director of the Company has resigned from the post of Directorship of the Company with effect from November 03, 2010. However Mr. Deepak Ranjan shall continue to act as the Chief Financial Officer of the Company.

9) Key Managerial Personnel (KMP's) of the Company

Key Managerial Personnel of the Company are as follows:

Mr. Govind Patodia	Managing Director
Mr. Mushtaq Shaikh	Executive Director
Mr. Deepak Ranjan Nayak	CFO & Executive Director
Mr*. Amit Soni	Company Secretary

*Mr. Amit Soni was appointed as the Company Secretary of the Company, in place of Mrs. Swati Gupta with effect from September 10, 2020.

DIRECTOR'S REPORT

10) Board Committees

The constitution of the Board Committees, their scope, role and terms of reference are as per the provisions of the Act, the rules made thereunder and the Listing Regulations. All the recommendations made by the Audit Committee were accepted by the Board of Directors. The Constitution of the Board Committees is provided in the Corporate Governance Report.

11) Corporate Governance

A detailed report on Corporate Governance as required under Regulation 34 of the Listing Regulation forms part of this Annual Report. The Auditor's certificate on Compliance with the conditions of the Corporate Governance requirements by the Company is attached to the Report on Corporate Governance.

12) Management Discussion & Analysis Report

As required by Regulation 34(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), a Management Discussion and Analysis Report forms part of this report. The detailed state of activities along with developments have been discussed in the Management Discussion and Analysis Report.

13) Whistle Blower Policy

The Company has in place a Whistle Blower/Vigil Mechanism Policy through which its stakeholders, Directors and employees can report genuine concerns about unethical behavior and actual or suspected fraud or violation of the Company's code of Business Conduct and Ethics. The said policy provides for adequate safeguards against victimization and also direct access to the Audit Committee. The policy as approved may be accessed on the Company's website <http://paramoneconcepts.com>

14) Internal Financial Controls

The Company has proper and adequate system of internal controls which ensures that all assets are safeguarded against loss from unauthorized use or disposition and all the transaction are authorized, recorded and reported correctly. Regular internal audits and checks are carried out to provide assurance that the responsibilities at various levels are discharged effectively and that adequate systems are in existence. The management continuously reviews the internal control systems and procedure for efficient conduct of business.

15) Significant and Material Orders passed by the Regulators or courts

There are no significant and material order passed by the Regulators/courts that would impact going concern status of the Company.

16) Auditors

Statutory Auditors

As per Section 139 (1) of the Companies Act, 2013 (Act), the term of appointment of M/s. Agarwal Desai & Shah, Chartered Accountants, expires at the conclusion of the forthcoming Annual General Meeting and being eligible have offered themselves for re-appointment.

Section 139 (2) of the Act provides that every company, existing on or before the commencement of this Act which is required to comply with provisions of this sub-section, shall comply with the requirements of this sub-section within three years from the date of commencement of this Act. Accordingly, M/s. Agarwal Desai & Shah, is eligible for re-appointment for the Financial Year 2020-2021.

The Company has received letter from them to the effect that their reappointment, if made, would be within prescribed limit under Section 141 of the Companies Act, 2013 read with Rule 4(1) of the Companies (Audit & Auditors) Rules, 2014 and that they are not disqualified for reappointment.

DIRECTOR'S REPORT

The Auditors of the Company have issued an unmodified opinion on the Financial Statements for the Financial Year ended March 31, 2020. The Auditor's Report for the Financial Year ended March 31, 2020 on the Financial Statements (Standalone & Consolidated) of the Company is part of this Annual Report.

Internal Auditors

The Internal Auditors, M/s Tibrewal Chand & Co., Chartered Accountants have conducted internal audits periodically and submitted their reports to the Audit Committee. Their reports have been reviewed by the Statutory Auditors and the Audit Committee.

Secretarial Auditors

As required under Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company has appointed NIDHI BAJAJ & ASSOCIATES, Company Secretaries, Mumbai to undertake the Secretarial Audit of the Company for the Year 2019-20. The Secretarial Audit along with the Compliance Audit Report is annexed herewith the report.

The Statutory Audit Report and the Secretarial Audit Report for the financial year 2019-20 does not contain any qualification, reservation or adverse remarks by the Auditors.

17) Particulars of Loans, Guarantees and Investments by the Company

Details of Loans, Guarantees and Investments covered under the provisions of the Companies Act, 2013 along with the applicable Rules of the Act are given in the notes to the Financial Statements forming part of this Annual Report.

18) Extracts of Annual Return

As provided under Section 92 of the Act and rules framed there under, the extract of annual return in Form MGT9 is annexed here with which forms part of this report.

19) Related Party Transactions

All the Related Party Transactions entered into during the financial year were on arm's length basis and were in ordinary course of business. The Company has not entered into any transactions with Related Parties which could be considered material in terms of Section 188 of the Companies Act, 2013. Thus, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC 2 is not applicable.

20) Declaration from Independent Directors

The Company has received declaration from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013.

