



Parle Software Ltd.

Bridge to Technology



Annual Report
2010-11

CORPORATE INFORMATION

BOARD OF DIRECTORS	Mr. Vikas Shukla --- Managing Director
	Mr. Ravindra Shenoy
	Mr. Ashish Kankani
	Mr. Harish Luharuka
	Mr. V. I. Garg Non – Exe. Chairman
	Mr. Rahul Shidhaye (resigned w.e.f. 23.05.2011)
PRACTISING COMPANY SECRETARY	Mr. Swaminathan Mahadevan
STATUTORY AUDITORS	M/s Ajmera Ajmera & Associates, Chartered Accountants
CONSULTING CHARTERED ACCOUNTANTS	S.H.Bathiya & Associates. Mumbai
BANKERS	Vijaya Bank, Mumbai
REGISTRAR & SHARE TRANSFER AGENT	M/s. Link Intime India Pvt. Ltd., C – 13, Pannalal Silk Mill Compound, L.B.S Marg, Bhandup (West), Mumbai – 400 078
REGISTERED OFFICE	434, New Sonal Link, Linking Road, Malad (West), Mumbai-400 064

CONTENTS

PARTICULARS	PAGE NO.
Vision	03
Notice	04
Director's Report	06
Management Discussion & Analysis Report	10
Corporate Governance Report	14
Shareholders Information	22
Auditors' Report	25
Balance Sheet	29
Profit and Loss Account	30
Cash Flow Statement	31
Schedules 01 to 13	32
Accounting Policies & Notes to Accounts	36
Auditors Report on Consolidated Balance Sheet	45
Consolidated Financial Statements	47

OUR VISION

PSL follows four key principles of consistent performance:

Excellent execution :

We have simple goals with clear targets and strong follow-through.

High trust levels with all stakeholders:

Low trust slows you down and raises your costs-especially in times of turmoil. When trust levels rise, everything speeds up and costs go down.

Achieving more with less :

We focus on giving more value-not just cutting back.

Transforming fear into engagement:

We entrust our people with a mission they can believe in challenging their anxiety into results.

Important Communication to Shareholders

The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paper less compliances by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participant's.

NOTICE

Notice is hereby given that the 28th Annual General Meeting of the Members of Parle Software Limited will be held on Tuesday, 30th August, 2011 at 10:30 a.m. at Landmark Building, Link Road, Mith Chowki, Malad (West), Mumbai – 400 064 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Profit & Loss Account of the company for the year ended 31st March, 2011, the Balance Sheet as at that date and the reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Harish Luharuka, who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Ravindra Shenoy who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT M/s Ajmera Ajmera & Associates, Chartered Accountants, be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be fixed by the Board of Directors”.

By Order of the Board
For Parle Software Limited
sd/-

Place: Mumbai
Date: August 01, 2011

Vikas Shukla
Managing Director

Registered Office:
434, New Sonal Link Industrial Estate,
Linking Road, Malad (West),
Mumbai-400 064.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
THE INSTRUMENT APPOINTING PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

2. The Register of Members and the Share Transfer Books of the Company will remain closed from Tuesday, 23rd August, 2011 to Tuesday, 30th August, 2011 (both days inclusive).
3. Members are requested to notify to the Company's Registrar immediately, if any change in their registered address along with quoting their folio number.
4. Members /Proxies should bring their Attendance Slips along with copy of the Annual Report to the meeting.
5. Members who are holding Company's shares in dematerialized form are required to bring details of their Depository Account Number for identification.
6. Queries on account and operations of the company, if any, may be sent to the Company Secretary seven days in advance of the meeting so as to enable the Management to keep the information ready at the meeting.
7. Under Section 109A of the Companies Act, 1956, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nomination are requested to send their request in Form No. 2B in duplicate (which will be made available on request) to M/s. Link Intime Spectrum Registry Limited.
8. Re-appointment of Directors (Pursuant of Clause 49 of the Listing Agreement) at this ensuing Annual General Meeting Mr. Harish Luharuka and Mr. Ravindra Shenoy retires by rotation and being eligible offers themselves for re-appointment. The details pertaining to these directors required to be provided pursuant to clause 49(IV)(G) of the Listing Agreement are furnished in the Corporate Governance Section of the Annual Report.
9. Green initiative: The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paper less compliances by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participant's.

By Order of the Board
For Parle Software Limited
sd/-

Place: Mumbai
Date; August 01, 2011

Vikas Shukla
Managing Director

Registered Office:
434, New Sonal Link Industrial Estate,
Linking Road, Malad (West),
Mumbai-400 064.

