

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Regd. Off : 303/4/5, A to Z Industrial Premises, G. K. Marg, Lower Parel (W),
Mumbai - 400013 (India)

CIN NO. L72200MH1984PLC094539

13th August, 2018

BSE Limited

1st Floor, New Trading Wing,
Rotunda Building, P. J. Towers,
Dalal Street, Fort,
Mumbai - 400001
Scrip Code: 540717

Metropolitan Stock Exchange of India Ltd

Vibgyor Towers, 4th Floor,
Plot No.C-62, G- Block,
Bandra-Kurla Complex,
Bandra (East), Mumbai – 400098
Symbol: PQIF

The Calcutta Stock Exchange Ltd

7, Lyons Range
Kolkata 700001
Scrip Code: 029267

Subject: Notice of 34th Annual General Meeting and Intimation of Book Closure Dates.

Dear Sir/Madam,

Please find enclosed the Notice of 34th Annual General Meeting of the Company along with the Annual Report for the Financial Year 2017-18. The 34th Annual General Meeting of the members of the Company is scheduled to be held on Friday, September 21, 2018 at 4.00 p.m. at Fantasy, 1st Floor, Sunville Banquets, 9, Dr. Annie Besant Road, Opposite Atria Mall, Worli, Mumbai – 400 018 at 4.00 p.m.

Pursuant to provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its members facility to exercise their right to vote on resolutions proposed to be passed at the Annual General Meeting (“AGM”) of the Company by electronic means. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (remote e-voting) will be provided by Central Depository Services (India) Limited (CDSL).

The remote e-voting period commences on Tuesday, September 18, 2018 (9.00 a.m.) and ends on Thursday, September 20, 2018 (5.00 p.m.). The cut-off date for the purpose of remote e-voting and voting at the meeting is Friday, September 14, 2018.



Tel : (Off) 2493 5421 (4 Lines) 6661 5901 Fax : (91-22) 2493 5420 / 6661 5900

E-mail : info@poloqueen.com Website : www.poloqueen.com



POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Regd. Off : 303/4/5, A to Z Industrial Premises, G. K. Marg, Lower Parel (W),
Mumbai - 400013 (India)

CIN NO. L72200MH1984PLC094539

The Register of Members & Share transfer books of the Company will remain closed from Monday, September 17, 2018 to Friday, September 21, 2018 for the purpose of 34th Annual General Meeting.

Please note that pursuant to Regulation 34 of the Listing Regulations, the Annual Report for financial year 2017-18 will again be filed with the stock exchanges after it is adopted by the shareholders at the aforesaid Annual General Meeting.

Thanking you,

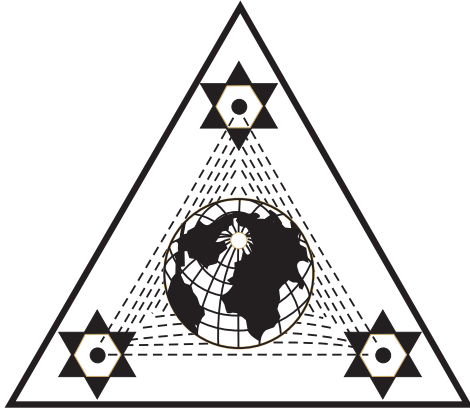
Yours truly,

For Polo Queen Industrial and Fintech Limited

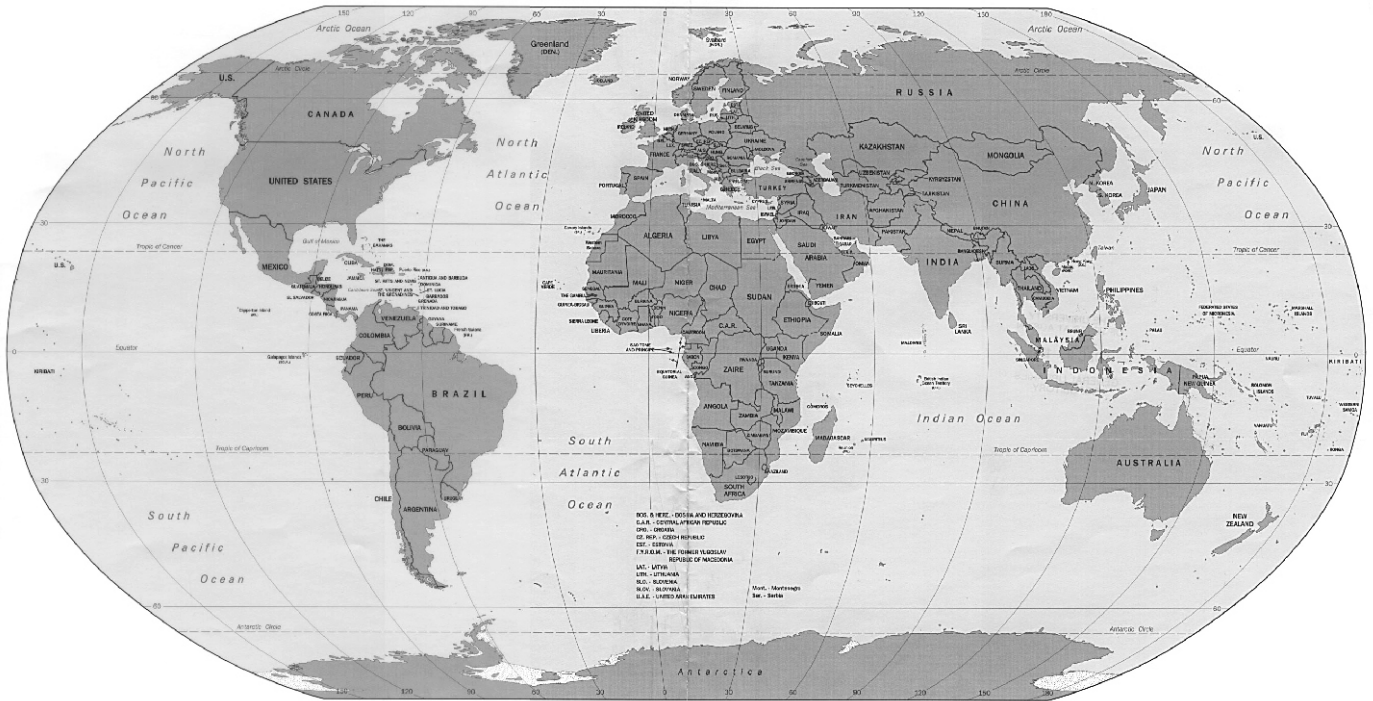
Namrata
Namrata Vanamala
Company Secretary
Mem No.: A40814



Encl.: As Above



From the house of



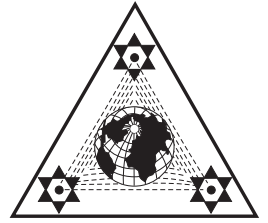
**34th ANNUAL REPORT
2017 - 2018**

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED



POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

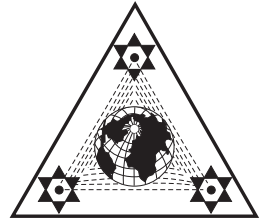
BOARD OF DIRECTORS	: Mr. N. L. Sanghai Mr. Umesh Agarwal Mr. Prabhas Sanghai Mr. Rahul Kumar Sanghai Mr. Udit P. Sanghai Mr. Apsi Nariman Katgara Mr. Natwarlal Gaur Mr. Aftab Mohd. Yusuf Diamondwala Ms. Shobita Kadan	Director Whole Time Director Director Director Whole Time Director & CFO Independent Director Independent Director Independent Director Independent Director
COMPANY SECRETARY	: Ms. Namrata Vanamala	
BANKERS	: Central Bank of India State Bank of India	
STATUTORY AUDITOR	: M/s. Gupta Raj & Co., Chartered Accountants 2-A, Mayur Apartments, Dadabhai Cross Road No.3, Vile Parle (West), Mumbai - 400056. Tel.: 022 26210901/26210902 E-mail: ca.nikuljalan@guptaraj.com	
INTERNAL AUDITOR	: M/s. Janak Mehta, Chartered Accountants Unit No. 8, Swastik Plaza, V. L. Mehta Road, Next to Kalaniketan, Vile Parle (West), Mumbai - 400049. Tel.: 022 26184030 E-mail: cajanakmehta@gmail.com	
REGISTRARS AND SHARE TRANSFER AGENTS	: Satellite Corporate Services Private Limited Unit. No. 49, Building No. 13 AB, 2nd Floor, Samhita Commercial Co-Op Society Ltd., Off Andheri Kurla Road, MTNL Lane, Sakinaka, Mumbai - 400072. Tel: 022-28520461/462 Email: service@satellitecorporate.com	
REGISTERED OFFICE	: 304, A to Z Industrial Estate, Ganpatrao Kadam Marg, Lower Parel, Mumbai- 400 013. Tel: 022 24935421/24817001 Fax: 022 24935420/24817047 E-mail: info@poloqueen.com Website: www.poloqueen.com	



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34th ANNUAL REPORT



NOTICE

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

NOTICE is hereby given that the Thirty Fourth Annual General Meeting of the Shareholders of Polo Queen Industrial and Fintech Limited will be held at Fantasy, 1st Floor, Sunville Banquets, 9 Dr. Annie Besant Road, Opposite Atria Mall, Worli, Mumbai – 400 018, on Friday, September 21, 2018 at 4.00 p.m. to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt Audited Financial Statements (Standalone and Consolidated) i.e. Balance Sheet as at March 31, 2018, the Statement

of Profit and Loss Account and the Cash Flow Statement for the financial year ended on March 31, 2018 and the reports of the Directors and Auditors thereon.

2. To appoint a Director in place of Mr. Nandlal Sanghai (holding DIN 00181592), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Rahul Kumar Sanghai (holding DIN 00181745), who retires by rotation and being eligible, offers himself for re-appointment.

Place : Mumbai
Date : May 21, 2018

By Order of the Board of Directors
NAMRATA VANAMALA
COMPANY SECRETARY
(Membership No. - A40814)

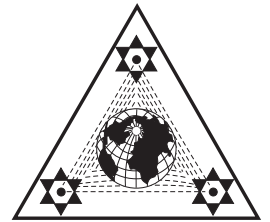


NOTICE

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

NOTES FOR SHAREHOLDERS' ATTENTION :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the Companies, societies, etc., must be supported by an appropriate resolution/authority, as applicable.
2. Pursuant to Regulations 26(4) and 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard – 2 on “General Meetings”, the particulars of Directors proposed to be appointed/re-appointed at the Meeting, are annexed to the Notice.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, September 17, 2018 to Friday, September 21, 2018 (both days inclusive).
5. Members are requested to notify immediately any change of address;
 - (i) To their Depository Participants (DPs) in respect of their electronic share accounts, and
 - (ii) To the Company's Registrar & Share Transfer Agents, M/s Satellite Corporate Services Private Limited (R&TA), Unit No. 49, Building No. 13 AB, 2nd Floor, Samhita Commercial Co-Op Society Ltd, Off Andheri Kurla Road, MTNL Lane, Sakinaka, Mumbai 400 072, in respect of their physical share folios, if any, quoting their folio numbers.
6. Members holding shares in physical form may avail themselves of the facility of nomination in terms of Section 72 of the Companies Act, 2013, by nominating in the prescribed form a person to whom their shares in the Company shall vest in the event of their death. The prescribed form can be obtained either from the website of the Company at www.poloqueen.com or from the Registrar & Share Transfer Agents at their aforesaid addresses.
7. Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their dematerialized accounts. Members holding shares in physical form can submit their PAN details to the Company along with the proof thereof.
8. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose email IDs are registered with the Company or the Depository Participants, unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participants. Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM.
9. Members intending to require information about the financial Accounts, to be explained at the Meeting are requested to inform the Company at least a week in advance of their intention to do so, so that the papers relating thereto may be made available.
10. Members/proxies should bring the attendance slip duly filled in for attending the Meeting.
11. Members are requested to bring their copy of the Annual Report to the Meeting.
12. In compliance with Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide e-voting facility to the shareholders, to enable them to cast their vote electronically. The Company has engaged services of Central Depository Services (India) Limited (“CDSL”) for providing e-voting facility to Members. The facility for voting through Ballot Paper shall be made available at the AGM and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.



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Process for e-voting:

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Tuesday, September 18, 2018 at 9.00 a.m. and ends on Thursday, September 20, 2018 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, September 14, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders/Members.

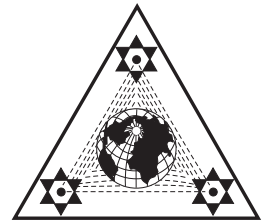
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click 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	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided

that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Company Name i.e. "Polo Queen Industrial and Fintech Limited" on which you choose to vote.



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POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Windows and Apple smart phones. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Notes for Non - Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login

and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
13. Mrs. Grishma Khandwala, Practicing Company Secretary, (Membership No. 6515) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
14. The Scrutinizer shall after the conclusion of voting at the general meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman, who shall countersign the same and declare the result of the voting forthwith.
15. The Results declared alongwith the Scrutinizer's report shall be placed on the website of the Company and on the website of CDSL immediately after the declaration of result by the Chairman. The result shall also be immediately forwarded to CSE Limited, Metropolitan Stock Exchange of India Ltd. and BSE Limited, where the shares of the Company are listed.

Place : Mumbai
Date : May 21, 2018

By Order of the Board of Directors
NAMRATA VANAMALA
COMPANY SECRETARY
(Membership No. - A40814)



**ANNEXURE
TO THE NOTICE**

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

**Details of Directors seeking Appointment/Re-appointment at the Annual General Meeting.
(Pursuant to the SEBI Listing Regulations and Secretarial Standard-2 on “General Meetings”)**

1.	Name of Director	Mr. Nandlal Sanghai	Mr. Rahul Kumar Sanghai
2.	Director Identification Number (DIN)	00181592	00181745
3.	Date of Birth	October 11, 1950 (67 Years)	November 26, 1973 (44 Years)
4.	Date of Appointment	September 27, 1993	August 19, 2000
5.	Experience in specific areas	More than 48 years' experience in Textile & Chemical Industry	More than 22 years' experience in Textile & Chemical Industry
6.	Qualifications	B. Com	B. Com
7.	Directorship in Other Companies	<ul style="list-style-type: none"> • Aajiwan Industries Limited • Sanghai Holdings Private Limited • Santino Holdings Private Limited • Maharashtra Textile Processors Association • Someshwara Industries and Exports Limited 	<ul style="list-style-type: none"> • Paramount Minerals and Chemicals Limited • Bow Balaleshwar Minings Private Limited • Aajiwan Industries Limited • Balaji Prints Limited • Polo Queen Capital Limited • Polo Queen Pharma Trade Industry Limited • Polo Queen Solutions Limited
8.	Memberships/Chairmanships of Audit and Stakeholders' Relationship committees across Public Companies	-	1
9.	Shareholding in the Company (No. of shares)	3,37,600	36,32,025



DIRECTORS REPORT

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

To
 The Members,
 Your Directors have pleasure in presenting 34th Annual Report and the Audited Statement of Accounts of your Company for the year ended March 31, 2018.

FINANCIAL RESULTS :

The salient features of the Company's working for the year under review are as under: (Amount in Thousands)

Particulars	Standalone		Consolidated	
	Year Ended 31.03.2018	Year Ended 31.03.2017	Year Ended 31.03.2018	Year Ended 31.03.2017
Sales and other Income	719,351.82	614,879.79	720,837.82	616,120.63
Profit /(Loss) before Interest and Depreciation	30,425.56	35,565.19	31,647.91	36,037.88
Less: Interest	14,946.04	16,545.34	14,946.04	16,545.34
Profit/(Loss) before Depreciation	15,479.52	19,019.85	16,701.87	19,492.54
Less: Depreciation	1,402.90	1,599.60	1,402.90	1,599.60
Profit/(Loss) Before Taxation	14,076.62	17,420.25	15,298.98	17,892.94
Less: Provision for Taxation (net)	4,478.71	6,133.43	4,776.46	6,384.56
Less: Tax Adjustment relating to prior years	-	-	-	-
Add: Deferred Tax	(286.88)	(242.01)	(332.78)	(138.73)
Net Profit/ (Loss) after Tax	9,311.03	11,044.81	10,189.73	11,369.64

Operations

During the year under review the Company has recorded receipts of Rs. 719,351,819/- as compared to Rs. 614,879,791/- in the previous year. The Net profit is Rs. 9,311,029/- as compared to Profit of Rs. 11,044,804/- in the previous year. The decrease in the Net Profit of the Company is due to one time expenditure incurred by the Company.

The Turnover of the Company has improved and with continued focus on broad basing of product base and expansion into second tier towns and rural markets should enable the Company to maintain profitable growth in the current economic scenario.

With growing opportunity in the field of FMCG sector, the Company's enlarged portfolio of products will further enhance the sales turnover, with improved profitability. The rural promotion of FMCG products by the Company has received a positive response with network of distributors expanding further. The network of distribution is likely to be enhanced further with sustained promotions. This will help the Company to develop a healthy market share in the rural sector. The Company is exploring other platforms of marketing FMCG products through Modern Trade and online market place.

The Company is also carrying out manufacturing and

trading activities in chemicals and minerals and is hopeful of expanding its business in the coming year.

The Company is interacting with various entities for a Joint venture to develop the Data Center business at MIDC Dombivili and speciality chemicals business at MIDC Mahad with the help of professional consultants.

Dividend

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

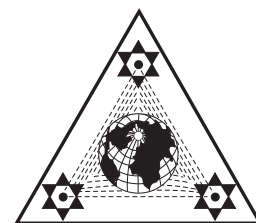
Material Changes and Commitment Affecting Financial Position of the Company

There are no material changes and commitments affecting the financial position of the Company which has occurred between the end of the financial year of the Company i.e., March 31, 2018 and the date of the Directors' Report.

Directorate

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

A brief profiles of the Directors liable to retire by rotation in accordance with Section 152 of the Companies Act,



DIRECTORS REPORT

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

2013 is annexed to the Notice.

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

Board Evaluation

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

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

The Directors expressed their satisfaction with the evaluation process.

Meetings

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

Key Managerial Personnel

Mr. Umesh Agarwal was reappointed as the Whole time Director of the Company for a period of three years with effect from April 1, 2017.