21) Board Evaluation

Pursuant to the provisions of the Act and the Listing Regulations, performance evaluation of the Board, its committees, the Chairman & Managing Director and the Independent Directors was carried out. The manner in which the evaluation is carried out has been detailed below:

Evaluation Process:

The Company believes in value for its stakeholders through ethical process and integrity. The Board plays a very important role in ensuring the Company's performance to monitor and provide timely inputs to enhance the Company's Performance and set right direction for growth. Hence it is important that every individual Board Member effectively contributes in the Board deliberations.

DIRECTOR'S REPORT

The Company follows annual evaluation for our Key Managerial Persons and other eligible employees including the senior management team. A process sculpted on this method has been designed for evaluation of Directors under this process, the company management will:

- Formulate the process for evaluating and rating Directors
- Design the evaluation template/questionnaire and implementation process
- Peer review of each Director
- Analyse feed back received from each Director
- Weighting the Evaluation summary of each Director.

Key Evaluation Criteria:

- Attendance and contribution at Board and Committee meetings
- His/her stature, appropriate mix of expertise, skills, behavior, experience, leadership qualities.
- Sense of sobriety and understanding of business, strategic direction to align company's value and standards.
- His/her knowledge of finance, accounts, legal, investment, marketing, foreign exchange/ hedging, internal controls, risk management, assessment and mitigation, business operations, processes and Corporate Governance.
- His/her ability to create a performance culture that drives value creation and a high quality of debate with robust and probing discussions.
- Effective decisions making ability to respond positively and constructively to implement the same to encourage more transparency.
- Open channels of communication with executive management and other colleague on Board to maintain high standards of integrity and probity.
- Recognize the role which he/she is expected to play, internal Board Relationships to make decisions objectively and collectively in the best interest of the Company to achieve organizational successes and harmonizing the Board.
- His/her global presence, rational, physical and mental fitness, broader thinking, vision on corporate social responsibility etc.
- Quality of decision making & understanding financial statements and business performance, raising offinance, best source offinance, working capital requirement, forex dealings, geopolitics, human resources etc.
- His/her ability to monitor the performance of management and satisfy himself with integrity of the financial controls and systems in place by ensuring right level of contact with external stakeholders.
- His/her contribution to enhance overall brand image of the Company.

Criteria for Determining Remuneration of Director's, Key Managerial Personnel and Particulars of Employees:

The Remuneration paid to the Directors is in accordance with the Nomination & Remuneration Policy formulated in accordance with section 178 of the Act and Regulation 19 of the Listing Regulations (including any statutory Modification(s) or re- enactment(s) thereof for the time being in force.

22) Nomination & Remuneration Policy

The Board, on the recommendation of the Nomination & Remuneration Committee, has adopted a policy for selection, appointment and Remuneration of Directors, Key Managerial Personnel and Senior Management Team. The details of this policy are given hereunder. The Policy is available on website <http://paramoneconcepts.com>.

DIRECTOR'S REPORT

The remuneration policy is designed to attract talented Personnel and remunerate them fairly and responsibly at each level of the organization. The Policy broadly lays down the guiding principles, philosophy and the basis of payment of remuneration.

The policy also provides the criteria for determining Qualifications, positive attributes and Independence of Directors and criteria for appointment of Key Managerial Personnel, Senior Management and performance evaluation which are considered by the Nomination and Remuneration Committee and the Board of Directors while making selection of the candidates.

The Company has a Nomination and Remuneration Committee (NRC), which is responsible for formulating the criteria for appointment of Directors on the Board of the Company and persons holding Senior Management positions in the Company including their remuneration and other matters as provided under Section 178 of the Companies Act, 2013 and the Listing Regulations. The role of the NRC Committee encompasses conducting a gap analysis to refresh the Board on a periodic basis, including each time a Directors appointment or re- appointment is required. The NRC Committee is also responsible for reviewing the Profiles of Potential candidates the required, competencies and due diligence and meeting of potential candidates prior to making recommendations of their nomination to the Board.

23) Deposits

Pursuant to Section 73 and 74 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014, the Company has not accepted or renewed any public deposits during the year.

24) Reporting of Fraud

There were no instances of Fraud aroused during the year under review.

25) Material changes affecting the Company

The Change in Name, Address & Change of Director& Key Managerial Personnel are detailed above in the Report

During the Year under review, the main object of the Company was changed pursuant to Postal Ballot Notice dated November 14, 2019 passed on December 18, 2019.

Further the Company has received reclassification request from its existing Promoter M/s. Choice International Limited & M/s. Choice Equity Broking Private Limited to reclassify themselves from Promoter Category to Public . The Board has approved the Reclassification at their Board meeting held on September 10, 2020 and has recommended the same for the approval of Members . The Resolution for reclassification forms the part of the 28th AGM Notice.

The earlier request for reclassification by the promoter's of the Company which was put to vote vide Postal Ballot Notice dated November 14, 2019 was rejected by the Exchange on Technical grounds.

26) Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place a policy on Prevention, prohibition and Redressal of Sexual Harassment at the work place in line with the requirements of the Sexual Harassment of women at workplace(prevention, prohibition and Redressal) Act, 2013.

There were no incidences of sexual harassment reported during the year under review, in terms of the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.