DIRECTORS' REPORT

To

The Members

Your Directors have pleasure in presenting their Twenty Eight Annual Report of the company together with the Audited Accounts for the period ended 31st March, 2011.

FINANCIAL RESULTS

The salient features of the Company's standalone and consolidated financial results for the period under review are as follows:

	(Amounts in Lacs)			
	STANDALONE		CONSOLIDATED	
	31.03.11	31.07.10	31.03.11	31.07.10
Total Income	190.00	24.51	1.62	24.51
Profit / (Loss) (before Interest, depreciation and tax)	153.93	(227.04)	(34.45)	(227.04)
Less: Finance Charges	NIL	19.10	NIL	19.10
Less: Depreciation	3.65	12.85	3.65	12.85
Profit/(Loss) before tax	150.28	(258.99)	(38.10)	(258.99)
Less: Provision for tax				
Current	1.75	NIL	1.75	NIL
Deferred	(29.02)	(8.18)	(29.02)	(8.18)
Profit / (Loss) after tax	177.55	(250.81)	(10.83)	(250.81)
Add: Share of Profit from Associates			NIL	64.03
Profit / (Loss) for the period	177.55	(250.81)	(10.83)	(186.78)
Paid Up Equity Share Capital	1400.00	1400.00	1400.00	1400.00

FINANCIAL HIGHLIGHTS AND OPERATIONS

During the period under review, company on a standalone basis have made total Income of Rs.190.00 lacs as against Rs.24.51 lacs in the previous year. The company has made profit before Interest, Depreciation and Tax of Rs. 153.93 lacs against loss of Rs. 227.04 lacs in the previous year in the standalone financial statement. Other operative income of Rs. 188.38 lacs in standalone financial statements represents surplus on cost of Investments in Associates as per AS-13 and it was recognized as 'Share of Profit from Associates' in Consolidated Financial Statements in the earlier years on basis of Equity Method as per AS – 23

Your company has made a Net loss of Rs. 10.83 lacs against net loss of Rs. 250.81 lacs in the previous year in Consolidated financial statement.

APPROPRIATION

Your Directors do not recommend any dividend for the period under review.

CHANGES IN SHARE CAPITAL

During the period, Company has not made any allotment of Equity or preference Shares.

CHANGE IN FINANCIAL PERIOD

Board of Directors at their meeting held on 29th April, 2011 approved to change the financial period of the company from 31st July to 31st March and accordingly the current financial period will be from 1st August, 2010 to 31st March, 2011. (8 months)

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Management Discussion and Analysis Report are attached as Annexure I.

CORPORATE GOVERNANCE

As required by the Clause 49 of the Listing Agreement(s) entered into with the Stock Exchange(s), a Compliance Report on Corporate Governance is attached as per Annexure II. A certificate from the practicing Company Secretary confirming compliance with the conditions of the Clause 49 of the Listing Agreement(s) is also attached. The Company is in compliance with the requirements and disclosures that have to be made in this regard.

In terms of sub-clause (v) of Clause 49 of the Listing Agreement, a certificate from Managing Director, inter alia, confirming the correctness of the financial statements, adequacy of internal control measures and reporting of matters to the Audit and Compliance Committee in terms of the said Clause, is also enclosed as a part of the said Report.

GENERAL SHAREHOLDER'S INFORMATION

Detailed information in this regard is provided in this section 'General Shareholder Information' forming part of this Annual Report attached as Annexure III.

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

Since your Company and their Associates does not own any manufacturing facility, the requirements pertaining to disclosure of particulars relating to conversation of energy, research and development and technology absorption, as prescribed under the companies (Disclosure of particulars in the report of Board of Directors) Rules 1988 are not applicable.

Foreign Exchange Earnings and Outgo

The foreign exchange earnings and expenditure of the Company during the period under review were Rs. 20.04 Lacs.

ASSOCIATES

During the period, Samay Techno Corp & Universal Technologies, who were engaged in software development activities, ceased to be associates of the company w.e.f. 31.12.2010.

The Company's associate Hazoor Township Developers Pvt. Ltd., (HTD) are engaged in infrastructure & Real Estate activities and they are developing a Residential Project under a Joint Venture (A.O.P) viz. "HAZOR HOMES", implementing the Housing Project

comprising of affordable apartments catering to middle income group, situated at Hingane off Sinhagad Road, Pune.