Declaration by Independent Directors

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

Subsidiary, Joint Venture or Associate Companies

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

i. Polo Queen Capital Limited (PQCL)

PQCL is a wholly owned subsidiary of the Company. It was incorporated on March 15, 2016 for the

purpose of carrying on the business of Non-Banking Finance Company. The Company has received Certificate of Registration from the Reserve Bank of India dated September 22, 2017 for carrying on the business of Non-Banking Financial Institution without accepting public deposits. The Company has commenced its financial business with Net owned fund of Rs. 2,25,00,000.

ii. Polo Queen Solutions Limited (PQSL)

PQSL is a wholly owned subsidiary of the Company. The Company was incorporated on March 3, 2016. The Company has plans to set up Data Centre on the Plot admeasuring 4,960 Square meter in the name of the Holding Company at MIDC Dombivli, Maharashtra. The Company is looking for a Joint Venture with a Foreign Investor. The Company has appointed KPMG and Mindspring Advisors Private Limited who are being entrusted with the assignment to identify a suitable Joint Venture Partner.

iii. Polo Queen Pharma Trade Industry Limited (PQPL)

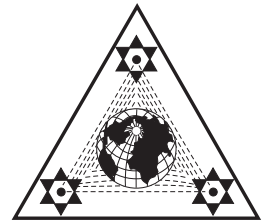
PQPL is a wholly owned subsidiary of the Company. It was incorporated on March 3, 2016. PQPL plans to set up a Pharma/Chemical plant/factory at a plot situated at MIDC, Mahad admeasuring 79,916 Square meter. The Company has already appointed KPMG as consultants to identify a suitable Joint Venture Partner.

A statement containing salient features of the Financial Statements in Form AOC-1, as required under Section 129 (3) of the Companies Act, 2013, forms a part of this Annual Report. The Audited Financial Statements of each subsidiary company shall be kept open for inspection at the Registered Office of the Company on every working day of the Company between 10.00 a.m. to 12 noon up to the date of the forthcoming 34th Annual General Meeting.

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

Related Party Transactions

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



DIRECTORS REPORT

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

The policy has been disclosed on the website of the Company at www.poloqueen.com. Web link for the same is <http://poloqueen.com/policies-and-codes.php>

There are no materially significant transactions with the related parties during the financial year which were in conflict with the interest of the Company and hence enclosing of form AOC 2 is not required. Suitable disclosure as required by the Accounting Standard (AS-18) has been made in the notes to the Financial Statements, you may refer to Related Party transactions in Note No. 39 of the Standalone Financial Statements.

Particulars of Loans, Guarantees or Investments

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

Business Risk Management

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

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

Internal Financial Controls

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

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

The Company does not own any manufacturing facility and hence the particulars relating to conservation of energy and technology absorption as stipulated in the Companies (Accounts) Rules, 2014 are not applicable. The Company has not earned any foreign exchange but has spent Rs.7626544.72/- in Foreign Exchange during the accounting year ended 2017-18.

Corporate Social Responsibility (CSR)

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

Directors' Responsibility Statement

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

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

Share Registrar & Transfer Agent

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

Fixed Deposit

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

Particulars of Employees

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



DIRECTORS REPORT

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Vigil Mechanism

The Company has a Vigil Mechanism and Whistle-Blower Policy to deal with instances of fraud and mismanagement, if any, and conducting business with integrity, including in accordance with all applicable laws and regulations. The summary of the policy has been disclosed on the website of the Company at www.poloqueen.com. Weblink for the same is <http://poloqueen.com/pdf/vigil-mechanism-policy.pdf>.

Auditors

At the 33rd Annual General Meeting held on September 28, 2017, the Members approved appointment of M/s. Gupta Raj & Co., Chartered Accountants (Firm Registration No.001687N) to hold office from the conclusion of the 33rd Annual General Meeting until the conclusion of the 38th Annual General Meeting (subject to ratification of the appointment by the Members, at every Annual General Meeting held after the 33rd Annual General Meeting) on such remuneration as may be fixed by the Board apart from reimbursement of out of pocket expenses as may be incurred by them for the purpose of audit.

On May 7, 2018, Section 40 of the Companies Amendment Act, 2017 (amending Section 139 of the Companies Act, 2013) has been notified whereby ratification of Statutory Auditor's appointment is not required at every Annual General Meeting. Accordingly, resolution for ratification of appointment of Statutory Auditors is not proposed.

Auditors' Report

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

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mrs. Grishma Khandwala, Practising Company Secretary (C.P. No. 1500) to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for the financial year ended March 31, 2018 is annexed herewith as

'Annexure - II' to this Report. The Secretarial Audit Report does not contain any reservation, qualification or adverse remark.

Extract of Annual Return

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

General

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

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

Acknowledgement

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

Corporate Governance:

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

For and on behalf of the Board of Directors

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

Place : Mumbai
Date : May 21, 2018



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

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

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

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

The details of the remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary, percentage increase in their remuneration during the financial year 2017-18 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18 are as under -

Sl No.	Name of Director/ KMP and Designation	Remuneration of Director/ KMP for financial year 2017-18 (Amount in Thousands)	% increase in Remuneration in the financial year 2017-18	Ratio of remuneration of each Director/to median remuneration of employees
1	Mr. Udit P. Sanghai (Wholetime Director and CFO)	12,00.00	71.42	3.00:1
2	Mr. Umesh Agarwal (Whole Time Director)	840.00	-	2.10:1
3	Namrata Vanamala (Company Secretary)	327.82	(2.50)	0.82:1

(ii) The median remuneration of employees of the Company during the financial year 2017-18 was Rs. 3,99,626/-.

(iii) In the financial year 2017-18, there was an increase of 0.22% in the median remuneration of employees.

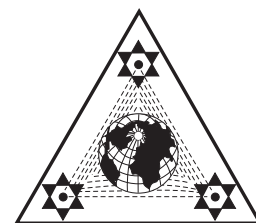
(iv) There were 23 permanent employees on the rolls of Company as on March 31, 2018.

(v) There was an average percentage increase in the salaries of employees other than the managerial personnel in the financial year 2017-18 was 6.73% and there was an increase of 26.20% in the managerial remuneration for the same financial year.

(vi) The key parameters for the variable component of remuneration availed by the Directors:

There is no variable component of remuneration availed by the Directors.

(vii) It is hereby affirmed that the remuneration paid during the year ended March 31, 2018 is as per the Remuneration Policy of the Company.



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

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

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

SN	Employee Name	Designation	Educational Qualification	Age	Experience (In Years)	Date of Joining	Gross Remuneration P.A (Paid In Rs.)	Previous Employment
1.	Mr. Udit P. Sanghai	Whole Time Director and Chief Financial Officer	Post Graduation in Investment Management	26	5	01.01.2014	12,00,000	-
2.	Mr. Chandrasekhar B. Sawant	Vice President	Bsc. Honr CAIIB	66	46	04.05.2012	9,90,000	State Bank of India
3.	Mr. Ravi Ashok Jakhotia	General Manager	Master in Management Studies (Finance)	32	9	14.05.2009	9,90,000	-
4.	Mr. Umesh Agarwal	Whole Time Director	Graduation in Engineering	64	32	27.09.1993	8,40,000	-
5.	Mr. Anand Mittal	Senior Accountant	M.com	54	17	01.06.2010	7,31,220	Parasram Puria Forex Services Pvt. Ltd.
6.	Mr. Dinesh Jakhotia	Manager-Supply Chain	B Pharma, MBA	32	11	01.08.2010	6,24,919	Cipla Ltd.
7.	Mr. Vijay Tibrewal	Office Assistant	M.Com	39	15	12.07.2010	3,77,711	Vijay Sales
8.	Mrs. Manjula Sanghai*	Executive	B.Com	52	25	01.02.2017	3,60,000	Arjay Apparel Industries Limited
9.	Ms. Namrata Vanamala	Company Secretary	B. Com, C.S., LLB	24	3	04.04.2016	3,27,824	Piramal Enterprises Limited
10.	Mrs. Aneetha Sanghai#	Executive	B. Architect	56	6	01.02.2017	3,00,000	Arjay Apparel Industries Limited

* Mrs. Manjula Sanghai is mother of Mr. Udit P. Sanghai, Whole-time Director and Chief Financial Officer of the Company.

Mrs. Aneetha Sanghai is wife of Mr. Prabhas Sanghai, Director of the Company.

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



34th ANNUAL REPORT



POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the Company's Financial Year from April 1, 2017 to March 31, 2018

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

To,
The Members,

Polo Queen Industrial and Fintech Limited

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

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period comprising the Company's financial year ended on March 31, 2018 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Polo Queen Industrial and Fintech Limited for the Company's financial year ended on March 31, 2018 according to the provisions of:

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

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI ACT'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - **Not Applicable to the Company during the Audit Period;**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not Applicable to the Company during the Audit Period;**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not Applicable to the Company during the Audit Period;**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **Not Applicable to the Company during the Audit Period;**

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

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



34th ANNUAL REPORT



POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

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

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

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

I further Report that during the year under review

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

Adequate notice was given to all Directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board meetings were taken unanimously.

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

I further report that during the audit period, the Company has not undertaken any event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

During the period of audit, the 6,71,50,000 Equity Shares of the Company have been listed with BSE Limited w.e.f. September 28, 2017 under Direct Listing route.

**Place : Mumbai
Date : May 21, 2018**

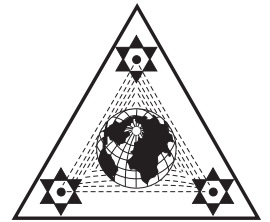
My report of even date is to be read along with this letter.

To,
The Members

Polo Queen Industrial and Fintech Limited

1. Maintenance of Secretarial record is the responsibility of the management of the company. My responsibility is to express as opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

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



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

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on March 31, 2018

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

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L72200MH1984PLC094539
2.	Registration Date	July 19, 1984
3.	Name of the Company	Polo Queen Industrial and Fintech Ltd.
4.	Category/Sub-category of the Company	Public Company
5.	Address of the Registered office & contact details	304, A to Z Industrial Estate, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400013. Tel. No.: 022 24935421/24817001 Fax: 022 24935420/24817047
6.	Whether listed company	Yes Calcutta Stock Exchange Limited Metropolitan Stock Exchange of India Limited BSE Limited
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Satellite Corporate Services Private Ltd. Unit No. 49, Building No. 13 AB, 2nd Floor, Samhita Commercial Co-Op. Society Ltd, Off Andheri Kurla Road, MTNL Lane, Sakinaka, Mumbai-400072. Tel. No.: 022 28520461/462 Fax: 022 28511809

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

SN	Name and Description of main products / services	NIC Code of the product/service	% to total turnover of the company
1	Trading of Fabric	-	44.39
2	Trading of FMCG	-	16.01
3	Trading of Minerals and Chemicals	-	39.60

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

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



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

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

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

a. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 1, 2017]				No. of Shares held at the end of the year [As on March 31, 2018]				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(9-5)
Promoters									
Indian									
Individuals/Hindu Undivided Family	50308102	0	50308102	74.92	50308102	0	50308102	74.92	0.00
Central Government	0	0	0	0.00	0	0	0	0.00	0.00
State Governments(s)	0	0	0	0.00	0	0	0	0.00	0.00
Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
Any other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A) (1)	50308102	0	50308102	74.92	50308102	0	50308102	74.92	0.00
Foreign									
Non-Resident Individuals	0	0	0	0.00	0	0	0	0.00	0.00
Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	50308102	0	50308102	74.92	50308102	0	50308102	74.92	0.00
Public Shareholding									
Institutions									
Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
Financial Institutions/ Banks	0	0	0	0.00	0	0	0	0.00	0.00
Central Government	0	0	0	0.00	0	0	0	0.00	0.00
State Governments(s)	0	0	0	0.00	0	0	0	0.00	0.00
Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Institutional Investors	0	0	0	0.00	0	0	0	0.00	0.00



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

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 1, 2017]				No. of Shares held at the end of the year [As on March 31, 2018]				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(9-5)
Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
Any Other (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (B) (1)	0	0	0	0.00	0	0	0	0.00	0.00
Non-Institutions									
Bodies Corporate									
i) Indian	12468050	0	12468050	18.57	11254258	0	11254258	16.76	(1.81)
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
Individuals								0.00	0.00
Individual Shareholders holding nominal Share Capital upto Rs.1 Lakh	65836	6110	71946	0.11	98093	4990	103083	0.15	0.05
Individual Shareholders holding nominal Share Capital in excess of Rs.1 Lakh	3749282	0	3749282	5.58	4925053	0	4925053	7.33	1.75
Any Other (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
Clearing Member	0	0	0	0.00	10230	0	10230	0.02	0.02
Overseas Corporate Bodies	0	0	0	0.00	0	0	0	0.00	0.00
NRI-Repatriable	0	0	0	0.00	0	0	0	0.00	0.00
NRI-Non Repatriable	0	0	0	0.00	100	0	100	0.00	0.00
HUF	552180	440	552620	0.82	548734	440	549174	0.82	(0.01)
Employees	0	0	0	0.00	0	0	0	0.00	0.00
Directors & their relatives	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B) (2)	16835348	6550	16841898	25.08	16836468	5430	16841898	25.08	0.00
Total Public Shareholding (B) = (B)(1)+(B)(2)	16835348	6550	16841898	25.08	16836468	5430	16841898	25.08	0.00
TOTAL (A)+(B)	67143450	6550	67150000	100.00	67144570	5430	67150000	100.00	0.00
Shares held by Custodians Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
GRAND TOTAL (A)+(B)+(C)	67143450	6550	67150000	100.00	67144570	5430	67150000	100.00	0.00



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

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year (As on April 1, 2017)			Shareholding at the end of the year (As on March 31, 2018)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / Encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / Encumbered to total shares	
1	Vasudha Rahul Sanghai	5295500	7.89	0.00	5295500	7.89	0.00	0.00
2	Devesh Sanghai	4930700	7.34	0.00	4930700	7.34	0.00	0.00
3	Viraj Prabhas Sanghai	4915150	7.32	0.00	4915150	7.32	0.00	0.00
4	Udit P. Sanghai	4190250	6.24	0.00	4190250	6.24	0.00	0.00
5	Pritam Jiwanram Sanghai	4187800	6.24	0.00	4187800	6.24	0.00	0.00
6	Manjuladevi Sanghai	4180575	6.22	0.00	4180575	6.22	0.00	0.00
7	Prabhadevi Pawankumar Sanghai	3382725	5.04	0.00	3382725	5.04	0.00	0.00
8	Rahul Kumar Nandlal Sanghai	3632025	5.41	0.00	3632025	5.41	0.00	0.00
9	Ushadevi Sanghai	3275450	4.88	0.00	3275450	4.88	0.00	0.00
10	Aneetha Prabhas Sanghai	2731177	4.07	0.00	2731177	4.07	0.00	0.00
11	Nikhil Sanghai	2500800	3.72	0.00	2500800	3.72	0.00	0.00
12	Nihar Sanghai	2500800	3.72	0.00	2500800	3.72	0.00	0.00
13	Pawankumar Jiwanram Sanghai	1680350	2.50	0.00	1680350	2.50	0.00	0.00
14	Piyush Kumar Sanghai	1251600	1.86	0.00	1251600	1.86	0.00	0.00
15	Deepti Sanghai	1249150	1.86	0.00	1249150	1.86	0.00	0.00
16	Nandlal Sanghai	337600	0.50	0.00	337600	0.50	0.00	0.00
17	Nandlal Rahul Kumar HUF	19600	0.03	0.00	19600	0.03	0.00	0.00
18	Pritam Sanghai (HUF)	18400	0.03	0.00	18400	0.03	0.00	0.00
19	Nandlal Sanghai (S) HUF	16850	0.03	0.00	16850	0.03	0.00	0.00
20	Pawan Kumar Piyush Kumar HUF	11600	0.02	0.00	11600	0.02	0.00	0.00
	TOTAL	50308102	74.92	0.00	50308102	74.92	0.00	0.00



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

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

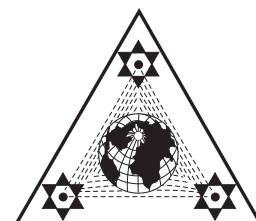
C) Change in Promoters' Shareholding - There were no Change in Promoter's Shareholding during the financial year 2017-18

The Equity Shares of the Company are listed with BSE Limited w.e.f. September 28, 2017. The Shares held by the Promoters of the Company have been kept in Lock-in for a period of three years commencing from the date of trading at BSE Limited as this is one of the conditions imposed by BSE limited for Listing of the Company's Shares..

D) Shareholding Pattern of top ten Shareholders :

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

SN	Name of Shareholders	Shareholding at the beginning of the year April 1, 2017		Date	Increase/ decrease in shareholding	Reason	Shareholding at the end of the year March 31, 2018	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
1	Pan Emami Cosmed Limited	4100000	6.11	01.04.2017			4100000	6.11
				31.03.2018	0		4100000	6.11
2	New Way Constructions Limited	4100000	6.11	01.04.2017			4100000	6.11
				23.03.2018	(750000)	Sale	3350000	4.99
				31.03.2018	0		3350000	4.99
3	Kanodia Capital And Management Services Private Limited	2000000	2.98	01.04.2017			2000000	2.98
				31.03.2018	0		2000000	2.98
4	Golden Shares Stocks Private Limited	1350000	2.01	01.04.2017			1350000	2.01
				31.03.2018	0		1350000	2.01
5	Monica Agarwal	0	0.00	01.04.2017			0	0.00
				31.03.2018	1150000	Purchase	1150000	1.71
6	Amitabh Goenka	450883	0.67	01.04.2017			450883	0.67
				08.12.2017	49117		500000	0.74
				31.03.2018	0		500000	0.74
7	Amar Nath Goenka	500000	0.74	01.04.2017			500000	0.74
				31.03.2018	0		500000	0.74
8	Amitabh Goenka	500000	0.74	01.04.2017			500000	0.74
				31.03.2018	0		500000	0.74
9	Indira Goenka	500000	0.74	01.04.2017			500000	0.74
				31.03.2018	0		500000	0.74
10	Umang Agarwal	500000	0.74	01.04.2017			500000	0.74
				31.03.2018	0		500000	0.74
11	Amar Nath Goenka	405794	0.60	01.04.2017			405794	0.60
				08.12.2017	44206		450000	0.67
				31.03.2018	0		450000	0.67
12	Kekin Jayant Doshi	250000	0.37	01.04.2017			250000	0.37
				31.03.2018	0		250000	0.37



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

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total Shares of the Company	No. of shares	% of total Shares of the Company
1.	Mr. Nandlal Sanghai	3,37,600	0.50	3,37,600	0.50
2.	Mr. Umesh Kumar Agarwal	50	0.00	50	0.00
3.	Mr. Prabhas Kumar Sanghai	-	-	-	-
4.	Mr. Rahul Kumar Sanghai	36,32,025	5.41	36,32,025	5.41
5.	Mr. Udit P. Sanghai (KMP- CFO)	41,90,250	6.24	41,90,250	6.24
6.	Mr. Aftab Mohammed Yusuf Diamondwala	-	-	-	-
7.	Mr. Aspi Katgara	-	-	-	-
8.	Mr. Natwarlal Gaur	-	-	-	-
9.	Ms. Shobita Kadan	-	-	-	-
10.	Ms. Namrata Vanamala	-	-	-	-

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

(Amount in Thousands)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	36,044.59	71,003.43	-	107,048.02
ii) Interest due but not paid	620.70	537.82	-	1,158.52
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	36,665.29	71,541.25	-	108206.54
Change in Indebtedness during the financial year				
* Addition	699,037.76	150,117.63	-	849,155.39
* Reduction	693,512.51	144,545.88	-	838,058.38
Net Change	5,525.26	5,571.75	-	11,097.01
Indebtedness at the end of the financial year				
i) Principal Amount	41,499.23	77,113.00	-	118,612.23
ii) Interest due but not paid	691.32	-	-	691.32
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	42,190.55	77,113.00	-	119,303.55



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

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

(Amount in Thousands)

SN	Particulars of Remuneration	Name of WTD	Total Amount
		Umesh Agarwal	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	840.00	840.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission		
	- as % of profit	0	0
	- others, specify...	0	0
5	Others, please specify	0	0
	Total (A)	840.00	840.00
	Ceiling as per the Act	6000.00	6000.00

B. Remuneration to other directors: Sitting Fees Paid

(Amount in Thousands)

SN	Particulars of Remuneration	Name of Directors				Total Amount
		Natwarlal Sanwarlal Gaur	Aftab Mohd. Yusuf Diamondwala	Aspi Nariman Katgara	Shobita Kadan	
1	Independent Directors					
	Fee for attending board committee meetings	72.50	15.00	72.50	15.00	175.00
	Commission	0	0	0	0	0
	Other (Travelling)	5.00	2.00	5.00	2.00	14.00
	Total (1)	77.50	17.00	77.50	17.00	189.00
2	Other Non-Executive Directors					
	Fee for attending board committee meetings	0	0	0	0	0
	Commission	0	0	0	0	0
	Others, please specify	0	0	0	0	0
	Total (2)	0	0	0	0	0
	Total (B)=(1+2)	77.50	17.00	77.50	17.00	189.00



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

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

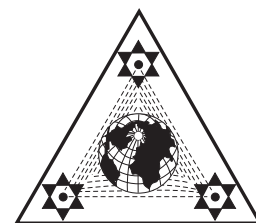
C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(Amount in Thousands)

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	327.82	1,200.00	1,527.82
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission				
	- as % of profit	0	0	0	0
	others, specify...	0	0	0	0
5	Others, please specify	0	0	0	0
	Total	0	327.82	1,200.00	1,527.82

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

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



MANAGEMENT DISCUSSION AND ANALYSIS

A) Industry Structure and Development

Over the last year, the Government has made several efforts to revive the Indian economy. The year 2017-18 began on a positive note with demand showing signs of revival with the impact of demonetization fading. However, implementation of the Goods and Services Tax (GST) from July 1, 2017 again led to uncertainty and loss of momentum which had an impact on the economic growth.

