

PARAS PETROFILS LIMITED

COMPANY INFORMATION

BOARD OF DIRECTORS : Mr. Ashok Raghubirsingh Jain Chairperson & Managing Director
 Mr. Harshad Jivabhai Patel Director
 Mr. Anil Kumar Ghanshyamdas Bansal Director
 Mr. Harikishan Chunilal Panpaliya Director
 Mrs. Usha Jain Director

AUDITORS : M/s. RKG & Co.
 Chartered Accountants, Surat

SECRETARIAL AUDITOR: M/s. M.D. Baid & Associates

REGISTERED OFFICE : Block No 529 N H No 8,
 Village-Palsana, Surat-394315
 Tel: 0261-2329749
 Website: www.paraspetrofilms.com
 Email: finance@paraspetrofilms.com

CORPORATE OFFICE : 301, Jeevandeep Appt.,
 Opp. Sub Jail, Ring Road,
 Surat-395002

REGISTRAR & SHARE: **BIGSHARE SERVICES PRIVATE LIMITED**
TRANSFER AGENT E/2, Ansa Industrial Estate,
 Saki Vihar road, Saki Naka,
 Andheri (East), Mumbai-400072,
 Maharashtra.

PARAS PETROFILS LIMITED

CIN: L17110GJ1991PLC015254

Regd. Office: Block No 529, N H No 8, Village-Palsana, Surat-394315, Gujarat

Email Id: finance@paraspetrofilms.com

Contact No. 0261-2329749

Notice

Notice is hereby given that the **Twenty Sixth** Annual General Meeting of the Members of **Paras Petrofils Limited** will be held on Thursday, the 30th November, 2017 at 3:00 P.M. at Block No 529, N H No 8, Village-Palsana, Surat-394315, Gujarat to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the company for the financial year ended 31st March, 2017 along with Boards' Report and Auditors' Report thereon.
2. To appoint a Director in place of Smt. Usha Jain who retires by rotation and being eligible offers himself for re-appointment
3. To appoint Auditor of the company to hold office from the conclusion of this meeting until the conclusion of the Thirty First Annual General Meeting and fix their remuneration.

“RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder, and pursuant to the recommendations of the Audit Committee and the Board of Directors, RMR & Co., Chartered Accountant (FRN:106467W) be and is hereby appointed as the Auditor of the company, to hold office from the conclusion of this AGM until the conclusion of the Thirty First AGM of the Company and that the Board of Directors be and are hereby authorized to fix such remuneration as may be determined by the Audit Committee in consultation with the auditor”.

Registered office:

Block No 529, N. H. No. 8,
Village-Palsana,
Surat-394315

Place: Surat

Date: 12th October, 2017

By the Order of Board of Directors,

Ashok Jain
Managing Director

Notes:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend (and on a poll, vote) instead of him/her. A proxy need not be a member. Proxies in order to be effective must be received by the Company not later than forty eight hours before the time for commencement of the meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 22nd November, 2017 to 30th November, 2017 (both days inclusive).
3. Members are requested to handover the enclosed Attendance slip, duly signed in accordance with their specimen signatures registered with the Company for admission to the meeting hall.
4. Members are requested to bring their copy of the Annual Report to the meeting as the same will not be distributed at the meeting.

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5. Corporate members intending to send their authorised representatives are requested to send a certified copy of the resolution with them authorizing the member to attend the meeting on their behalf.
6. Members desirous of obtaining any information concerning accounts and operations of the Company are requested to address their questions in writing to the Company at least seven days before the date of the meeting so that the information required may be made available at the meeting.
7. Members who are holding shares in identical order of names in more than one folio are requested to send the Company the details of such folios together with the share certificates for consolidating their holdings in one folio. The share certificates will be returned to the members after making requisite changes thereon.
8. Non-Resident Indian Members are requested to inform to the Registrars and Transfer Agents of the Company, of:
 - a) Change in their residential status on return to India for permanent settlement.
 - b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
9. Voting through electronic means:

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rules 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its Members facility of e-voting which enables them to cast their votes electronically on the proposed resolutions in this notice. The e-Voting Service is provided by Central Depository Services (India) Limited (CDSL). The instructions for e-voting are as under:

(i) The voting period begins on (27th November, 2017, 9:00 a.m.) and ends on (29th November, 2017, 5:00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22nd November, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none">Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none">Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

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- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on (27th November, 2017, 9:00 a.m.) and ends on (29th November, 2017, 5:00 p.m.). During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22nd November, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xx) The voting rights of Shareholders shall be in proportion to their shares of the paid- up equity share capital of the Company as on the cut-off date of 22nd November, 2017.
- (xxi) The Company shall be making arrangements for the members to cast their votes in respect to the business either through electronic voting system or through poll/ballot for members attending the meeting who have not cast their vote by remote voting.
- (xxii) Mr. Mohanlal Baid of M/s. M. D. Baid & Associates, Practicing Company Secretaries (Membership No. 3598) Address: 2005-A, Rathi Palace, Ring Road, Surat-395002 has been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (xxiii) The Scrutinizer shall immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and make not later than three days of conclusion of the meeting a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any to the Chairman or a person authorized by him in writing who shall countersign the same and the Chairman shall declare the results of the voting forthwith which shall not be later than 5:00 P.M. 02nd December, 2017.