GROUP

Pursuant to an intimation from the Promoters, the names of the Promoters and entities comprising "group" as defined under the Monopolies and Restrictive Trade Practices ("MRTP") Act, 1969 are disclosed in the Annual Report for the purpose of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

DIRECTORS

Mr. Rahul Shidhaye, director resigned w.e.f. 23.05.2011. The Board places on record its appreciation for their service recorded to your company.

Mr. Ravindra Shenoy & Mr. Harish Luharuka, Directors of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for reappointment. Profiles of these Directors, as required by Clause 49 (IV)(G) of the Listing Agreements are furnished in the Corporate Governance Report forming part of this Annual Report.

DIRECTOR'S RESPONSIBILITY STATEMENT AS REQUIRED U/S 217 (2AA) OF THE COMPANIES ACT, 1956

As required by sub-section (2AA) of section 217 of the Companies (Amendment) Act 2000, the directors confirm that:

- a) in the preparation of annual accounts, the applicable accounting standards has been followed.
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the company at the end of the financial period and of the profit and loss of the company for that period.
- c) they have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) they have prepared the annual accounts on a going concern basis.

AUDITORS' REPORT

The observations made by the Auditors in their Report are Self Explanatory and need no further elaboration u/s 217(3) of the Companies Act, 1956.

AUDITORS

M/s. Ajmera Ajmera & Associates, Chartered Accountants, the Auditors of the Company retire as statutory auditors at the conclusion of this Annual General Meeting and are seeking their re-appointment. A certificate from them has been received to the effect that their re-appointment as statutory auditors, if made, would be within the limits prescribed u/s 224(1B) of the Companies Act, 1956 and they do not suffer any disqualifications as laid down in section 226 of the act. M/s. Ajmera Ajmera & Associates, Chartered Accountants, have also confirmed that they have been subjected to the peer review process of ICAI, & they hold a valid certificate issued by the peer review Board of the ICAI.

CONSOLIDATED ACCOUNTS

In accordance with Accounting Standard AS-23 prescribed by the Institute of Chartered Accountants of India, the Consolidated Accounts of the Company and its Associates along with Auditors Report thereon is annexed to this report.

FIXED DEPOSITS

Your Company has not accepted any deposits from the public under section 58A of the Companies Act, 1956 and companies (Acceptance of deposits) Rules, 1975.

EMPLOYEES

Since the Real Estate and software development activities are carried out by the Associates of the company. The staff strength of the Company comprises of few selected highly qualified and experienced professionals who are in charge of the administration and financial management of the company. Employee relations continue to be cordial.

During the period under review ,there was no employee employed throughout the financial period who was in receipt of remuneration in excess of the limits prescribed under section 217 (2A) of the Companies Act, 1956, read with companies (Particulars of Employee) Rules, 1975.

ACKNOWLEDGEMENTS

The Board of directors places on record its sincere appreciation for the dedicated efforts put in by all employees, their commitment and contribution at all levels, in most difficult and challenging environment during the period. Your Directors would like to record their sincere appreciation for the support and co-operation that your Company received from business associates and other strategic partners of the company.

Your Directors wish to place on record their sincere appreciation and thanks for the valuable co-operation and support received from the Registrar of Companies, Maharashtra, Regional Director, Western Region, Ministry of Company Affairs, Company's bankers, financial institutions, and shareholders at large and look forward to the same in greater measure in the coming years.

For & on behalf of the Board

Place: Mumbai

Vikas Shukla

Date: 1st August, 2011

Managing Director

Annexure I to the Directors' Report

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

Overview

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956, guidelines issued by Securities and Exchange Board of India (SEBI) and Generally Accepted Accounting Principles (GAAP) in India. Our Management accepts responsibility for the integrity and objectivity of these financial statements, as well as for various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect in a true and fair manner the form and substance of transactions, and reasonably present our state of affairs, profits and cash flows for the period.

INDUSTRY STRUCTURE AND DEVELOPMENTS

Fiscal 2010-11 was a tough period for the industry. The economic environment became challenging in all the major markets where the company's associates were operating.

After slowdown in 2008-09, the Indian economy recovered since Q2, 2009-10. And the recovery momentum continue through 2010-11. With over 8% growth in every quarter, advance estimates suggest that India's GDP growth will be 8.5% in 2010-11.