Some of our macroeconomic indicators dropped, like a decline in the GDP growth to 6.6 per cent in the fiscal year 2018, from 7.1 per cent in the fiscal year 2017. Fast moving consumer goods (FMCG) is the 4th largest sector in the Indian economy. There are three main segments in the sector - Food and Beverages, Healthcare and Household and Personal Care.

Growing incomes, favourable demographics, easier access and changing lifestyles are the key growth drivers for the consumer market. The FMCG industry is expected to reap the benefit of the government's renewed focus on agriculture, education, healthcare, infrastructure and employment in its Union Budget 2018-19. These initiatives are expected to increase the disposable income in the hands of the common man, especially in the rural areas, which will be beneficial for the sector. We expect demand to pick up pace in fiscal year 2019. The fundamentals of the industry remain strong and there is still significant growth potential, given the low penetration and consumption rates for many FMCG categories.

B) Opportunities and Threats

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

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

In terms of threats, the key threats are compliance and regulatory pressures including changes to tax law,

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

C) Risks and concerns

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

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

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

D) Segment-wise Performance

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

E) Outlook

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

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

F) Internal Control Systems and their Adequacy

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

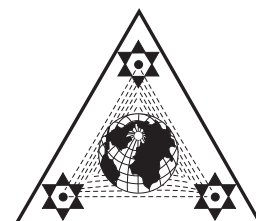
G) Human Resources

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

REPORT ON CORPORATE GOVERNANCE



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POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

REPORT ON CORPORATE GOVERNANCE

A report for the financial year ended March 31, 2018 on the compliance by the Company with the Corporate Governance requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations'), is furnished below.

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

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

The Company has adopted a Code of Conduct as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Directors have confirmed compliance with the code of conduct for the year ended March 31, 2018.

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

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

2) Board of Directors

Composition and size of the Board

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

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

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

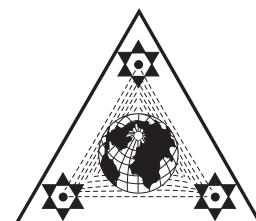
In the financial year 2017 - 2018, the Board met five times. The Board meetings were held on (1) May 26, 2017 (2) August 11, 2017, (3) September 4, 2017 (4) November 10, 2017 (5) February 5, 2018.

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

**REPORT ON
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POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

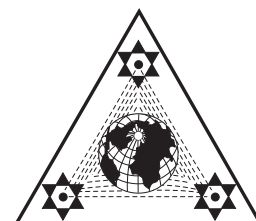
Name of the Directors	Status i.e. Executives, Non-Executives and Independent	No. of Shares held	Members of Boards of Other Companies	Total Number of Committee Membership held		Number of Board Meetings held during the year		Whether attended last Annual General Meeting
				As Chairman	As Member	Held	Attended	
Mr. N. L. Sanghai	Promoter NED	3,37,600	Sanghai Holdings Pvt. Ltd. Santino Holdings Pvt. Ltd. Aajiwan Industries Ltd. Maharashtra Textile Processors Association Someshwara Industries and Exports Limited	Nil	Nil	5	5	Yes
Mr. Prabhas Sanghai	Promoter NED	0	Paramount Minerals & Chemicals Ltd. Sanghai Holdings Pvt.Ltd. Santino Holdings Pvt. Ltd. Shree Janardana Mills Ltd. Polo Queen Solutions Limited Polo Queen Capital Limited Polo Queen Pharma Trade Industry Limited	Nil	1	5	5	Yes
Mr. Umesh Agarwal	ED	50	Aajiwan Industries Ltd. Arjay Apparel IndustriesLtd. Someshwara Industries & Exports Ltd. Bow Balaleshwar Minings Pvt. Ltd. Balaji Prints Ltd. R. J. Knitwears Ltd. RMG Polyvinyl India Ltd. Sri Vishvanath Enterprises Ltd. Gyaneshwar Infrastructure Pvt. Ltd.	Nil	Nil	5	5	Yes
Mr. Rahul Kumar Sanghai	Promoter NED	36,32,025	Paramount Minerals & Chemicals Ltd. Bow BalaleshwarMiningsPvt.Ltd. Aajiwan Industries Ltd. Balaji Prints Ltd. Polo Queen Solutions Limited Polo Queen Capital Limited Polo Queen Pharma Trade Industry Limited	1	Nil	5	5	Yes
Mr. Udit P. Sanghai	Promoter ED & CFO	41,902,500	Polo Queen Solutions Limited Polo Queen Capital Limited Polo Queen Pharma Trade Industry Limited	Nil	1	5	4	Yes
Mr. Aftab Mohammed Yusuf Diamondwala	Independent NED	Nil	Nil	Nil	Nil	5	2	No
Mr. Apsi Nariman Katgara	Independent NED	Nil	Maha Rashtra Apex Corporation Limited	1	1	5	5	Yes
Mr. Natwarlal Gaur	Independent NED	Nil	Nil	1	1	5	5	Yes
Ms. Shobita Kadan	Women Independent Director	Nil	Nil	Nil	Nil	5	2	Yes

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

REPORT ON CORPORATE GOVERNANCE



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POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Meeting of Independent Directors

The Independent Directors met once during the Financial Year 2017-18, without the presence of Executive Directors or Management Representatives. The issues and concerns, if any, of the meeting were then discussed with the Non-Executive Chairman.

3) Audit Committee

Terms of reference, Composition:

The present composition of the Audit Committee is as under:

Member	Position	No. of Meetings held	No. of Meetings Attended
Mr. Natwarlal Gaur	Chairman	4	4
Mr. Aspi Nariman Katgara	Member	4	4
Mr. Udit P. Sanghai	Member	4	3

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

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

The Audit Committee met four times during the financial year 2017-18, on the following dates namely, May 26, 2017, August 11, 2017, November 10, 2017 and February 5, 2018 and the frequency was as prescribed under applicable regulatory requirements and the gap between two Committee Meetings was not more than one hundred and twenty days.

4) Nomination and Remuneration Committee

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

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

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

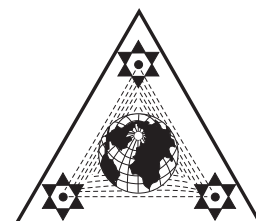
During the year under review the following Directors were the Members of the Nomination and Remuneration Committee.

Member	Position	No. of Meetings held	No. of Meetings Attended
Mr. Aspi Nariman Katgara	Chairman	3	3
Mr. Natwarlal Gaur	Member	3	3
Mr. Rahul Kumar Sanghai	Member	3	3

REPORT ON CORPORATE GOVERNANCE



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POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

The Company also has a Nomination and Remuneration Policy.

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

The Nomination and Remuneration Committee met three times during the financial year 2017-18 i.e. on May 26, 2017, August 11, 2017 and February 5, 2018.

The details of remuneration paid to Directors/ Executive Directors for the financial year ended March 31, 2018 are set out below:

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

Non Executive Directors		(Amount in Thousands)
Name	Sitting Fees Paid	
Mr. Aftab Diamondwala	17.00	
Mr. Aspi Katgara	77.50	
Mr. Natwarlal Gaur	77.50	
Ms. Shobita Kadan	17.00	
Total	189.00	

Executive Directors		(Amount in Thousands)
Name	Salary	
Mr. Umesh Agarwal	840.00	
Mr. Udit P. Sanghai	1200.00	
Total	2040.00	

The Company has not issued any stock options.

5) Stakeholders Relationship Committee

In Compliance with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted Stakeholders Relationship Committee.

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

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

Member	Position	No. of Meetings held	No. of Meetings Attended
Mr. Rahul Kumar Sanghai	Chairman	4	4
Mr. Prabhas Sanghai	Member	4	4

The Stakeholders Relationship Committee met four times during the financial year 2017-18, on the following dates namely, May 26, 2017, August 11, 2017, November 10, 2017 and February 5, 2018.

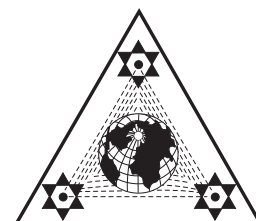
Ms. Namrata Vanamala, Company Secretary is the Compliance Officer.

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

REPORT ON CORPORATE GOVERNANCE



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POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

6) General Body Meeting

Date of AGM	Financial Year	Venue/Location	Time of Meeting
28-9-2015	2014- 2015	The National Sports Club of India, Prince Hall, Lala Lajpatrai Marg, Worli, Mumbai - 400018.	4.00 p.m.
19-9-2016	2015- 2016	The National Sports Club of India, Prince Hall, Lala Lajpatrai Marg, Worli, Mumbai - 400018.	4.00 p.m.
28-9-2017	2016- 2017	Fantasy, 1st Floor, Sunville Banquets, 9, Dr. Annie Besant Road, Opp. Atria Mall, Worli, Mumbai - 400018.	4.00 p.m.

SPECIAL RESOLUTION PASSED:

1) In 2014- 2015 AGM:

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

2) At the Extra Ordinary General Meeting held on March 30, 2016

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

3) In 2015- 2016 AGM:

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

4) Through Postal Ballot held in the month of July, 2016

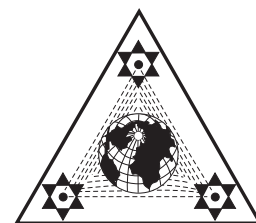
- The Company had sought the approval of shareholders by Postal ballot including voting by electronic means to pass Special Resolutions for the following matters:
 - Approval for the transfer of Leasehold Property pursuant to Section 180(1)(a) to Polo Queen Solutions Limited, the wholly owned subsidiary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

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

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

5) In 2016- 2017 AGM:

- Special Resolution for adoption of a new set of Articles of Association under the Companies Act, 2013.
- Special Resolution for revision in the remuneration of Mr. Udit P. Sanghai, Whole- time Director and Chief Financial Officer of the Company.



7) Disclosures

1. Related Party Transactions

There are related party transactions i.e. transactions of the Company with its Promoters, Directors or Management, their associates companies or relatives, not conflicting with Company's interest, the details of which have been shown in Note 39 of Standalone Financial Statements, Notes forming part of the Accounts for the year ended March 31, 2018.

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

2. Code of Conduct

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

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

3. CEO/CFO Certification

As required under Regulation 17(8), of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the CFO has given a certificate to the Board in the prescribed format for the year ended March 31, 2018.

4. Risk Management

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

5. Statutory Compliance, Penalties and strictures

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

6. Whistle Blower Policy

The Company has a Vigil Mechanism/Whistle-Blower Policy to deal with instances of fraud and mis-management, if any, and conducting business with integrity, including in accordance with all applicable laws and regulations. Employees and Directors of the Company can report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics, without fear of punishment for such disclosure or unfair treatment. The Company has designated the Internal Auditors to receive and process complaints received under this Policy and in turn to report to the Chairman of the Audit Committee, who will place the same before the Audit Committee for its consideration and recommendations to the Management.

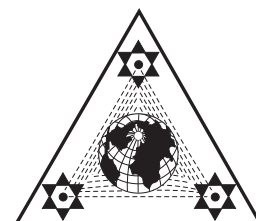
8) Means of Communication

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

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POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

9) General Shareholder Information

a. AGM Day, Date, Time	Friday, September 21, 2018 at 4.00 p.m.
Venue	Fantasy, 1st Floor, Sunville Banquets, 9 Dr. Annie Besant Road, Opposite Atria Mall, Worli, Mumbai - 400 018
b. Financial Calendar	The Board of Directors of the Company approves the unaudited results for each quarter within such number of days as may prescribed under the Listing Regulations from time to time
c. Book Closure Period	September 17, 2018 to September 21, 2018 (both days inclusive)
d. Dividend Payment Date	Not Applicable

Listing on Stock Exchanges

Sr. No.	Name of the Stock Exchange	Code No./Script Name
1.	The Calcutta Stock Exchange Ltd.	029267
2.	The Metropolitan Stock Exchange of India Ltd.	PQIF
3.	BSE Limited	540717

The Shares of the Company are listed with BSE Limited w.e.f. September 28, 2017.

The Annual listing fees of The Calcutta Stock Exchange Limited, The Metropolitan Stock Exchange of India Limited and BSE Limited have been paid by the Company for the year 2018 - 2019.

Market Price Data

The Company's shares were listed with BSE Limited w.e.f. September 28, 2017. The monthly wise High Low Share Price of the Company's Equity Shares during financial year 2017-18 from the website of BSE Limited is as follows:

Month	High	Low
September 2017	30.45	29.00
October 2017	94.65	30.00
November 2017	94.65	64.65
December 2017	94.65	82.00
January 2018	139.80	94.00
February 2018	141.45	111.00
March 2018	122.00	107.00

Dematerialisation of Shares

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

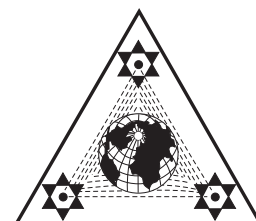
ISIN No. of the Company's Equity Shares in Demat Form : INE689M01017

Depository Connectivity : NSDL and CDSL

REPORT ON CORPORATE GOVERNANCE



34th ANNUAL REPORT



POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Registrar and Transfer Agent (RTA) :

Satellite Corporate Services Pvt. Ltd

Unit No. 49, Building No. 13 AB,
2nd Floor, Samhita Commercial Co-Op Society Ltd,
Off Andheri Kurla Road, MTNL Lane, Sakinaka, Mumbai-400072.
Tel No. 022 - 28520461/462. Fax no. 022-28511809
Email : service@satellitecorporate.com

Share Transfer System:

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

Shareholding Pattern of the Company as on March 31, 2018.

SN	Holders	No. of Shares Held	% of paid up Capital
A	Promoters Holding	50308102	74.92
B.	Mutual Funds and UTI, Banks and Financial Institutions	0	0.00
C.	Bodies Corporate	11254258	16.76
D	Indian Public	5587639	8.32
E	NRI's / OCB's	1	0.00
	Total	67150000	100.00

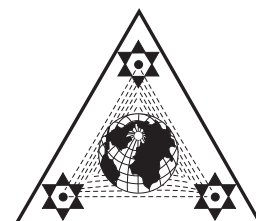
Broad Shareholding Distribution

Range of Shares	Number of Share Holders	Percentage of Share Holders	No. of Share	Percentage (%)
1 to 5000	492	88.97	18896	0.03
5001 to 10000	14	2.53	5902	0.01
10001 to 20000	16	2.89	2000	0.00
20001 to 30000	5	0.90	5100	0.01
30001 to 40000	3	0.54	NIL	0.00
40001 to 50000	3	0.54	15000	0.02
50001 to 100000	7	1.27	16000	0.02
100001 & Above	13	2.35	67087102	99.91
Total	553	100.00	67150000	100.00

REPORT ON CORPORATE GOVERNANCE



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POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Dematerialization of Shares and Liquidity :

99.99 % of Company's Equity Shares have been dematerialized as on March 31, 2018.

Investor's Correspondence :

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

Company Secretary and Compliance Officer : **Ms. Namrata Vanamala**
304, A to Z Industrial Estate,
Ganpatrao Kadam Marg,
Lower Parel, Mumbai - 400 013.
Tel No. : 022-24935421/24817001
Fax No. : 022-24935420/24817047
Email: namrata.vanamala@poloqueen.com

10. COMPLIANCE OF NON-MANDATORY REQUIREMENTS

1) Chairman of the Board

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

2) Shareholders Rights

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

3) Postal Ballot

No resolutions are being proposed to be passed by Postal Ballot

4) Audit Qualification.

There is no Audit Qualification by the Statutory Auditors.

For and on behalf of the Board of Directors

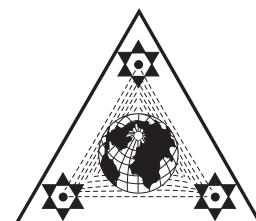
N. L. SANGHAI	DIRECTOR	(DIN - 00181592)
RAHUL KUMAR SANGHAI	DIRECTOR	(DIN - 00181745)
PRABHAS SANGHAI	DIRECTOR	(DIN - 00302947)
UMESH AGARWAL	WHOLE-TIME DIRECTOR	(DIN - 00231799)
UDIT P. SANGHAI	WHOLE-TIME DIRECTOR & CHIEF FINANCIAL OFFICER	(DIN - 06725206)

Place : Mumbai
Date : May 21, 2018

**REPORT ON
CORPORATE
GOVERNANCE**



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POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
Polo Queen Industrial and Fintech Limited

I have examined the compliance of conditions of Corporate Governance by Polo Queen Industrial and Fintech Limited, for the year ended March 31, 2018, as per Regulations 17 to 27, Clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

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

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

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

**Place : Mumbai
Date : May 21, 2018**

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

Declaration on Code of Conduct

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

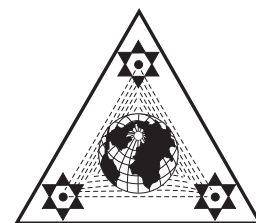
To,
The Members of
Polo Queen Industrial and Fintech Limited

I, Mr. N. L. Sanghai, Director of the Company, hereby confirm that, all Board Members and Senior Management of the Company have affirmed compliance with the Code of Conduct and Ethics for Directors and Senior Management of the Company in respect of the financial year 2017-18.