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(xxiv) The result declared, along with the Scrutinizer's Report shall be placed on the Company's website www.paraspetrofilms.com and on the website of CDSL after the result is declared by the Chairman and also be communicated to the Stock Exchanges where the Company is listed.

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Boards' Report

To,
The Members,
Paras Petrofils Limited

Your directors have pleasure in presenting their **Twenty Sixth** Annual Report on the business and operations of the company together with Audited Financial Statements for the financial year ended 31st March, 2017.

1. FINANCIAL HIGHLIGHTS:

Particulars	Amount (in Lacs)	
	2016-17	2015-16
Revenue from Operations	0.00	0.00
Other Income	103.41	45.15
Profit/(Loss) before Depreciation and Tax	72.96	9.08
Less: Depreciation	0.71	1.67
Profit/(Loss) before Exceptional Item	72.25	7.41
Less: Exceptional Item	(362.58)	(149.76)
Profit/(Loss) before tax	(290.33)	(142.35)
Less: Provision for Income Tax	0.00	0.00
Less/(Add): Deferred tax Liability/(Assets)	128.72	2.67
Less: MAT Credit Entitlement	0.00	0.00
Profit/(Loss) after tax	(161.61)	(145.03)
Add: Balance B/F from the previous year	(1131.88)	(986.85)
Balance Profit/ (Loss) C/F to the next year	(1293.49)	(1131.88)

2. PERFORMANCE REVIEW, OPERATION AND PROSPECTS:

During the year under review, the Company has earned other income of Rs. 103.41 Lacs compared to Rs. 45.15 Lacs in previous year. During the year under review, the company has suffered net Loss of Rs.161.61 Lacs as compared to net loss of Rs. 142.35 Lacs in previous year.

During the year under review, the operational activities of the company have remained permanently suspended. Your directors are making effort to recommence the business operation of the company.

3. DIVIDEND:

During the year under review, the company has suffered losses. Therefore in the absence of distributable profits, your directors regret their inability to recommend any dividend for the year.

4. TRANSFER TO RESERVES:

The company has not transferred any amount to General Reserve during the financial year.

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5. BOARD MEETINGS:

The Board of Directors has met 6 times during the year. The details of board meeting, attendance of director at board meeting are provided in Corporate Governance Report.

6. CHANGES IN DIRECTORS & KEY MANAGERIAL PERSONNEL:

Directors retiring by rotation:

Pursuant to the Articles of Association of company read with the section 152(e) of the Companies Act, 2013 Smt. Usha Jain, directors of the company retire by rotation at the ensuing Annual General Meeting and being eligible offer himself for reappointment.

7. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013 the directors of the company confirm that:

- (a) In the preparation of the Annual Accounts for the financial year ended on 31st March 2017, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March 2017 and of the profit and loss account of the company for that period.
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 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' and
- (e) The directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) The directors have devised proper systems to ensure compliance with the provisions of all the applicable laws and that such systems were adequate and operating effectively.

8. AUDITORS:

STATUTORY AUDITORS:

M/s. R K G & Co. Chartered Accountants retires at the conclusion of ensuing Annual general meeting. M/s. R K G & Co., Chartered Accountant shall compulsory retire as statutory auditor of the company pursuant to Section 139 of the Companies Act, 2013 at the ensuing Annual General Meeting.

The Company has received special notice for appointment M/s. R M R & Co, Company Chartered Accountants as statutory auditor at the ensuing Annual General Meeting of the Company.

SECRETARIAL AUDITOR:

The Board has appointed M/s. M.D. Baid & Associates, Practicing Company Secretary, to conduct Secretarial audit for the financial year 2016-17. The Secretarial audit Report for the financial year ended 31st March, 2017 is annexed herewith marked as Annexure-I to this report.

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9. STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTOR:

The Company has received declaration pursuant to Section 149(6) of Companies Act, 2013 from all independent directors.

10. AUDITOR'S REMARK:

A. We draw attention to Note No. 31 in the Financial Statement which raised substantial doubt on the assumption of going concern concept in preparation of financial statement for the reason that;

- (i) The company has stopped all its business activities for more than one year.
- (ii) The company has already laid off its entire staff and has no plan for future at present which substantially indicate of restructure of business/new activity.