For Polo Queen Industrial And Fintech Limited

**Place : Mumbai
Date : May 21, 2018**

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



INDEPENDENT AUDITOR'S REPORT

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Polo Queen Industrial and Fintech Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2018 and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information

Management's Responsibility for the Standalone Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these

standalone Ind AS financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

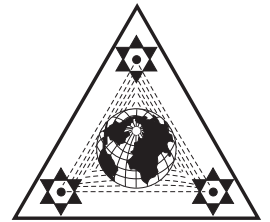
We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the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

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

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of



INDEPENDENT AUDITOR'S REPORT

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

the state of affairs of the Company as at March 31, 2018 and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016, ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 & 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and the statement of changes in equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Indian

Accounting. Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued thereunder.

- e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure-2".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**FOR GUPTA RAJ & CO.
CHARTERED ACCOUNTANTS
FIRM No. 001687N**

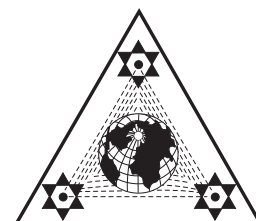
**CA NIKUL JALAN
PARTNER
MEMBERSHIP NO. 0112353**

**PLACE: MUMBAI
DATED: MAY 21, 2018**

ANNEXURE 1 TO THE INDEPENDENT AUDITORS' REPORT



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POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

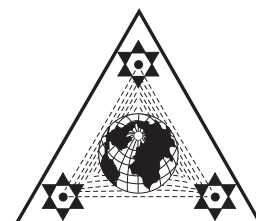
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) In respect of its fixed assets:
- (a) The company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets. However no separate fixed asset register is maintained.
 - (b) The fixed assets are physically verified by the management according to a phased program designed to cover all the items over a period, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the program, a portion of the fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such physical verification. However no written report is available.
 - (c) The title deeds of immovable properties recorded in the books of account of the Company are held in the name of the Company.
- (ii) The inventory has been physically verified by management during the year. In our opinion, the frequency of verification is reasonable. As informed, no material discrepancies were noticed on physical verification carried out during the year.
- (iii) As per the information and explanation given to us, there is old outstanding in respect of loan given to one party covered in the register maintained under Section 189 of the Act. The party has given part of their block of assets as security against the loan. Interest payment is settled upto March 31, 2003. Subsequent interest is in dispute and no provision is made in the books of account.
- (a) In our opinion and according to the information and explanations given to us, the terms and conditions of the aforesaid loans granted by the Company are not prejudicial to the interest of the Company.
 - (b) In respect of loans granted during the year, the schedule of repayment of principal and payment of interest in respect of such loans has not been stipulated thus we are unable to comment whether the repayments or receipts are regular and report amounts overdue for more than ninety days, if any, as required under paragraph 3(iii)(c) of the Order. In respect of old outstanding, the party has not repaid the principal amount as stipulated and also has not been regular in payment of interest to the company as aforesaid.
 - (c) In respect of the aforesaid loans, the total amount overdue for more than ninety days is Rs 50,00,000 /-. According to the information and explanations given to us, reasonable steps have been taken by the company for the recovery of the principal amounts and interest, where applicable.
- (iv) As per the information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186 of the Act.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under. Therefore, the provisions of clause (v) of paragraph 3 of the Order are not applicable to the Company.
- (vi) As per the information and explanations given to us, in respect of the class of industry in which the Company falls, the maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013. Therefore, the provisions of clause (vi) of paragraph 3 of the Order are not applicable to the Company.
- (vii) In respect of statutory dues:
- (a) The company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund,

ANNEXURE 1 TO THE INDEPENDENT AUDITORS' REPORT



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POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of above dues were in arrears, as at March 31, 2018 for a period of more than six months from the date they became payable.

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

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

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instrument) or term loans hence reporting under clause (ix) of the caro 2015 order is not applicable to company.

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

(xi) As per the information and explanations given to us, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the companies Act, 2013.

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

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

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

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

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

**FOR GUPTA RAJ & CO.
CHARTERED ACCOUNTANTS
FIRM No. 001687N**

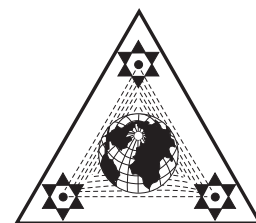
**CA NIKUL JALAN
PARTNER
MEMBERSHIP NO. 0112353**

**PLACE: MUMBAI
DATED: MAY 21, 2018**

ANNEXURE 2 TO THE INDEPENDENT AUDITORS' REPORT



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POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

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

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

We have audited the internal financial controls over financial reporting of POLO QUEEN INDUSTRIAL AND FINTECH LTD. ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the

"Guidance Note") and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of

ANNEXURE 2 TO THE INDEPENDENT AUDITORS' REPORT



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POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections

of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

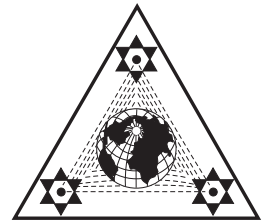
Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI. Our opinion is not modified in respect of this matter.

FOR GUPTA RAJ & CO.
CHARTERED ACCOUNTANTS
FIRM No. 001687N

CA NIKUL JALAN
PARTNER
MEMBERSHIP NO. 0112353

PLACE: MUMBAI
DATED: MAY 21, 2018



BALANCE SHEET

As at March 31, 2018

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

(Amount in Thousands)

Particulars	Note No.	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
I. ASSETS				
(1) Non-current assets				
(a) Property, Plant and Equipment	2	17,94,670.21	17,95,362.39	17,96,358.53
(b) Capital work-in-progress	3	49,904.91	34,862.96	5,617.10
(c) Intangible assets	4	580.63	649.74	554.94
(d) Financial Assets				
(i) Investments in subsidiaries	5	23,500.00	23,500.00	-
(ii) Other Investments	6	-	-	100.28
(ii) Others	7	5,414.05	5,399.05	5,702.37
(e) Deferred tax assets (net)	8	617.10	903.98	1,145.98
(f) Non-Current Tax Assets (Net)	9	2,716.94	3,017.06	3,109.13
Total non current assets		18,77,403.84	18,63,695.19	18,12,588.34
(2) Current Assets				
(a) Inventories	10	17,488.26	21,212.96	22,318.68
(b) Financial Assets				
(i) Trade receivables	11	1,35,662.78	1,46,780.83	84,406.67
(ii) Cash and cash equivalents	12	422.96	1,266.24	907.65
(iii) Bank balances other than (ii) above	13	2,364.17	2,514.14	2,123.51
(iv) Loans	14	138.07	150.00	160.00
(c) Other current assets	15	1,981.20	667.21	963.86
(d) Current Tax Assets (Net)	16	187.05	-	182.48
Total current assets		1,58,244.49	1,72,591.38	1,11,062.85
TOTAL ASSETS		20,35,648.33	20,36,286.57	19,23,651.1
II. EQUITY AND LIABILITIES				
(1) Equity				
(a) Equity share capital	17	6,71,500.00	6,71,500.00	6,71,500.00
(b) Other equity	18	11,38,673.22	11,29,362.19	11,18,303.16
Total equity		18,10,173.22	18,00,862.19	17,89,803.16
(2) Non current liabilities				
(a) Financial liabilities				
(i) Borrowings	19	77,113.00	71,878.71	38,968.16
(b) Provisions	20	306.21	-	-
(c) Other non-current liabilities	21	650.00	7,951.35	650.00
Total non current liabilities		78,069.21	79,830.06	39,618.16
(3) Current liabilities				
(a) Financial liabilities				
(i) Borrowings	22	42,190.55	36,006.01	42,470.14
(ii) Trade payables	23	1,03,657.51	1,09,776.09	44,948.09
(iii) Other financial Liabilities	24	508.99	987.18	871.78
(b) Other current Liabilities	25	572.51	7,958.70	5,674.83
(c) Current Tax Liabilities	26	476.34	866.34	265.02
Total Current Liabilities		1,47,405.90	1,55,594.31	94,229.87
Total Equity And Liabilities		20,35,648.33	20,36,286.57	19,23,651.19

As per our report of Even Date
For GUPTA RAJ & CO.
Chartered Accountants
Firm Reg No : 001687N

CA NIKUL JALAN
PARTNER
Mem. No. 112353

Place : Mumbai
Date : 21.05.2018

NANDLAL SANGHAI
DIRECTOR
(DIN - 00181592)

PRABHAS SANGHAI
DIRECTOR
(DIN - 00302947)

RAHUL KUMAR SANGHAI
DIRECTOR
(DIN - 00181745)

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

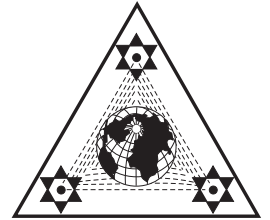
NAMRATA VANAMALA
COMPANY SECRETARY
(MEM NO - A40814)

For POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

From the house of



34th ANNUAL REPORT



**STATEMENT OF
PROFIT AND LOSS**

For the Year Ended March 31, 2018

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Particulars	Note No.	(Amount in Thousands)	
		For the year ended March 31, 2018	For the year ended March 31, 2017
Revenue			
I. Revenue from Operations (Gross)			
Sales of products	27	7,18,450.35	6,13,476.53
Other Operating revenue		-	-
II. Other Income	28	901.47	1,403.26
III.Total Income (I+II)		7,19,351.82	6,14,879.79
IV. Expenses			
Cost of materials consumed	29	1,054.76	1,733.78
Purchase of stock-in-trade (Traded goods)	30	6,36,767.08	5,23,954.21
Changes in inventories of stock-in-trade	31	3,508.60	1,555.72
Employee Benefits Expenses	32	10,870.94	11,959.89
Finance Cost	33	14,946.04	16,545.34
Depreciation and Amortization Expenses	2	1,402.90	1,599.60
Other Expenses	34	36,724.89	40,111.00
Total Expenses (IV)		7,05,275.20	5,97,459.54
V. Profit/(loss) before Tax		14,076.62	17,420.25
VI. Tax expense:			
1. Current Tax		4,478.71	6,133.43
2. Deferred Tax		286.88	242.01
VII.Profit/(Loss) for the period		9,311.03	11,044.81
VIII.Other comprehensive income		-	-
IX. Total comprehensive income for the period		9,311.03	11,044.81
X. Earnings per equity share			
Basic and diluted earnings per share	35	0.14	0.16
Significant Accounting Policies	1		

As per our report of Even Date
For GUPTA RAJ & CO.
Chartered Accountants
Firm Reg No : 001687N

CA NIKUL JALAN
PARTNER
Mem. No. 112353

Place : Mumbai
Date : 21.05.2018

For POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

NANDLAL SANGHAI
DIRECTOR
(DIN - 00181592)

PRABHAS SANGHAI
DIRECTOR
(DIN - 00302947)

RAHUL KUMAR SANGHAI
DIRECTOR
(DIN - 00181745)

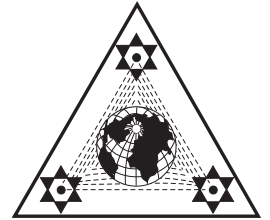
UDIT P. SANGHAI
WHOLE TIME DIRECTOR & CFO
(DIN - 06725206)

NAMRATA VANAMALA
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(MEM NO - A40814)

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**STATEMENT OF
CHANGES IN EQUITY
(SOCIE)**

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

(a) Equity share capital	Note	Amount in Thousands
		Amount
Balance as at April 1, 2016		6,71,500.00
Changes in equity share capital during 2016-17		-
Balance as at March 31, 2017		6,71,500.00
Changes in equity share capital during the year		-
Balance as at March 31, 2018		6,71,500.00

(b) Other equity

Particulars	Note	Reserves & Surplus (Amount in Thousands)				
		Capital Reserve	General Reserve	Revaluation Reserve	Surplus	Total
Balance as at April 1, 2016		8,53,387.42	21,539.84	2,34,286.52	9,089.38	11,18,303.16
Profit for the year		-	-	-	11,059.03	11,059.03
Other comprehensive income for the year		-	-	-	-	-
Balance as at March 31, 2017		8,53,387.42	21,539.84	2,34,286.52	20,148.41	11,29,362.19
Profit for the year		-	-	-	9,311.03	9,311.03
Other comprehensive income for the year		-	-	-	-	-
Balance as at March 31, 2018		8,53,387.42	21,539.84	2,34,286.52	29,459.44	11,38,673.22

As per our report of Even Date
For GUPTA RAJ & CO.
Chartered Accountants
Firm Reg No : 001687N

CA NIKUL JALAN
PARTNER
Mem. No. 112353

Place : Mumbai
Date : 21.05.2018

For POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

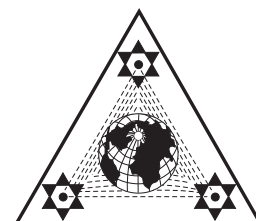
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NAMRATA VANAMALA
COMPANY SECRETARY
(MEM NO - A40814)



CASH FLOW STATEMENT

For the Year Ended March 31, 2018

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Particulars	(Amount in Thousands)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Cash Flows From Operating Activities		
Profit before tax	14,076.62	17,420.25
Adjustments to reconcile profit before tax to cash provided by operating activities		
Depreciation and amortisation expense	1,402.90	1,599.60
Profit on sale of Fixed Assets	(2.04)	-
Provision for expenses	306.21	-
Interest received	(157.79)	(170.74)
Sundry balance written off	(34.71)	(444.75)
Interest Paid	14,606.79	16,207.32
Other borrowing cost	339.25	338.02
Operating profit before Working Capital Changes	30,537.22	34,949.70
Changes in assets and liabilities		
(Increase) / Decrease in Inventory	3,724.70	1,105.71
(Increase) / Decrease in Trade receivables	11,118.05	(62,374.16)
(Increase) / Decrease in Short term Loans and advances	11.93	10.00
(Increase) / Decrease in Other financial assets	(15.00)	(141.69)
(Increase) / Decrease in Other current assets	(1,313.99)	741.65
Increase / (Decrease) in Short term Borrowings	6,184.54	(6,464.14)
Increase / (Decrease) in Trade payables	(6,083.87)	65,272.75
Increase / (Decrease) in Other financial liabilities	(478.19)	115.39
Increase / (Decrease) in Other Current liability	(7,101.82)	2,305.53
Increase / (Decrease) in Other liabilities	(7,301.35)	7,301.35
Cash Generated From Operations	29,282.21	42,822.11
Income taxes paid	5,040.00	5,265.00
NET CASH GENERATED BY OPERATING ACTIVITIES	24,242.21	37,557.11
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment towards Capital expenditure	(15,041.95)	(29,245.86)
Investments in subsidiaries	-	(23,500.00)
Sale of investments	-	100.28
Fixed Deposit proceeds	149.97	(390.63)
Purchase of fixed assets	(642.95)	(698.26)
Sale of fixed assets	3.39	-
Interest received	157.79	170.74
NET CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES	(15,373.75)	(53,563.74)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(14,606.79)	(16,207.32)
Borrowing cost	(339.25)	(338.02)
Loan taken	5,234.29	32,910.55
NET CASH USED IN FINANCING ACTIVITIES	(9,711.75)	16,365.22
Effect of exchange differences on translation of foreign currency cash and cash equivalents		
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(843.28)	358.59
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	1,266.24	907.65
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	422.96	1,266.24

As per our report of Even Date

For GUPTA RAJ & CO.

Chartered Accountants

Firm Reg No : 001687N

CA NIKUL JALAN

PARTNER

Mem. No. 112353

Place : Mumbai

Date : 21.05.2018

For POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

NANDLAL SANGHAI
DIRECTOR
(DIN - 00181592)

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NAMRATA VANAMALA
COMPANY SECRETARY
(MEM NO - A40814)

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NOTES TO FINANCIAL STATEMENTS

For the Year Ended March 31, 2018

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POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Accompanying notes to the financial statements for the year ended March 31, 2018

Company Overview: The Company was incorporated under the Companies Act, 1956 on July 19, 1984 under the name of POLO QUEEN INDUSTRIAL AND FINTECH LIMITED. The Company is domiciled in India and is listed on the BSE Ltd. (BSE), Calcutta Stock Exchange Ltd. (CSE) and Metropolitan Stock Exchange of India Ltd (MSEI). The Company's registered office is at 304, A to Z Industrial estate, Ganpat Rao Marg, Lower Parel, Mumbai, MH 400013. The Company along with its divisions viz Doan Rajkamal, Polo Queen Solutions, Polo Queen Minchems and Polo Queen Pharma is a company which has its activities spread over many business like production and marketing of FMCG products in the domestic market with supplies to defense sector, development of I.T. Park as well trading in chemicals and minerals.

1. SIGNIFICANT ACCOUNTING POLICIES

(i) Basis of Preparation of financial statements:

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention (except for certain financial instruments that are measured at fair values at the end of each reporting period) on accrual basis to comply in all material aspects with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

These financial statements for the year ended March 31, 2018 are the first the Company has prepared under Ind AS. For all periods upto and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with the accounting standards notified under the Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India immediately before adopting Ind AS. The financial statements for the year ended March 31, 2017 and the opening Balance Sheet as at April 01, 2016 have been restated in accordance with Ind AS for comparative information. Reconciliations and explanations of the effect of the transition from Previous GAAP to Ind AS on the Company's Equity, Total Comprehensive Income and Cash Flows are provided in note.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at April 01, 2016 being the 'date of transition to Ind AS'. All assets and liabilities have been classified as current

or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

(ii) Basis of Measurement

These financial statements are prepared under the historical cost convention unless otherwise indicated.

(iii) Key estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are as follows:

- Determination of the estimated useful lives of tangible assets and the assessment as to which component of the cost may be capitalized.
- Impairment of Property, Plant and Equipment's
- Recognition and measurement of defined benefit obligations
- Recognition of deferred tax assets
- Fair value of financial instruments
- Provisions and Contingent Liabilities

(iv) Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values for financial instruments.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate

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NOTES TO FINANCIAL STATEMENTS

For the Year Ended March 31, 2018

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POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable

(v) Property plant and equipment(PPE)

On adoption of Ind AS, the Company retained the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP and used that as its deemed cost as permitted by Ind AS 101 'First-time Adoption of Indian Accounting Standards'.

PPE are initially recognised at cost. The initial cost of PPE comprises its purchase price, including non-refundable duties and taxes net of any trade discounts and rebates. The cost of PPE includes interest on borrowings (borrowing cost) directly attributable to acquisition, construction or production of qualifying assets subsequent to initial recognition, PPE are stated at cost less accumulated depreciation (other than freehold land, which are stated at cost) and impairment losses, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and capital work in progress) less their residual values over the useful lives, using the Written Down Value Method ("WDV").

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognised in profit or loss. Fully depreciated assets still in use are retained in financial statements.

(vi) Intangible Assets-

Intangible assets are measured on initial recognition at cost and subsequently are carried at cost less accumulated amortisation and accumulated impairment losses, if any. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses on derecognition are determined by comparing proceeds with carrying amount.

(vii) Non - derivative Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets

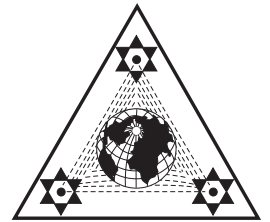
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NOTES TO FINANCIAL STATEMENTS

For the Year Ended March 31, 2018

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POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in Other Comprehensive Income.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments recognised by the Company are measured at the proceeds received net off direct issue cost.

Off setting of financial instruments

Financial assets and financial liabilities are off set and the net amount is reported in financial statements if there is a currently enforceable legal right to off set the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(viii) Investments in subsidiaries

A subsidiary is an entity that is controlled by the Company.

The Company accounts for the each category of investments in subsidiaries at cost in accordance with Ind AS 27- Separate Financial Statements.

(ix) Impairments of Non-financial assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, impairment is recognized for such excess amount. The impairment loss is recognized as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued

amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

When there is indication that an impairment loss recognized for an asset in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss.

(x) Inventories:

Inventories are valued at lower of cost (on weighted average basis) and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to their present location and condition, including octroi and other levies, transit insurance and receiving charges. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(xi) Revenue recognition

Sales are recognised when goods are supplied and significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of contract and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods. Sales are inclusive of excise duty and net of returns, trade discounts, rebates and sales taxes.

Income from processing operations is recognised on completion of production / dispatch of the goods, as per the terms of contract.

Dividend income is recognised when the right to receive the same is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of dividend can be measured reliably.

Interest income from financial assets is recognized when it is probable that economic benefits will flow to the Company and the amount of income can be measured reliably.

(xii) Employee benefits

Short-Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, performance incentives, etc., are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the employee renders the related service

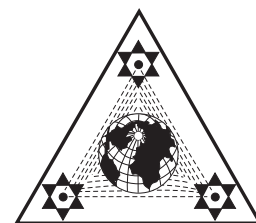
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NOTES TO FINANCIAL STATEMENTS

For the Year Ended March 31, 2018

34th ANNUAL REPORT



POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Post Employment Benefits

Payments made to a defined contribution plan such as Provident Fund and Family Pension maintained with Regional Provident Fund Office are charged as an expense in the Statement of Profit and Loss as they fall due

Terminal Benefits

All terminal benefits are recognized as an expense in the period in which they are incurred

(xiii) Borrowing costs

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing. Borrowing costs that are directly attributable to the acquisition of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is put to use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

(xiv) Taxes on Income

Income tax expense comprises current and deferred tax and is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity or in OCI

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred Tax

Deferred income tax is recognised using the Balance Sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised only to the extent that it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of a deferred tax asset shall be reviewed at the end of each reporting date and reduced

to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets and liabilities are off set when there is a legally enforceable right to off set current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

(xv) Accounting for provisions, contingent liabilities and contingent assets

Provisions are recognized, when there is a present legal or constructive obligation as a result of past events, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. Where the effect is material, the provision is discounted to net present value using an appropriate current market-based pre-tax discount rate and the unwinding of the discount is included in finance costs.

Contingent liabilities are recognised only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

(xvi) Earnings per share

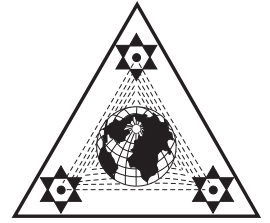
Basic Earnings per share is calculated by dividing the net profit / (loss) for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit / (loss) for the period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

NOTES TO FINANCIAL STATEMENTS

For the Year Ended March 31, 2018



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POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Note 2 : Property, plant and equipment

Following are the changes in the carrying value of property, plant and equipment for the year ended March 31, 2018:

(Amount in Thousands)

DESCRIPTION	Plant and Equipment	Motor Vehicle	Office Equipment	Furniture & Fixtures	Computers	MIDC Leasehold Land	IT Park - Leasehold Land & Building	TOTAL
Cost as at April 1, 2017	1,826.35	5,741.97	489.84	3,453.04	246.30	2,68,857.00	15,22,666.70	18,03,281.19
Additions	-	-	166.93	476.01	-	0.01	-	642.95
Deletions	-	-	-	-	1.35	-	-	1.35
Cost as at March 31, 2018 (A)	1,826.35	5,741.97	656.77	3,929.05	244.95	2,68,857.01	15,22,666.70	18,03,922.79
Accumulated depreciation as at April 1, 2017	1,478.61	3,014.50	189.37	3,054.43	181.89	-	-	7,918.80
Depreciation for the current period	88.57	839.90	174.95	192.77	37.60	-	-	1,333.79
Depreciation upto April 1, 2016	-	-	-	-	-	-	-	-
Deletions	-	-	-	-	-	-	-	-
Accumulated depreciation as at March 31, 2018 (B)	1,567.18	3,854.40	364.31	3,247.21	219.49	-	-	9,252.59
Net carrying amount as at March 31, 2018 (A) - (B)	259.17	1,887.57	292.45	681.85	25.46	2,68,857.01	15,22,666.70	17,94,670.21

Following are the changes in the carrying value of property, plant and equipment for the year ended March 31, 2017 :

(Amount in Thousands)

DESCRIPTION	Plant and Equipment	Motor Vehicle	Office Equipment	Furniture & Fixtures	Computers	MIDC Leasehold Land	IT Park - Leasehold Land & Building	TOTAL
Cost as at April 1, 2016	1,826.35	5,741.97	169.99	3,327.38	159.01	2,68,857.00	15,22,666.70	18,02,748.39
Additions	-	-	319.85	125.66	87.29	-	-	532.80
Deletions	-	-	-	-	-	-	-	-
Transferred as per scheme of Arrangement	-	-	-	-	-	-	-	-
Cost as at March 31, 2017 (A)	1,826.35	5,741.97	489.84	3,453.04	246.30	2,68,857.00	15,22,666.70	18,03,281.19
Accumulated depreciation as at April 1, 2016	1,344.68	1,793.19	145.52	2,982.84	123.63	-	-	6,389.86
Depreciation for the year	133.93	1,221.31	43.85	71.59	58.26	-	-	1,528.94
Deletions	-	-	-	-	-	-	-	-
Accumulated depreciation as at March 31, 2017 (B)	1,478.61	3,014.50	189.37	3,054.43	181.89	-	-	7,918.80
Net carrying amount as at March 31, 2017 (A) - (B)	347.74	2,727.46	300.47	398.61	64.41	2,68,857.00	15,22,666.70	17,95,362.39
Net carrying amount as at April 1, 2016	481.67	3,948.78	24.47	344.54	35.38	2,68,857.00	15,22,666.70	17,96,358.53

The Company has availed the deemed cost exemption in relation to the property plant and equipment on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date. Refer note below for the gross block value and the accumulated depreciation on April 1, 2016 under the previous GAAP

(Amount in Thousands)

DESCRIPTION	Plant and Equipment	Motor Vehicle	Office Equipment	Furniture & Fixtures	Computers	MIDC Leasehold Land	IT Park - Leasehold Land & Building	TOTAL
Gross Block	1,826.35	5,741.97	169.99	3,327.38	159.01	2,68,857.00	15,22,666.70	18,02,748.39
Accumulated Depreciation	1,344.68	1,793.19	145.52	2,982.84	123.63	-	-	6,389.86
Net Block	481.67	3,948.78	24.47	344.54	35.38	2,68,857.00	15,22,666.70	18,09,138.25

Note 3 : Capital Work in progress

(Amount in Thousands)

DESCRIPTION	Mahad Land & Building	IT Park Land & Building	TOTAL
Cost as at April 1, 2016	801.50	4,815.60	5,617.10
Additions	26,414.61	2,831.25	29,245.86
Deletions	-	-	-
Cost as at March 31, 2017	27,216.11	7,646.85	34,862.96
Additions	12,646.73	2,395.22	15,041.95
Deletions	-	-	-
Cost as at March 31, 2018	39,862.84	10,042.07	49,904.91



NOTES TO FINANCIAL STATEMENTS

For the Year Ended March 31, 2018

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Note 4

Intangibles Assets

Following are the changes in the carrying value of intangible assets for the year ended March 31, 2018:

DESCRIPTION	(Amount in Thousands)		
	Trade Mark	Computer Software	TOTAL
Cost as at April 1, 2017	668.00	564.20	1,232.20
Additions	-	-	-
Deletions	-	-	-
Cost as at March 31, 2018 (A)	668.00	564.20	1,232.20
Accumulated amortisation as at April 1, 2017	487.49	94.98	582.46
Amortisation for the year	22.19	46.92	69.11
Deletions	-	-	-
Accumulated amortisation and impairment as at March 31, 2018 (B)	509.68	141.90	651.57
Net carrying amount as at March 31, 2018 (A) - (B)	158.33	422.31	580.63

Following are the changes in the carrying value of intangible assets for the year ended March 31, 2017:

DESCRIPTION	(Amount in Thousands)		
	Trade Mark	Computer Software	TOTAL
Cost as at April 1, 2016	655.00	411.74	1,066.74
Additions	13.00	152.46	165.46
Deletions	-	-	-
Cost as at March 31, 2017 (A)	668.00	564.20	1,232.20
Accumulated amortisation as at April 1, 2016	460.84	50.96	511.80
Amortisation for the year	26.64	44.02	70.66
Deletions	-	-	-
Accumulated depreciation and impairment as at March 31, 2017 (B)	487.49	94.98	582.46
Net carrying amount as at March 31, 2017 (A)- (B)	180.52	469.23	649.74
Net carrying amount as at April 1, 2016	655.00	411.74	1,066.74

The Company has availed the deemed cost exemption in relation to the intangible assets on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date. Refer note below for the gross block value and the accumulated amortisation on April 1, 2016 under the previous GAAP

DESCRIPTION	(Amount in Thousands)		
	Trade Mark	Computer Software	TOTAL
Gross Block	655.00	411.74	1,066.74
Accumulated amortisation and impairment	460.84	50.96	511.80
Net Block	194.16	360.78	554.94



NOTES TO FINANCIAL STATEMENTS

For the Year Ended March 31, 2018

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Note 5

Investments in subsidiaries

PARTICULARS	Face Value	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
		Number	Value (Amount in thousands)	Number	Value (Amount in thousands)	Number	Value (Amount in thousands)
(1) Investment in Equity Instruments (Fully paid up)							
(A) Unquoted Investment							
(i) In Subsidiaries							
Polo Queen Capital Limited	10.00	2250000	22,500.00	2250000	22,500.00	1	0.01
Polo Queen Pharma Trade Industry Ltd.	10.00	50000	500.00	50000	500.00	1	0.01
Polo Queen Solutions Limited	10.00	50000	500.00	50000	500.00	1	0.01
		2350000	23,500.00	2350000	23,500.00	3	0.03

Note 6

Non-Current Investments

PARTICULARS	Face Value	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
		Number	Value (Amount in thousands)	Number	Value (Amount in thousands)	Number	Value (Amount in thousands)
(1) Investment in Equity Instruments (Fully paid up)							
(A) Unquoted Investment							
Zoroastrian Co-op Bank Ltd	10.00	0	-	0	-	10025	100.25
		0	-	0	-	10025	100.25

Note 7

Other non-current Financial Assets

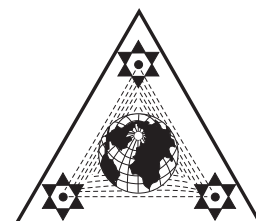
Particulars	(Amount in Thousands)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Security Deposits*	414.05	399.05	257.37
Advances to Related Party	5,000.00	5,000.00	5,445.00
	5,414.05	5,399.05	5,702.37

*These are security depositis given to various authoritie for uncertain period

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NOTES TO FINANCIAL STATEMENTS

For the Year Ended March 31, 2018

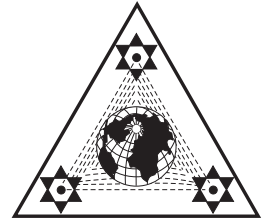
POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Particulars	(Amount in Thousands)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Note 8			
Deferred Tax Assets			
(a) WDV As Per Companies Act (excluding land)	3,727.13	4,488.44	5,389.78
(b) WDV As Per Income Tax Act	5,685.11	6,008.37	6,419.65
Difference	1,957.98	1,519.93	1,029.87
Deferred Tax Assets on above	504.18	469.66	318.23
Deferred Tax Asset on Merger (Sec 35DD) expenses	34.07	434.32	827.75
Deferred Tax Asset on Employee benefit expenses	78.85		
Total Deferred Tax Asset	617.10	903.98	1,145.98
Less:Opening Deffered Tax Liability	-	-	-
Less:Opening Deffered Tax Assets	903.98	1,145.98	14,357.09
Deferred tax assets (net)	617.10	903.98	1,145.98
Note : 9			
Non-Current Tax Assets (Net)			
Indirect taxes	2,701.94	3,002.06	3,109.13
Direct taxes	15.00	15.00	-
	2,716.94	3,017.06	3,109.13
Note 10			
Inventories			
Raw Material	1,707.31	1,923.42	1,473.41
Stock in Trade	15,780.95	19,289.54	20,845.27
	17,488.26	21,212.96	22,318.68
Note 11			
Trade and other receivables			
Trade Receivables			
Unsecured, considered good	1,35,662.78	1,46,780.83	84,406.67
	1,35,662.78	1,46,780.83	84,406.67
Less: Provision for doubtful debts	-	-	-
	1,35,662.78	1,46,780.83	84,406.67
Note 12			
Cash and cash equivalents			
Cash on hand	23.31	598.45	9.46
Balance with banks			
- Current accounts	399.64	667.79	898.19
	422.96	1,266.24	907.65
Note 13			
Other bank balances			
Fixed deposits due to mature within 12 months of reporting date (Includind accrued interest)	2,364.17	2,514.14	2,123.51
	2,364.17	2,514.14	2,123.51
Note 14			
Current financial assets - Loans			
Loans & advances to employees	138.07	150.00	160.00
	138.07	150.00	160.00

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NOTES TO FINANCIAL STATEMENTS

For the Year Ended March 31, 2018

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Particulars	(Amount in Thousands)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Note 15			
Other current assets			
Advance to Suppliers			
Unsecured, considered good	1,599.43	302.22	258.11
Prepaid Expenses	375.48	351.01	692.12
Sundry Advance	6.29	13.98	13.63
	1,981.20	667.21	963.86
Note : 16			
Non-Current Tax Assets (Net)			
Direct taxes	187.05	-	182.48
	187.05	-	182.48

Note : 17

Share Capital

a. Details of authorised, issued and subscribed share capital

Particulars	(Amount in Thousands)		
	March 31, 2018	March 31, 2017	April 1, 2016
Authorised Capital	9,00,000.00	9,00,000.00	9,00,000.00
90,000,000 Equity shares of Rs 10 each			
Issued, Subscribed and fully Paid up	6,71,500.00	6,71,500.00	6,71,500.00
67,150,000 Equity shares of Rs 10 each			
	6,71,500.00	6,71,500.00	6,71,500.00

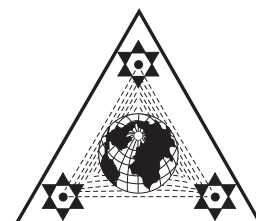
b. Reconciliation of number of shares at the beginning and at the end of the year

Particulars	March 31, 2018		March 31, 2017		April 1, 2016	
	No. of Shares	Value (Amount in thousands)	No. of Shares	Value (Amount in thousands)	No. of Shares	Value (Amount in thousands)
Shares outstanding at the beginning of the year	6,71,50,000	6,71,500.00	6,71,50,000	6,71,500.00	6,71,50,000	6,71,500.00
Add: Shares issued during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	6,71,50,000	6,71,500.00	6,71,50,000	6,71,500.00	6,71,50,000	6,71,500.00

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NOTES TO FINANCIAL STATEMENTS

For the Year Ended March 31, 2018

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

c. Shareholders holding information

Shareholders holding more than 5% of shares in the company	March 31, 2018		March 31, 2017		April 1, 2016	
	No. of Shares	Percentage	No. of Shares	Percentage	No. of Shares	Percentage
Manjuladevi Sanghai	4180575	6.23%	4180575	6.23%	5098950	7.59%
Devesh Sanghai	4930700	7.34%	4930700	7.34%	6397500	9.53%
Pan Emami Cosmed Limited	4100000	6.11%	4100000	6.11%	-	-
Rahul Kumar Sanghai	3632025	5.41%	3632025	5.41%	4860100	7.24%
Vasudha Sanghai	5295500	7.89%	5295500	7.89%	7122350	10.61%
Prabha Devi Sanghai	3382725	5.04%	3382725	5.04%	5028500	7.49%
Viraj Kumar Sanghai	4915150	7.32%	4915150	7.32%	6379850	9.50%
Pritam Kumar Sanghai	4187800	6.24%	4187800	6.24%	5778100	8.60%
Udit Kumar Sanghai	4190250	6.24%	4190250	6.24%	5827900	8.68%
New Way Constructions Ltd	3350000	4.99%	4100000	6.11%	-	-

d. The company has only one class of shares referred to as equity shares having a par value of Rs 10/- each. Each holder of equity shares is entitled to one vote per share.