Management comment on auditor's remark:

The Board of Directors have decided to enter into the business activity of construction, considering the land holding of the company at a prime location of national highway no. 8, Palsana, Surat. The Company carries on into its efforts to identify a strategic partner in the same line of construction. The management is confident to identify partner for construction activity.

11. SECRETARIAL AUDITOR'S REMARK:

1. *Secretarial Standards issued by The Institute of Company Secretaries of India is not complied with by the company.*
2. *The Listing Agreements entered into by the Company with BSE, NSE and the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 in so far as they are made applicable from time to time Except compliance of Clause 7(3), 7(4), 27, 29, 31, 33, 34, 42, 46 and 47 of LODR, 2015).*
3. *The Company has not made advertisement of closure of register of members in newspaper as stipulated in Rule 10 of Companies (Management and Administration) Rules, 2014 read with Section 91 of the Companies Act, 2013.*
4. *The Notice convening Annual General Meeting is not in compliance of Section 101 of the Companies Act, 2013.*
5. *The Company has not appointed Key Managerial Personnel in accordance with provision of Section 203 of the Companies Act, 2013*
6. *The Company does not maintain website.*
7. *The Company has not maintained proper records to ascertain adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Hence, we are unable to comment upon the same.*
8. *We further report that the Company has stopped all its business activities since last year. The Company does not have any personnel on its payroll during the year. There are no adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.*

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Management comment on auditor's remark:

The Company had closed its business operation during last year. The Company does not have any personnel in its payroll to look after compliance with applicable laws, rules, regulation and guidelines. The Company has made several attempts to appoint suitable candidate for various KMP to look after its compliance matter but due to non – operational business, the company could not recruit adequate personnel in the company.

12. DETAILS OF SUBSIDIARY COMPANIES, JOINT VENTURE AND ASSOCIATE COMPANIES:

The company did not have any subsidiary company, joint venture or associate company for the financial year ended 31st March, 2017.

13. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS U/S 186:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in “Notes to the Financial Statement”.

14. EXTRACT OF ANNUAL RETURN:

The extract of the Annual Return in Format MGT-9 for the financial year 2016-17 has been enclosed with this report. (Annexure-II)

15. RELATED PARTY TRANSACTIONS:

All the transactions entered into with the Related Parties as defined under the Companies Act, 2013 during the financial year were in the ordinary course of business and on arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no material related party transactions during the year. Thus, disclosure in Form AOC-2 is not required. All the related party transactions are placed before the Board of Directors for review and approval. Omnibus approval was obtained on a quarterly basis for transactions which are of repetitive nature.

16. CONSERVATION OF ENERGY TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUT GO:

Information required u/s 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 relating to conservation of energy, technology absorption are as given below.

A) ENERGY CONSUMPTION

Company has suspended its manufacturing activity; there was no electricity consumption for manufacturing activity.

B) DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT

1. Specifies areas in which R&D carried by the Company : Nil
2. Future plan of action : Not Specified
3. Expenditure on R&D : Nil

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Technology absorption, adoption and innovation:

1. Efforts, in brief, made towards technology absorption, adoption and innovation. No Expenditure during current year.
2. Benefits derived as a result of the above efforts, e.g, product improvement; cost reduction, product development, import substitution etc. Not Applicable
3. Particulars of Imported Technology - Not applicable

C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

There was no foreign exchange earnings and outgo of company during the year.

17. PARTICULARS OF EMPLOYEES:

The Company does not have any employee drawing salary as stipulated under provisions of rule 5(2) of chapter XIII, the companies (Appointment and Remuneration of Managerial Personnel) rules, 2014.

18. RISK MANAGEMENT POLICY:

An effective Risk Management Framework is put in place in the Company in order to analyze, control or mitigate risk. The framework provides an integrated approach for managing the risks in various aspects of the business.

19. INTERNAL FINANCIAL CONTROLS:

The company has developed and maintained adequate measures for internal financial control for the year ended 31st March, 2017.

20. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM:

The Company has constituted Audit Committee in compliance with Section 177 of Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The details of the Committee along with their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance Report.

Pursuant to the provisions of Section 177 (9) & (10) of the Companies Act, 2013 read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI (LODR) Regulations, 2015, the Company has in place a Whistle Blower Policy, which provides for a vigil mechanism that encourages and supports its Directors and employees to report instances of illegal activities, unethical behavior, actual or suspected, fraud or violation of the Company's Code of Conduct or Ethics Policy. It also provides for adequate safeguards against victimization of persons who use this mechanism and direct access to the Chairman of the Audit Committee in exceptional cases.

21. COMPANY'S POLICY ON DIRECTRS' APPOINTMENT AND REMUNERATION:

Nomination and Remuneration Committee has formulated a policy relating to remuneration of directors and other employees which has been approved by the Board. The remuneration policy and the criteria for determining qualification, position attributes and independence of a director are stated in the Corporate Governance Report.