Particulars	(Amount in Thousands)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Note 18			
Other Equity			
Capital Reserve	8,53,387.42	8,53,387.42	8,53,387.42
Revaluation reserve	2,34,286.52	2,34,286.52	2,34,286.52
General Reserve	21,539.84	21,539.84	21,539.84
Retained Earnings	29,459.44	20,148.41	9,089.38
	11,38,673.22	11,29,362.19	11,18,303.16
Note 19			
Non Current financial Liabilities - Borrowings			
Unsecured			
a) From related party	77,113.00	71,541.25	37,798.37
b) Other loans and advances			
i) From bank	-	142.20	371.00
ii) From Others	-	195.26	798.79
	77,113.00	71,878.71	38,968.16
Note 20			
Non Current financial Liabilities - Provisions			
Provision for employee benefits	306.21	-	-
	306.21	-	-
Note 21			
Other non-current financial liabilities			
Retention money	650.00	7,951.35	650.00
	650.00	7,951.35	650.00


NOTES TO FINANCIAL STATEMENTS

For the Year Ended March 31, 2018

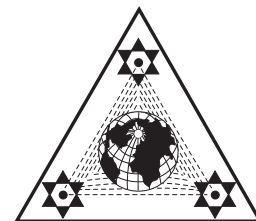
POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Particulars	(Amount in Thousands)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Note 22			
Current Financial Liabilities - Borrowings Secured			
i) From Banks	41,853.08	35,454.31	41,401.36
ii) From others	337.46	551.70	1,068.78
	42,190.55	36,006.01	42,470.14
(i) Secured Loan From bank is raised against security of the assets which are as follows.			
(a) Term Loan - Secured against 1st Charge on the Property Secured at MIDC Mahad , Personal guarantee of the directors and Corporate guarantee of the company.			
(b) Cash Credit - Secured against Hypothecation of Stock & Debtors upto 90 days.			
(c) Overdraft Against Govt supply bills: Hypothecations of receivables including supply bills receivables.			
(d) Letter of Credit: Documents under Letter of Credit and Goods under L/C.			
(e) Collateral Security: 1st charge on Block Assets of the company immovable and movable present and future also.			
(f) Negative Lien on the Property situated at MIDC Dombivli			
(ii) Secured loan from banks includes term loan amounting to 1,42,201/- which is secured against the car purchased.			
(iii) Secured loan from others is secured against the car purchased.			
Note 23			
Trade Payable			
(a) Outstanding dues of Micro and Small Enterprise			
(b) Others	1,03,657.51	1,09,776.09	44,948.09
	1,03,657.51	1,09,776.09	44,948.09
Note 24			
Current - Other financial liabilities			
Creditors for fixed assets			
Accrued expenses	445.49	665.36	871.78
Current Maturities of Long-term debt	-	321.82	-
Other deposit	63.50	-	-
	508.99	987.18	871.78
Note 25			
Other current liabilities			
Statutory dues payable	516.03	1,633.84	739.19
Advance from customers	56.48	272.43	671.68
Sundry advances	-	6,052.42	4,263.97
	572.51	7,958.70	5,674.83
Note 26			
Current Tax Liabilities			
Income tax Liabilities	476.34	866.34	265.02
	476.34	866.34	265.02

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NOTES TO FINANCIAL STATEMENTS

For the Year Ended March 31, 2018

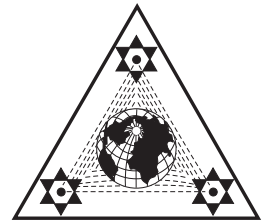
POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Particulars	(Amount in Thousands)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Note 27		
Revenue from Operations		
Sales of products	7,20,776.18	6,15,483.65
Less : Trade discount, Returns, Rebate etc.,	2,325.82	2,007.11
	7,18,450.35	6,13,476.53
Note 28		
Other Income		
Interest income on :		
- Deposits with banks	157.79	170.74
Net gain on sale of fixed assets	2.04	-
Sundry credit balances Written off	34.71	444.75
Rent received	240.00	240.00
Miscellaneous income	466.92	547.78
	901.47	1,403.26
Note 29		
Cost of materials consumed		
Opening stock	1,923.42	1,473.41
Add: Purchases	838.66	2,183.79
	2,762.08	3,657.20
Less: Closing stock	1,707.31	1,923.42
	1,054.76	1,733.78
Note 30		
Purchase of stock-in-trade (Traded goods)	6,36,767.08	5,23,954.21
	6,36,767.08	5,23,954.21
Note 31		
Changes in inventories of stock-in-trade		
Particulars		
Opening Inventory		
Stock in Trade	19,289.54	20,845.27
	19,289.54	20,845.27
Closing Inventory		
Stock in Trade	15,780.95	19,289.54
	15,780.95	19,289.54
Changes in inventory	3,508.60	1,555.72

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NOTES TO FINANCIAL STATEMENTS

For the Year Ended March 31, 2018

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Particulars	(Amount in Thousands)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Note 32		
Employee benefit expense		
Salaries, wages and bonus	9,968.19	11,648.83
Contributions to -		
Provident fund	124.78	138.76
Other funds	144.82	51.40
Staff welfare expenses	326.94	120.90
Provision for gratuity	306.21	-
	10,870.94	11,959.89
Note 33		
Finance cost		
Interest expenses	14,606.79	16,207.32
Other Borrowing cost	339.25	338.02
	14,946.04	16,545.34
Note 34		
Other Expenses		
Freight, Forward and transportation charges (net)	9,625.98	12,442.10
Godown Expenses	120.00	270.78
Electricity	557.29	530.22
Repairs and Maintenance :	1,574.35	2,504.67
Insurance	390.34	357.69
Rates and taxes (net of reversals)	2,052.36	2,430.50
Stock Exchange Listing fees	3,409.50	194.65
Travelling and conveyance	2,301.47	3,671.44
Legal and professional	3,273.59	3,643.98
Communication	365.72	299.22
Payment to auditor	127.00	184.00
Printing and stationary	236.38	340.31
Sales promotion	448.29	141.27
Advertisement	1,508.86	716.03
Commission	6,314.49	7,131.83
Postage and courier	47.67	108.71
Internet Expenses	155.88	123.19
Bank charges	145.57	203.32
Service Tax on Transportation	93.21	441.34
Director Sitting Fees	175.00	200.00
Custom Duty	-	1,293.78
Books, Periodicals & Membership	487.58	597.36
Motor Vehicle Expenses	795.35	683.59
Designing & Development	-	29.96
Miscellaneous expenses	1,590.82	1,571.06
	36,724.89	40,111.00



NOTES TO FINANCIAL STATEMENTS

For the Year Ended March 31, 2018

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Note 35 : Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting profit impact of dilutive potential equity shares, if any) by the aggregate of weighted average number of Equity shares outstanding during the year and the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

Particulars	(Amount in Thousands)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
i. Profit attributable to equity holders		
Profit attributable to equity holders of the parent for basic and diluted EPS	93,11.03	11,044.81
	93,11.03	11,044.81
ii. Weighted average number of ordinary shares		
Issued ordinary shares	6,71,50,000	6,71,50,000
Add/(Less): Effect of shares issued/ (bought back)	-	-
Weighted average number of shares at March 31 for basic and diluted EPS	6,71,50,000	6,71,50,000
iii. Basic and diluted earnings per share (Rs)	0.14	0.16

Note 36 : Financial Risk Management

The Company's business activities are exposed to financial risks, namely Credit risk, Liquidity risk. The Company's Senior Management has the overall responsibility for establishing and governing the Company's risk management framework. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The audit committee oversees how Management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported the audit committee.



NOTES TO FINANCIAL STATEMENTS

For the Year Ended March 31, 2018

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes, if require an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

"Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents"

Note 37 : Capital Management

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using Adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances

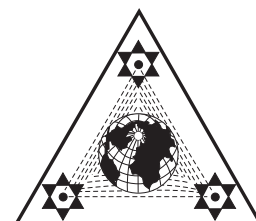
Particulars	(Amount in Thousands)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Non- Current borrowing	77,113.00	71,878.71	38,968.16
Current borrowings	42,190.55	36,006.01	42,470.14
Current maturity of long term debt	-	321.82	-
Gross debt	1,19,303.55	1,08,206.54	81,438.30
Less : Cash and cash equivalents	422.96	1,266.24	907.65
Less : Other bank balances	2,364.17	2,514.14	2,123.51
Adjusted net debt	1,16,516.42	1,04,426.16	78,407.14
Total Equity	18,10,173.22	18,00,862.19	17,89,803.16
Adjusted Net debt to Equity ratio	0.06	0.06	0.04

NOTES TO FINANCIAL STATEMENTS

For the Year Ended March 31, 2018



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POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Note 38 : First time - Adoption of Ind AS

1. Explanation of transition to Ind AS :

As per Note 1, these are the Company's first financial statements prepared in accordance with Ind AS. For the year ended March 31, 2018 the Company had prepared its financial statements in accordance with Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act ('IGAAP'). The accounting policies set out in Note 1 have been applied in preparing these financial statements for the year ended March 31, 2018 and the opening Ind AS balance sheet on the date of transition i.e. April 1, 2016. In preparing its Ind AS balance sheet as at April 1, 2016 and in presenting the comparative information for the year ended March 31, 2018 the Company has adjusted amounts previously reported in the financial statements prepared in accordance with IGAAP. This note explains the principal adjustments made by the Company in restating its financial statements prepared in accordance with IGAAP, and how the transition from IGAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

2. Optional exemptions availed and mandatory exceptions

In preparing the financial statements, the Company has applied the below mentioned optional exemptions and mandatory exceptions.

A. Optional exemptions availed

i). Property, plant and equipment and Intangible assets

The Company has availed the exemption available under Ind AS 101 to continue the carrying value for all of its property, plant and equipment and intangibles as recognised in the financial statements as at the date of transition to Ind AS, measured as per the IGAAP and use that as its deemed cost as at the date of transition (April 1, 2016).

ii). Investment in Subsidiaries

The Company has elected to use the exemption to measure all investments in Subsidiaries as recognised in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (April 1, 2016).

iii). Business Combination

"Ind AS 101 provided the option to apply Ind AS 103 prospectively from the transition date or specific date prior to the transition date. The Company has elected to apply Ind AS 103 prospectively to business combination occurring after its transition date. Business combination prior to the transition date have not been restated"

3. Mandatory Exceptions

i) Estimates

On assessment of the estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under Previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

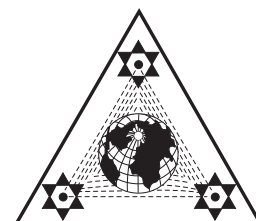
ii) Classification and measurement of financial assets

As permitted under Ind AS 101, Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. In line with Ind AS 101, measurement of financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

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NOTES TO FINANCIAL STATEMENTS

For the Year Ended March 31, 2018

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

4. Reconciliation of net worth

Particulars	(Amount in Thousands)	
	As at March 31, 2017	As at April 1, 2016
Equity under IGAAP	18,00,862.19	17,89,803.16
Summary of Ind AS adjustments	-	-
Total Ind AS adjustments	-	-
Net worth under Ind AS	18,00,862.19	17,89,803.16

5. Reconciliation of Total Comprehensive Income

(Amount in Thousands)

Particulars	As at March 31, 2017
Net Profit after tax as per Indian GAAP	11,044.81
Summary of Ind AS adjustments	-
Total Ind AS adjustments	-
Profits as per Ind AS	11,044.81

6. There were no material differences between the Statement of Cash Flows presented under Ind AS and the Previous GAAP

Note 39. Related party Information

A. Names of the Related parties

Companies exercising significant influence:

Someshwara Industries & Exports Limited

Subsidiary

Polo Queen Capital Ltd.

Polo Queen Solutions Ltd.

Polo Queen Pharma Trade Industry Limited

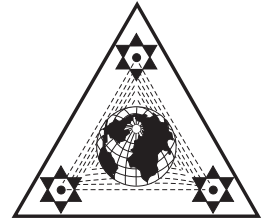
Key management personnel and their relatives

Usha Sanghai	Umesh Agarwal
Nandlal Sanghai	Aneeta Sanghai
Rahul Sanghai	Udit Sanghai
Prabhas Sanghai	Vasudha Sanghai
Manjula Sanghai	

From the house of



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NOTES TO FINANCIAL STATEMENTS

For the Year Ended March 31, 2018

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

B. The following transactions were carried out with the related parties in the ordinary course of business.

(Amount in Thousands)

Nature of Transaction	Companies exercising significant influence		Key management personnel		Total	
	(i)		(iv)			
	2018	2017	2018	2017	2018	2017
Compensation Charges	180.00	180.00	-	-	180.00	180.00
Interest Paid	-	-	6,736.36	8,253.16	6,736.36	8,253.16
Loan Taken	-	-	1,43,381.27	2,98,015.25	1,43,381.27	2,98,015.25
Loan Repaid	-	-	1,43,872.24	2,71,700.22	1,43,872.24	2,71,700.22
Managerial Remuneration	-	-	3,300.00	1,937.00	3,300.00	1,937.00

Note 40 : The Company has presented segment information in the consolidated financial statements which are presented in the same financial report. Accordingly, in terms of Ind AS 108 'Operating Segments', no disclosures related to segments are presented in this standalone financial statements.

Note 41 : There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

Note 42 : Figures for the previous years have been regrouped / restated wherever necessary to conform to current year's presentation.

As per our report of Even Date
For GUPTA RAJ & CO.
Chartered Accountants
Firm Reg No : 001687N

CA NIKUL JALAN
PARTNER
Mem. No. 112353

Place : Mumbai
Date : 21.05.2018

For POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

NANDLAL SANGHAI
DIRECTOR
(DIN - 00181592)

PRABHAS SANGHAI
DIRECTOR
(DIN - 00302947)

RAHUL KUMAR SANGHAI
DIRECTOR
(DIN - 00181745)

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

NAMRATA VANAMALA
COMPANY SECRETARY
(MEM NO - A40814)

From the house of



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NOTES TO FINANCIAL STATEMENTS

For the Year Ended March 31, 2018

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Information on Subsidiary Companies

FORM AOC -1

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

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

Part "A": Subsidiaries

(Amount in Thousands)

SN	Name of the Subsidiary	Polo Queen Solutions Limited	Polo Queen Pharma Trade Industry Limited	Polo Queen Capital Limited
1.	Reporting Period for the Subsidiary concerned, if different from the holding Company's reporting period	March 31, 2018	March 31, 2018	March 31, 2018
2.	The date since when the subsidiary was acquired	March 3, 2016	March 3, 2016	March 15, 2016
3.	Reporting currency	INR	INR	INR
4.	Share capital	500.00	500.00	22500.00
5.	Reserves and surplus	(108.90)	(108.33)	1420.77
6.	Total Assets	403.03	403.72	25283.74
7.	Total Liabilities (excluding Share Capital and Reserves & Surplus)	11.93	12.05	1362.23
8.	Investments	-	-	12858.49
9.	Turnover	43.61	44.37	1424.23
10.	Profit before taxation	17.43	18.19	1186.75
11.	Provision for taxation	6.69	10.88	322.09
12.	Profit after taxation	6.74	7.31	864.66
13.	Proposed Dividend	-	-	-
14.	Extent of shareholding (in percentage)	100%	100%	100%

Part B Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures - Not Applicable

As per our report of Even Date

For GUPTA RAJ & CO.

Chartered Accountants

Firm Reg No : 001687N

CA NIKUL JALAN

PARTNER

Mem. No. 112353

Place : Mumbai

Date : 21.05.2018

For POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

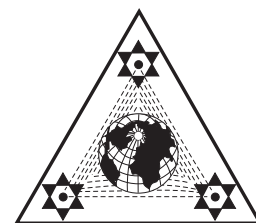
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NAMRATA VANAMALA
COMPANY SECRETARY
(MEM NO - A40814)



CONSOLIDATED AUDITOR'S REPORT

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Polo Queen Industrial and Fintech Limited (hereinafter referred to as the "Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as the "Group"), comprising Consolidated Balance Sheet as at March 31, 2018 and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Parent'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 consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. In conducting our audit, we have taken into

account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

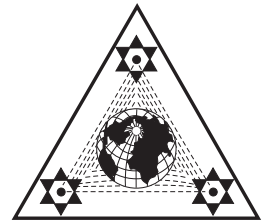
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the group as at March 31, 2018 and its consolidated profit, Consolidated total comprehensive income, consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Other Matters

We did not audit the financial statements of the subsidiaries, whose financial statements reflect total



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CONSOLIDATED AUDITOR'S REPORT

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

assets of Rs. 2,48,84,103 as at March 31, 2018 total revenues of Rs. 15,12,199 for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

The comparative financial information for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 in respect of two subsidiaries included in this consolidated Ind AS financial statements prepared in accordance with the Ind AS have been audited by other auditors and have been relied upon by us. Our opinion on the consolidated Ind AS financial statements above, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements of subsidiaries referred in the Other Matters paragraph above we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Cash Flow Statement and the Consolidated statement of

changes in equity dealt with by this Report are in agreement with the books of account.

- d) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued thereunder.
- e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure 1", which is based on the auditors' reports of the Holding company and subsidiary companies. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the parent and subsidiary company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The group does not have any pending litigations which would impact its financial position.
 - ii. The group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**FOR GUPTA RAJ & CO.
CHARTERED ACCOUNTANTS
FIRM No. 001687N**

**CA NIKUL JALAN
PARTNER
MEMBERSHIP NO. 0112353**

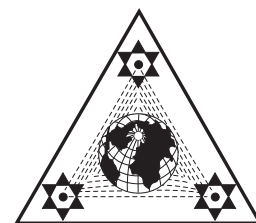
PLACE: MUMBAI

DATED: MAY 21, 2018

ANNEXURE 2 TO THE INDEPENDENT AUDITORS' REPORT



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POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

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

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

We have audited the internal financial controls over financial reporting of POLO QUEEN INDUSTRIAL AND FINTECH LTD ("the Parent Company") and its subsidiary companies as of March 31, 2018 in conjunction with our audit of the consolidated Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent and its subsidiary companies which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over

Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that



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CONSOLIDATED AUDITOR'S REPORT

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors

referred to in the Other Matters paragraph below, the Parent and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018 based on the internal control over financial reporting criteria established by the respective companies 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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to its subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of the above matters.

**FOR GUPTA RAJ & CO.
CHARTERED ACCOUNTANTS
FIRM No. 001687N**

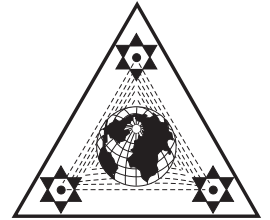
**CA NIKUL JALAN
PARTNER
MEMBERSHIP NO. 0112353**

**PLACE: MUMBAI
DATED: MAY 21, 2018**

From the house of



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CONSOLIDATED BALANCE SHEET

As at March 31, 2018

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

(Amount in Thousands)

Particulars	Note No.	As At March 31, 2018	As At March 31, 2017	As At April 1, 2016
I. ASSETS				
(1) Non-current assets				
(a) Property, Plant and Equipment	2	17,94,670.21	17,95,362.39	17,96,358.53
(b) Capital work-in-progress	3	49,904.91	34,862.96	5,617.10
(c) Intangible assets	4	580.63	649.74	554.94
(d) Financial Assets				
(i) Other Investments	5	12,191.81	-	100.25
(ii) Other	6	5,414.05	5,399.05	5,702.37
(e) Deferred tax assets (Net)	7	674.47	1,007.25	1,145.98
(f) Non-Current Tax Assets (Net)	8	2,834.12	3,017.06	3,109.13
Total non current assets		18,66,270.20	18,40,298.46	18,12,588.31
(2) Current Assets				
(a) Inventories	9	17,488.26	21,212.96	22,318.68
(b) Financial Assets				
(i) Trade receivables	10	1,35,662.78	1,46,780.83	84,406.67
(ii) Cash and cash equivalents	11	12,148.25	3,045.82	907.65
(iii) Bank balances other than (ii) above	12	2,364.17	24,651.02	2,123.51
iv) Loans	13	138.07	150.00	160.00
(c) Other current assets	14	2,000.06	667.21	963.86
(d) Current Tax Assets (Net)	15	187.05	-	182.48
Total Current Assets		1,69,988.65	1,96,507.84	1,11,062.85
Total Assets		20,36,258.85	20,36,806.30	19,23,651.16
II. EQUITY AND LIABILITIES				
(1) Equity				
(a) Equity share capital	16	6,71,500.00	6,71,500.00	6,71,500.00
(b) Other equity	17	11,39,210.09	11,29,687.03	11,18,303.134
Total equity		18,10,710.09	18,01,187.03	17,89,803.13
(2) Non current liabilities				
(a) Financial liabilities				
(i) Borrowings	18	77,113.00	71,878.71	38,968.16
(b) Provisions	19	306.21	-	-
(c) Other non-current liabilities	20	650.00	7,951.35	650.00
Total non current liabilities		78,069.21	79,830.06	39,618.16
(3) Current liabilities				
(a) Financial liabilities				
(i) Borrowings	21	42,190.55	36,006.01	42,470.14
(ii) Trade payables	22	1,03,657.51	1,09,776.09	44,948.09
(iii) Other financial Liabilities	23	508.99	987.18	871.78
(b) Other current liabilities	24	645.80	8,026.55	5,674.83
(c) Current Tax Liabilities	25	476.71	993.38	265.02
Total Current liabilities		1,47,479.55	1,55,789.21	94,229.87
TOTAL EQUITY AND LIABILITIES		20,36,258.85	20,36,806.30	19,23,651.16

As per our report of Even Date
For GUPTA RAJ & CO.
Chartered Accountants
Firm Reg No : 001687N

CA NIKUL JALAN
PARTNER
Mem. No. 112353

Place : Mumbai
Date : 21.05.2018

For POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

NANDLAL SANGHAI
DIRECTOR
(DIN - 00181592)

PRABHAS SANGHAI
DIRECTOR
(DIN - 00302947)

RAHUL KUMAR SANGHAI
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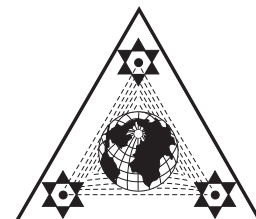
NAMRATA VANAMALA
COMPANY SECRETARY
(MEM NO - A40814)

**CONSOLIDATED
STATEMENT OF
PROFIT AND LOSS**

For the Year Ended March 31, 2018



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POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Particulars	Note No.	(Amount in Thousands)	
		For the year ended March 31, 2018	For the year ended March 31, 2017
Revenue			
I. Revenue from Operations (Gross)			
Sales of products	26	7,18,450.35	6,13,476.53
Other Operating revenue		-	-
II. Other income	27	2,387.47	2,644.10
III. Total Income (I+II)		7,20,837.82	6,16,120.63
IV. Expenses			
Cost of materials consumed	28	1,054.76	1,733.78
Purchase of stock-in-trade (Traded goods)	29	6,36,767.08	5,23,954.21
Changes in inventories of stock-in-trade	30	3,508.60	1,555.72
Employee Benefits Expenses	31	10,870.94	11,959.89
Finance Cost	32	14,946.04	16,545.34
Depreciation and Amortization Expenses	2	1,402.90	1,599.60
Other Expenses	33	36,988.53	40,879.15
Total Expenses (IV)		7,05,538.84	5,98,227.69
V. Profit/(loss) before Tax		15,298.98	17,892.94
VI. Tax expense:			
1. Current Tax		4,776.46	6,384.56
2. Deferred Tax		332.78	138.73
VII. Profit/(Loss) for the period		10,189.73	11,369.64
VIII. Other comprehensive income		(666.68)	
IX. Total comprehensive income for the period		9,523.06	11,369.64
X. Earnings per equity share			
Basic and diluted earnings per share	34	0.15	0.17
Significant Accounting Policies	1		

As per our report of Even Date
For GUPTA RAJ & CO.
Chartered Accountants
Firm Reg No : 001687N

CA NIKUL JALAN
PARTNER
Mem. No. 112353

Place : Mumbai
Date : 21.05.2018

For POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

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(DIN - 00181592)

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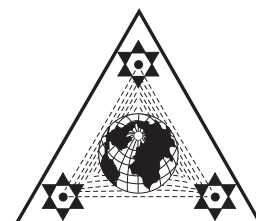
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WHOLE TIME DIRECTOR & CFO
(DIN - 06725206)

NAMRATA VANAMALA
COMPANY SECRETARY
(MEM NO - A40814)

**CONSOLIDATED
STATEMENT OF
CHANGES IN EQUITY
(SOCIE)**



34th ANNUAL REPORT



POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

(a) Equity share capital	(Amount in Thousands)
Balance as at April, 1st, 2016	6,71,500.00
Changes in equity share capital during 2016-17	-
Balance as at March, 31st, 2017	6,71,500.00
Changes in equity share capital during the year	-
Balance as at March, 31st, 2018	6,71,500.00

(b) Other equity

Particulars	Reserves & Surplus (Amount in Thousands)					Total
	Capital Reserve	General Reserve	Revaluation Reserve	Surplus	Other Comprehensive Income - Fair value of Investment	
Balance as at April 1, 2016	8,53,387.42	21,539.84	2,34,286.52	9,089.38	-	11,18,303.16
Profit for the year	324.84	-	-	11,044.81	-	11,369.65
Tax adjustments relating to prior years	-	-	-	14.22	-	14.22
Other comprehensive income for the year	-	-	-	-	-	-
Balance as at March 31, 2017	8,53,712.26	21,539.84	2,34,286.52	20,148.41		11,29,687.03
Profit for the year	878.71	-	-	9,311.03	-	10,189.73
Fair valuation of Investments	-	-	-	-	(666.68)	(666.68)
Balance as at March 31, 2018	8,54,590.96	21,539.84	2,34,286.52	28,792.76	(666.68)	11,39,210.09

As per our report of Even Date
For GUPTA RAJ & CO.
Chartered Accountants
Firm Reg No : 001687N

CA NIKUL JALAN
PARTNER
Mem. No. 112353

Place : Mumbai
Date : 21.05.2018

For POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

NANDLAL SANGHAI
DIRECTOR
(DIN - 00181592)

PRABHAS SANGHAI
DIRECTOR
(DIN - 00302947)

RAHUL KUMAR SANGHAI
DIRECTOR
(DIN - 00181745)

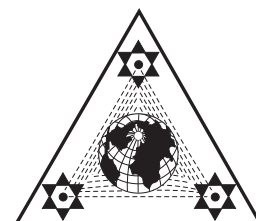
UDIT P. SANGHAI
WHOLE TIME DIRECTOR & CFO
(DIN - 06725206)

NAMRATA VANAMALA
COMPANY SECRETARY
(MEM NO - A40814)

From the house of



34th ANNUAL REPORT



CONSOLIDATED CASH FLOW STATEMENT

For the Year Ended March 31, 2018

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Particulars	(Amount in Thousands)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	15,298.98	17,892.94
Adjustments to reconcile profit before tax to cash provided by operating activities		
Depreciation and amortisation expense	1,402.90	1,599.60
Profit on sale of Fixed Assets	(2.04)	-
Provision for expenses	306.21	-
Interest received	(157.79)	(170.74)
Sundry balance written off	(34.71)	(444.75)
Interest Paid	14,606.79	16,207.32
Other borrowing cost	339.25	338.02
Effect of Foreign exchange fluctuation	-	-
Operating profit before Working Capital Changes	31,759.58	35,422.39
Changes in assets and liabilities		
(Increase) / Decrease in Inventory	3,724.70	1,105.71
(Increase) / Decrease in Trade receivables	11,118.05	(62,374.16)
(Increase) / Decrease in Short term Loans and advances	(1,313.32)	(114.09)
(Increase) / Decrease in Other financial assets	(15.00)	(141.69)
(Increase) / Decrease in Other current assets	(1,313.99)	741.65
(Increase) / Decrease in Short term Borrowings	6,958.12	(6,464.14)
Increase / (Decrease) in Trade payables	(6,083.87)	65,272.75
(Increase) / Decrease in Other financial liabilities	(478.19)	115.39
Increase / (Decrease) in Other Current liabilities	(7,096.40)	2,373.38
Increase / (Decrease) in Other liabilities	(7,301.35)	7,301.35
Cash Generated From Operations	29,958.34	43,238.56
Income taxes paid	5,048.80	5,265.00
NET CASH GENERATED BY OPERATING ACTIVITIES	24,909.54	37,973.56
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment towards Capital expenditure	(15,041.95)	(29,245.86)
Purchase of Investments	(12,858.49)	-
Investments in Subsidiaries	-	-
Sale investments	-	100.28
Investments in FD	-	(22,136.87)
FD proceeds	22,286.85	(390.63)
Purchase of fixed assets	(642.95)	(698.26)
Sale of fixed assets	3.39	-
Interest received	157.79	170.74
NET CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES	(6,095.36)	(52,200.61)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(14,606.79)	(16,207.32)
Borrowing cost	(339.25)	(338.02)
Loan taken	5,234.29	32,910.55
NET CASH USED IN FINANCING ACTIVITIES	(9,711.75)	16,365.22
Effect of exchange differences on translation of foreign currency cash and cash equivalents		
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	9,102.43	2,138.17
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	3,045.82	907.65
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	12,148.25	3,045.82

As per our report of Even Date

For GUPTA RAJ & CO.

Chartered Accountants

Firm Reg No : 001687N

CA NIKUL JALAN

PARTNER

Mem. No. 112353

Place : Mumbai

Date : 21.05.2018

For POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

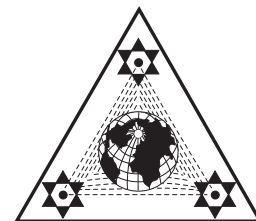
NANDLAL SANGHAI
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NAMRATA VANAMALA
COMPANY SECRETARY
(MEM NO - A40814)



NOTES TO ACCOUNTS

For the Year Ended March 31, 2018

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Note 2 : Property, plant and equipment

Following are the changes in the carrying value of property, plant and equipment for the year ended March 31, 2018 (Amount in Thousands)

DESCRIPTION	Plant and Equipment	Motor Vehicle	Office Equipment	Furniture & Fixtures	Computers	MIDC Leasehold Land	IT Park - Leasehold Land & Building	TOTAL
Cost as at April 1, 2017	1,826.35	5,741.97	489.84	3,453.04	246.30	2,68,857.00	15,22,666.70	18,03,281.19
Additions	-	-	166.93	476.01	-	0.01	-	642.95
Deletions	-	-	-	-	1.35	-	-	1.35
Cost as at March 31, 2018 (A)	1,826.35	5,741.97	656.77	3,929.05	244.95	2,68,857.01	15,22,666.70	18,03,922.79
Accumulated depreciation as at April 1, 2017	1,478.61	3,014.50	189.37	3,054.43	181.89	-	-	7,918.80
Depreciation for the current period	88.57	839.90	174.95	192.77	37.60	-	-	1,333.79
Depreciation upto April 1, 2016	-	-	-	-	-	-	-	-
Deletions	-	-	-	-	-	-	-	-
Accumulated depreciation as at March 31, 2018 (B)	1,567.18	3,854.40	364.31	3,247.21	219.49	-	-	9,252.59
Net carrying amount as at March 31, 2018 (A) - (B)	259.17	1,887.57	292.45	681.85	25.46	2,68,857.01	15,22,666.70	17,94,670.21

Following are the changes in the carrying value of property, plant and equipment for the year ended March 31, 2017 (Amount in Thousands)

DESCRIPTION	Plant and Equipment	Motor Vehicle	Office Equipment	Furniture & Fixtures	Computers	MIDC Leasehold Land	IT Park - Leasehold Land & Building	TOTAL
Cost as at April 1, 2016	1,826.35	5,741.97	169.99	3,327.38	159.01	2,68,857.00	15,22,666.70	18,02,748.39
Additions	-	-	319.85	125.66	87.29	-	-	532.80
Deletions	-	-	-	-	-	-	-	-
Transferred as per scheme of Arrangement	-	-	-	-	-	-	-	-
Cost as at March 31, 2017 (A)	1,826.35	5,741.97	489.84	3,453.04	246.30	2,68,857.00	15,22,666.70	18,03,281.19
Accumulated depreciation as at April 1, 2016	1,344.68	1,793.19	145.52	2,982.84	123.63	-	-	6,389.86
Depreciation for the year	133.93	1,221.31	43.85	71.59	58.26	-	-	1,528.94
Deletions	-	-	-	-	-	-	-	-
Accumulated depreciation as at March 31, 2017 (B)	1,478.61	3,014.50	189.37	3,054.43	181.89	-	-	7,918.80
Net carrying amount as at March 31, 2017 (A) - (B)	347.74	2,727.46	300.47	398.61	64.41	2,68,857.00	15,22,666.70	17,95,362.39
Net carrying amount as at April, 1 2016	481.67	3,948.78	24.47	344.54	35.38	2,68,857.00	15,22,666.70	17,96,358.53

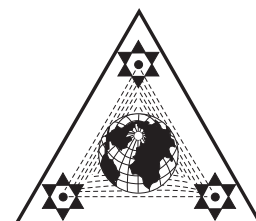
The Company has availed the deemed cost exemption in relation to the property plant and equipment on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date. Refer note below for the gross block value and the accumulated depreciation on April 1, 2016 under the previous GAAP

DESCRIPTION	Plant and Equipment	Motor Vehicle	Office Equipment	Furniture & Fixtures	Computers	MIDC Leasehold Land	IT Park - Leasehold Land & Building	TOTAL
Gross Block	1,826.35	5,741.97	169.99	3,327.38	159.01	2,68,857.00	15,22,666.70	18,02,748.39
Accumulated Depreciation	1,344.68	1,793.19	145.52	2,982.84	123.63	-	-	6,389.86
Net Block	481.67	3,948.78	24.47	344.54	35.38	2,68,857.00	15,22,666.70	18,09,138.25

Note 3 : Capital Work in progress

(Amount in Thousands)

DESCRIPTION	Mahad Land & Building	IT Park Land & Building	TOTAL
Cost as at April 1, 2016	801.50	4,815.60	5,617.10
Additions	26,414.61	2,831.25	29,245.86
Deletions	-	-	-
Cost as at March 31, 2017	27,216.11	7,646.85	34,862.96
Additions	12,646.73	2,395.22	15,041.95
Deletions	-	-	-
Cost as at March 31, 2018	39,862.84	10,042.07	49,904.91



NOTES TO ACCOUNTS

For the Year Ended March 31, 2018

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Note 4

Intangibles Assets

Following are the changes in the carrying value of intangible assets for the year ended March 31, 2018

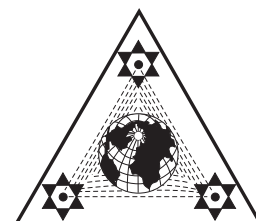
DESCRIPTION	(Amount in Thousands)		
	Trade Mark	Computer Software	TOTAL
Cost as at April 1, 2017	668.00	564.20	1,232.20
Additions	-	-	-
Deletions	-	-	-
Cost as at March 31, 2018 (A)	668.00	564.20	1,232.20
Accumulated amortisation as at April 1, 2017	487.49	94.98	582.46
Amortisation for the year	22.19	46.92	69.11
Deletions	-	-	-
Accumulated amortisation and impairment as at March 31, 2018 (B)	509.68	141.90	651.57
Net carrying amount as at March 31, 2018 (A) - (B)	158.33	422.31	580.63

Following are the changes in the carrying value of intangible assets for the year ended March 31, 2017

DESCRIPTION	(Amount in Thousands)		
	Trade Mark	Computer Software	TOTAL
Cost as at April 1, 2016	655.00	411.74	1,066.74
Additions	13.00	152.46	165.46
Deletions	-	-	-
Cost as at March 31, 2017 (A)	668.00	564.20	1,232.20
Accumulated amortisation as at April 1, 2016	460.84	50.96	511.80
Amortisation for the year	26.64	44.02	70.66
Deletions	-	-	-
Accumulated depreciation and impairment as at March 31, 2017 (B)	487.49	94.98	582.46
Net carrying amount as at March 31, 2017 (A)- (B)	180.52	469.23	649.74
Net carrying amount as at April 1, 2016	655.00	411.74	1,066.74

The Company has availed the deemed cost exemption in relation to the intangible assets on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date. Refer note below for the gross block value and the accumulated amortisation on April 1, 2016 under the previous GAAP.

DESCRIPTION	(Amount in Thousands)		
	Trade Mark	Computer Software	TOTAL
Gross Block	655.00	411.74	1,066.74
Accumulated amortisation and impairment	460.84	50.96	511.80
Net Block	194.16	360.78	554.94



NOTES TO ACCOUNTS

For the Year Ended March 31, 2018

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Note 5

Non-Current Investments

PARTICULARS	Face Value	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
		Number	Value (Amount in thousands)	Number	Value (Amount in thousands)	Number	Value (Amount in thousands)
(1) Investment in Equity Instruments (Fully paid up)							
(A) Unquoted Investment							
Zoroastrian Co-op Bank Ltd	10	-	-	-	-	10,025.00	100.25
(B) Quoted Investment							
Fair Value through Other Comprehensive income							
Mutual Funds		1,533.52	511.15	-	-	-	-
Other Equity Investments (Portfolio Investments)		-	11,680.66	-	-	-	-
		1,533.52	12,191.81	-	-	10,025.00	100.25

Particulars	(Amount in Thousands)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Note 6			
Other non-current Financial Assets			
Security Deposits*	414.05	399.05	257.37
Advances to Related Party	5,000.00	5,000.00	5,445.00
	5,414.05	5,399.05	5,702.37
These are security deposits given to various authorities for uncertain period			
Note 7			
Deferred Tax Assets			
(a) WDV As Per Companies Act (excluding land)	3,727.13	4,488.44	5,389.78
(b) WDV As Per Income Tax Act	5,685.11	6,008.37	6,419.65
Difference	1,957.98	1,519.93	1,029.87
Deferred Tax Assets on above	504.18	469.66	318.23
Deferred Tax Asset on Merger (Sec 35DD) expenses	34.07	434.32	827.75
Preliminary Expenses	57.37	103.28	-
Deferred Tax Asset on Employee benefit expenses	78.85	-	-
Total Deferred Tax Asset	674.47	1,007.25	1,145.98
Less: Opening Deffered Tax Liability	-	-	-
Less: Opening Deffered Tax Assets	1,007.25	1,145.98	1,435.71
Deferred tax assets (Net)	674.47	1,007.25	1,145.98
Note : 8			
Non-Current Tax Assets (Net)			
Indirect taxes	2,701.94	3,002.06	3,109.13
Direct taxes	132.17	15.00	-
	2,834.12	3,017.06	3,109.13

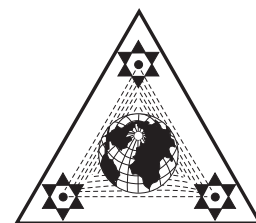


NOTES TO ACCOUNTS

For the Year Ended March 31, 2018

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Particulars	(Amount in Thousands)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Note 9			
Inventories			
Raw Material	1,707.31	1,923.42	1,473.41
Stock in Trade	15,780.95	19,289.54	20,845.27
	17,488.26	21,212.96	22,318.68
Note 10			
Trade and other receivables			
Trade Receivables			
Unsecured, considered good	1,35,662.78	1,46,780.83	84,406.67
	1,35,662.78	1,46,780.83	84,406.67
Less: Provision for doubtful debts	-	-	-
	1,35,662.78	1,46,780.83	84,406.67
Note 11			
Cash and cash equivalents			
Cash on hand	23.73	600.34	9.46
Balance with banks			
- Current accounts	12,124.53	2,445.48	898.19
	12,148.25	3,045.82	907.65
Note 12			
Other bank balances			
Fixed deposits due to mature within 12 months of reporting date (Including accrued interest)	2,364.17	24,651.02	2,123.51
	2,364.17	24,651.02	2,123.51
Note 13			
Current financial assets - Loans			
Loans & advances to employees	138.07	150.00	160.00
	138.07	150.00	160.00
Note 14			
Other current assets			
Advance to Suppliers			
Unsecured, considered good	1,618.29	302.22	258.11
Prepaid Expenses	375.48	351.01	692.12
Sundry Advance	6.29	13.98	13.63
	2,000.06	667.21	963.86
Note : 15			
Non-Current Tax Assets (Net)			
Direct taxes	187.05	-	182.48
	187.05	-	182.48



NOTES TO ACCOUNTS

For the Year Ended March 31, 2018

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Note : 16

Share Capital

a. Details of authorised, issued and subscribed share capital

Particulars	(Amount in Thousands)		
	March 31, 2018	March 31, 2017	April 1, 2016
Authorised Capital 90,000,000 Equity shares of Rs 10 each	9,00,000.00	9,00,000.00	9,00,000.00
Issued, Subscribed and fully Paid up 67,150,000 Equity shares of Rs 10 each	6,71,500.00	6,71,500.00	6,71,500.00
	6,71,500.00	6,71,500.00	6,71,500.00

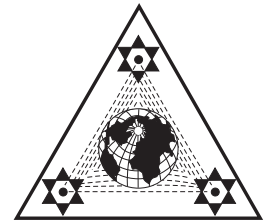
b. Reconciliation of number of shares at the beginning and at the end of the year

Particulars	March 31, 2018		March 31, 2017	
	No. of Shares	Value (Amount in Thousands)	No. of Shares	Value (Amount in Thousands)
Shares outstanding at the beginning of the year	6,71,50,000	6,71,500.00	6,71,50,000	6,71,500.00
Add: Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	6,71,50,000	6,71,500.00	6,71,50,000	6,71,500.00

c. Shareholders holding information

Shareholders holding more than 5% of shares in the company	March 31, 2018		March 31, 2017	
	No. of Shares	Percentage	No. of Shares	Percentage
Manjuladevi Sanghai	4180575	6.23%	4180575	6.23%
Devesh Sanghai	4930700	7.34%	4930700	7.34%
Pan Emami Cosmed Limited	4100000	6.11%	4100000	6.11%
Rahul Kumar Sanghai	3632025	5.41%	3632025	5.41%
Vasudha Sanghai	5295500	7.89%	5295500	7.89%
Prabha Devi Sanghai	3382725	5.04%	3382725	5.04%
Viraj Kumar Sanghai	4915150	7.32%	4915150	7.32%
Pritam Kumar Sanghai	4187800	6.24%	4187800	6.24%
Udit Kumar Sanghai	4190250	6.24%	4190250	6.24%
New Way Constructions Ltd	3350000	4.99%	4100000	6.11%

d. The company has only one class of shares referred to as equity shares having a par value of Rs 10/- each. Each holder of equity shares is entitled to one vote per share.



NOTES TO ACCOUNTS

For the Year Ended March 31, 2018

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Particulars	(Amount in Thousands)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Note 17			
Other Equity			
Capital Reserve	8,54,590.96	8,53,712.26	8,53,387.42
Revaluation reserve	2,34,286.52	2,34,286.52	2,34,286.52
General Reserve	21,539.84	21,539.84	21,539.84
Retained Earnings	28,792.76	20,148.41	9,089.38
	11,39,210.09	11,29,687.03	11,18,303.16
Note 18			
Non Current financial Liabilities - Borrowings			
Unsecured			
a) From related party	77,113.00	71,541.25	37,798.37
b) Other loans and advances			
i) From bank	-	142.20	371.00
ii) From Others	-	195.26	798.79
	77,113.00	71,878.71	38,968.16
Note 19			
Non Current financial Liabilities - Provisions			
Provision for employee benefits	306.21	-	-
	306.21	-	-
Note 20			
Other non-current financial liabilities			
Retention money	650.00	7,951.35	650.00
	650.00	7,951.35	650.00
Note 21			
Current Financial Liabilities - Borrowings			
Secured			
i) From Banks	41,853.08	35,454.31	41,401.36
ii) From others	337.46	551.70	1,068.78
	42,190.55	36,006.01	42,470.14
(i) Secured Loan From bank is raised against security of the assets which are as follows.			
(a) Term Loan - Secured against 1st Charge on the Property Secured at MIDC Mahad, Personal guarantee of the directors and Corporate guarantee of the company.			
(b) Cash Credit - Secured against Hypothecation of Stock & Debtors upto 90days.			
(c) Overdraft Against Govt supply bills: Hypothecations of receivables including supply bills receivables.			
(d) Letter of Credit: Documents under Letter of Credit and Goods under L/C.			
(e) Collateral Security: 1st charge on Block Assets of the company immovable and movable present and future also.			
(f) Negative Lien on the Property situated at MIDC Dombivli			
(ii) Secured loan from banks includes term loan amounting to Rs. 1,42,201/- which is secured against the car purchased.			
(iii) Secured loan from others is secured against the car purchased.			

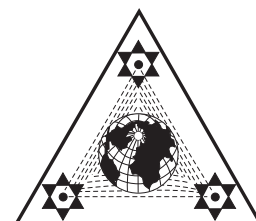


NOTES TO ACCOUNTS

For the Year Ended March 31, 2018

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Particulars	(Amount in Thousands)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Note 22 : Trade Payable			
(a) Outstanding dues of Micro and Small Enterprise	-	-	-
(b) Others	1,03,657.51	1,09,776.09	44,948.09
	1,03,657.51	1,09,776.09	44,948.09
Note 23 : Current - Other financial liabilities			
Creditors for fixed assets			
Accrued expenses	445.49	665.36	871.78
Current Maturities of Long-term debt	-	321.82	-
Other deposit	63.50	-	-
	508.99	987.18	871.78
Note 24 : Other current liabilities			
Statutory dues payable	516.03	1,636.94	739.19
Advance from customers	56.48	272.43	671.68
Sundry advances	73.28	6,117.18	4,263.97
	645.80	8,026.55	5,674.83
Note 25 : Current Tax Liabilities			
Income tax Liabilities	476.71	993.38	265.02
	476.71	993.38	265.02
Note 26 : Revenue from Operations			
Sales of products	7,20,776.18	6,15,483.65	-
Less : Trade discount, Returns, Rebate etc.,	2,325.82	2,007.11	-
	7,18,450.35	6,13,476.53	-
Note 27 : Other Income			
Interest income on :			
- Deposits with banks	874.86	1,411.58	-
- Related Party	648.78	-	-
- Other	135.43	-	-
Net gain on sale of fixed assets	2.04	-	-
Sundry credit balances Written off	34.71	444.75	-
Rent received	240.00	240.00	-
Dividend received	39.30	-	-
Short- term capital loss	(54.58)	-	-
Miscellaneous income	466.92	547.78	-
	2,387.47	2,644.10	-
Note 28 : Cost of materials consumed			
Opening stock	1,923.42	1,473.41	-
Add: Purchases	838.66	2,183.79	-
	2,762.08	3,657.20	-
Less: Closing stock	1,707.31	1,923.42	-
	1,054.76	1,733.78	-
Note 29			
Purchase of stock-in-trade (Traded goods)	6,36,767.08	5,23,954.21	-
	6,36,767.08	5,23,954.21	-

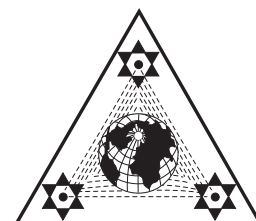


NOTES TO ACCOUNTS

For the Year Ended March 31, 2018

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Particulars	(Amount in Thousands)		
	For the Year Ended March 31, 2018	For the Year Ended March 31, 2017	For the Year Ended April 1, 2016
Note 30 : Changes in inventories of stock-in-trade			
Particulars			
Opening Inventory			
Stock in Trade	19,289.54	20,845.27	-
	19,289.54	20,845.27	-
Closing Inventory			
Stock in Trade	15,780.95	19,289.54	-
	15,780.95	19,289.54	-
Changes in inventory	3,508.60	1,555.72	-
Note 31 : Employee benefit expense			
Salaries, wages and bonus	9,968.19	11,648.83	-
Contributions to -			
Provident fund	124.78	138.76	-
Other funds	144.82	51.40	-
Staff welfare expenses	326.94	120.90	-
Provision for gratuity	306.21	-	-
	10,870.94	11,959.89	-
Note 32 : Finance cost			
Interest expenses	14,606.79	16,207.32	-
Other Borrowing cost	339.25	338.02	-
	14,946.04	16,545.34	-
Note 33 : Other Expenses			
Freight, Forward and transportation charges (net)	9,625.98	12,442.10	-
Godown Expenses	120.00	270.78	-
Electricity	557.29	530.22	-
Repairs and Maintenance :	1,580.35	2,515.02	-
Insurance	390.34	357.69	-
Incorporation Expenses	-	557.05	-
Rates and taxes (net of reversals)	2,071.44	2,430.50	-
Stock Exchange Listing fees	3,409.50	194.65	-
Traveling and conveyance	2,303.07	3,671.44	-
Legal and professional	3,321.32	3,649.73	-
Communication	365.72	299.22	-
Payment to auditor	183.35	251.85	-
Printing and stationary	236.38	340.31	-
Sales promotion	448.29	141.27	-
Advertisement	1,508.86	716.03	-
Commission	6,314.49	7,131.83	-
Postage and courier	47.67	108.71	-
Internet Expenses	155.88	123.19	-
Bank charges	146.18	203.85	-
Service Tax on Transportation	93.21	441.34	-
Director Sitting Fees	175.00	200.00	-
Custom Duty	928.20	1,293.78	-
Books, Periodicals & Membership	503.51	701.53	-
Motor Vehicle Expenses	795.35	683.59	-
Designing & Development	-	29.96	-
Portfolio management expenses	99.59	-	-
Miscellaneous expenses	1,607.56	1,593.52	-
	36,988.53	40,879.15	-



NOTES TO ACCOUNTS

For the Year Ended March 31, 2018

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Note 34 : Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting profit impact of dilutive potential equity shares, if any) by the aggregate of weighted average number of Equity shares outstanding during the year and the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

Particulars	(Amount in Thousands)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
i. Profit attributable to equity holders (Rs in lakhs)		
Profit attributable to equity holders of the parent for basic and diluted EPS	10,189.73	11,369.64
	10,189.73	11,369.64
ii. Weighted average number of ordinary shares		
Issued ordinary shares	6,71,50,000	6,71,50,000
Add/(Less): Effect of shares issued/ (bought back)		-
Weighted average number of shares as at March 31 for basic and diluted EPS	6,71,50,000	6,71,50,000
iii. Basic and diluted earnings per share (Rs)	0.15	0.17

Note 35 : Financial Risk Management

The Company's business activities are exposed to financial risks, namely Credit risk, Liquidity risk. The Company's Senior Management has the overall responsibility for establishing and governing the Company's risk management framework. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The audit committee oversees how Management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported the audit committee.

i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the



NOTES TO ACCOUNTS

For the Year Ended March 31, 2018

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes, if require an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents

Note 36 Capital Management

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using Adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances.

Particulars	(Amount in Thousands)		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Non- Current borrowing	77,113	71,879	38,968
Current borrowings	42,191	36,006	42,470
Current maturity of long term debt	-	322	-
Gross debt	1,19,304	1,08,207	81,438
Less : Cash and cash equivalents	12,148	3,046	908
Less : Other bank balances	2,364	24,651	2,124
Adjusted net debt	1,04,791	80,510	78,407
Total Equity	18,10,710	18,01,187	17,89,803
Adjusted Net debt to Equity ratio	0.06	0.04	0.04

Note 37 : First time - Adoption of Ind AS

1. Explanation of transition to Ind AS:

As per Note 1, these are the Company's first financial statements prepared in accordance with Ind AS. For the year ended March 31, 2018 the Company had prepared its financial statements in accordance with Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act ('IGAAP'). The accounting policies set out in Note 1 have been applied in preparing these financial statements for the year ended March 31, 2018 and the opening Ind AS balance sheet on the date of transition i.e. April 1, 2016. In preparing its Ind AS balance sheet as at April 1, 2016 and in presenting the comparative information for the year ended March 31, 2018, the Company has adjusted amounts previously reported in the financial statements prepared in accordance with IGAAP. This note explains the principal adjustments made by the Company in restating its financial statements prepared in accordance with IGAAP, and how the transition from IGAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.



NOTES TO ACCOUNTS

For the Year Ended March 31, 2018

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

2. Optional exemptions availed and mandatory exceptions

In preparing the financial statements, the Company has applied the below mentioned optional exemptions and mandatory exceptions.

A. Optional exemptions availed

i). Property, plant and equipment and Intangible assets

The Company has availed the exemption available under Ind AS 101 to continue the carrying value for all of its property, plant and equipment and intangibles as recognised in the financial statements as at the date of transition to Ind AS, measured as per the IGAAP and use that as its deemed cost as at the date of transition (April 1, 2016).

ii). Investment in Subsidiaries

The Company has elected to use the exemption to measure all investments in Subsidiaries as recognised in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (April 1, 2016).

iii). Business Combination

Ind AS 101 provided the option to apply Ind AS 103 prospectively from the transition date or specific date prior to the transition date. The Company has elected to apply Ind AS 103 prospectively to business combination occurring after its transition date. Business combination prior to the transition date have not been restated

3. Mandatory Exceptions

i) Estimates

On assessment of the estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under Previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

ii) Classification and measurement of financial assets

As permitted under Ind AS 101, Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. In line with Ind AS 101, measurement of financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

4. Reconciliation of net worth

Particulars	(Amount in Thousands)	
	As at March 31, 2017	As at April 1, 2016
Equity under IGAAP	18,01,187.00	-
Summary of Ind AS adjustments	-	-
Total Ind AS adjustments	-	-
Net worth under Ind AS	18,01,187.00	-



NOTES TO ACCOUNTS

For the Year Ended March 31, 2018

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

5. Reconciliation of Total Comprehensive Income

(Amount in Thousands)

Particulars	As at March 31, 2017
Net Profit after tax as per Indian GAAP	11,370.00
Summary of Ind AS adjustments	-
Total Ind AS adjustments	-
Profits as per Ind AS	11,370.00

6. There were no material differences between the Statement of Cash Flows presented under Ind AS and the Previous GAAP

Note 38 : Information on Subsidiaries

The subsidiary Companies considered in the Consolidated Financial Statements are :

Name of Company	Percentage of Holding	
	As at March 31, 2018	As at March 31, 2017
Polo Queen Capital Ltd	100%	100%
Polo Queen Solutions Ltd	100%	100%
Polo Queen Pharma Trade Industry Limited	100%	100%

Note 39. Related party Information

A. Names of the Related parties

Companies exercising significant influence:

Someshwara Industries & Exports Limited

Key management personnel and their relatives

Usha Sanghai
 Nandlal Sanghai
 Rahul Sanghai
 Prabhas Sanghai
 Manjula Sanghai
 Umesh Agarwal
 Aneeta Sanghai
 Udit Sanghai
 Vasudha Sanghai



NOTES TO ACCOUNTS

For the Year Ended March 31, 2018

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

B. The following transactions were carried out with the related parties in the ordinary course of business.

Nature of Transaction	Companies exercising significant influence		Subsidiary		Key management personnel		Total	
	(i)		(ii)		(iv)			
	2018	2017	2018	2017	2018	2017	2018	2017
Compensation Charges	180.00	180.00	-	-	-	-	180.00	180.00
Interest Paid	-	-	-	-	6,736.36	8,253.16	6,736.36	8,253.16
Loan Taken	-	-	-	-	1,43,381.27	2,98,015.25	1,43,381.27	2,98,015.25
Loan Repaid	-	-	-	-	1,43,872.24	2,71,700.22	1,43,872.24	2,71,700.22
Managerial Remuneration	-	-	-	-	3,300.00	1,937.00	3,300.00	1,937.00

Note 40 : There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

Note 41 : Figures for the previous years have been regrouped / restated wherever necessary to conform to current year's presentation.

As per our report of Even Date
 For GUPTA RAJ & CO.
 Chartered Accountants
 Firm Reg No : 001687N

CA NIKUL JALAN
 PARTNER
 Mem. No. 112353

Place : Mumbai
 Date : 21.05.2018

For POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

NANDLAL SANGHAI
 DIRECTOR
 (DIN - 00181592)

PRABHAS SANGHAI
 DIRECTOR
 (DIN - 00302947)

RAHUL KUMAR SANGHAI
 DIRECTOR
 (DIN - 00181745)

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

NAMRATA VANAMALA
 COMPANY SECRETARY
 (MEM NO - A40814)

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Regd. Office : 304, A to Z Industrial Estate, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400013.
CIN :- L72200MH1984PLC094539

ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Hall

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

No. of Shares held _____

I hereby record my presence at the 34th Annual General Meeting of Polo Queen Industrial and Fintech Limited being held on Friday, September 21, 2018 at 4.00 p.m at Fantasy, 1st Floor, Sunville Banquets, 9, Dr. Annie Besant Road, Opp. Atria Mall, Worli, Mumbai - 400018.

Member's/Proxy Signature

POLO QUEEN INDUSTRIAL AND FINTECH LIMITED

Regd. Office : 304, A to Z Industrial Estate, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400013.
CIN :- L72200MH1984PLC094539

PROXY FORM

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

Name of the Member(s)	
Registered Address	
E-mail Id	
Folio No./DP Id/Client Id	

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

- Name : _____ Address: _____
E-mail Id: _____ Signature: _____, or failing him;
- Name : _____ Address: _____
E-mail Id: _____ Signature: _____, or failing him;
- Name : _____ Address: _____
E-mail Id: _____ Signature: _____, or failing him;

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 34th Annual General Meeting of the Company, to be held on Friday, September 21, 2018 at 4.00 p.m. at Fantasy, 1st Floor, Sunville Banquets, 9 Dr. Annie Besant Road, Opposite Atria Mall, Worli, Mumbai - 400 018, on and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Particulars		
	Ordinary Business	For	Against
1	Adoption of Audited Financial Statements (Standalone and Consolidated) i.e. Balance Sheet as at March 31, 2018 and the Statement of Profit and Loss Account and the Cash Flow Statement for the financial year ended on March 31, 2018 and the reports of the Directors and Auditors thereon.		
2	Re-appointment of Mr. Nandlal Sanghai as Director, who retire by rotation.		
3	Re-appointment of Mr. Rahul Kumar Sanghai as Director, who retire by rotation.		

Signed this _____ day of _____ 2018.

Signature of Member: _____

Signature of Proxy holder(s): _____

Note:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- For the Resolutions and Notes, please refer to Notice of the 34th Annual General Meeting.
- It is optional to put a 'X' in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- Please complete all details including details of member(s) in above box before submission.