Already, in line with economic growth, construction activities have started picking up. It show that after falling to a low of 5.4% growth in 2008-09, construction industry value added increased by 7% in 2009-10 and by 8% in 2010-11. While these growth rates are still below pre-crisis levels, the positive trend witnessed through 2010-11 re emphasizes the recovery in the construction industry in India

While opportunities exist for infrastructure development, there is still quite some gap in terms of implementation. The existing infrastructure base in India is grossly inadequate. A consequence of this is the high cost push inflation witnessed since the beginning of 2010. Driven primarily by significant increase in prices of food and other commodities, inflation has remained at over 8% since then. In addition, since the beginning of 2011, there has been a sharp increase in price of fossil fuels and energy costs.

Apart from the impact on input prices, this kind of commodity price based inflation affects the real estate and construction industry in two ways. First, high levels of inflation result in lower disposable incomes and reduce consumer sentiments. Hence, there is often a reduction in demand for real estate. Second and more importantly, in order to curb inflation and stabilise the economy, the Reserve Bank of India (RBI) has had to adopt a conservative monetary policy. Consequently, the repo rate (the rate at which banks borrow from the RBI) has increased steadily from 5% in March 2010 to 6.75% in March 2011. With an increase in this benchmark rate, rates at which banks extend housing loans also increase substantially. This makes housing finance more unaffordable and puts pressure on housing demand.

FINANCIAL CONDITIONS

SOURCES OF FUNDS

The highlights of the Sources of funds:

1. Share capital:

At present, we have only one class of shares – equity shares of par value Rs. 10/- each. Our authorized share capital is Rs. 15 Crore, divided into 140,00,000 equity shares of Rs.10/-

each and 10,00,000 unclassified shares of Rs.10/- each. The issued, subscribed and paid up capitals as at March 31, 2011 were Rs.14 Crore.

2. Reserves and surplus:

The balance as at March 31, 2011 amounted to Rs. 5.75 Crores as per the Standalone Financial Statements and Rs. 5.75 Crores as per the consolidated financial Statements.

3. Shareholder funds:

The total shareholder funds were Rs. 19.75 Crore as at March 31, 2011 as per the Standalone Financial Statements and Rs. 19.75 Crores as per the consolidated financial Statements.

APPLICATION OF FUNDS:

The highlights of the Application of funds:

1. Fixed Assets:

The Gross Block amounted to Rs. 43.81 lacs and the net block amounted to Rs. 28.24 lacs after provision of depreciation and amortization. We incurred a capital expenditure of Rs. 0.13 Lacs during the period making additions to Capital work in progress of and it is at Rs. 7.04 Crores as at March 31, 2011.

2. Investments:

Investments in companies in which Parle Software Ltd, has significant ownership by virtue of ownership of 20% to 50% in the said companies are defined as 'Investment in Associates'. In its consolidated books of accounts the company recognises its share of income or loss in the investee companies on the principles of equity method of accounting.

The company's share of profit from associates carrying out the software activities was NIL as Samay Techno Corp & Universal Technologies ceased to be Associates of the company w.e.f 31.12.2010.

The balance in fiscal amounted to Rs. 414.70 lacs investment in the associate Hazoor Township, carrying out the infrastructure & real estate activities, as per the standalone & Consolidated Financial Statement.

3. Sundry Debtors:

Sundry Debtors is Nil as on March 31, 2011.

4. Loans and Advances:

The balance as at March 31, 2011 amounted to Rs. 6.93 Crores as per the Standalone and Consolidated financial Statements.

5. Current liabilities:

The balance as at March 31, 2011 amounted to Rs. 17.95 lacs as per the Standalone and Consolidated financial Statements as against Rs. 17.95 lacs at March 31, 2011.

6. Provisions:

Deferred Tax Credit of Rs. 29.02 lacs receivable by the company and tax provision of Rs. 1.75 lacs is made during the period.

RESULTS OF OPERATIONS:

The highlights of the Results of operations are as follows:

INCOME:

Other operative income of Rs. 188.38 lacs in standalone financial statements represents surplus on cost of Investments in Associates during the period as per AS- 13 “ Accounting for Investments” issued by the Institute of Chartered Accountants of India (ICAI)/Company (Accounting Standards) Rules, 2006. These surplus was recognized as ‘Share of Profit from Associates’ in Consolidated Financial Statements of the company of earlier years on the basis of Equity Method as prescribed in AS – 23 “ Accounting for Investment in Associates” issued by the Institute of Chartered Accountants of India (ICAI)/Company (Accounting Standards) Rules, 2006.

Hazoor Township, associate of the company, engaged in infrastructure & real estate development activities, did not report any revenue for current fiscal, as the Real Estate project implementation undertaken by Hazoor Homes (J.V. of the Associate) is at a initial stage of construction and the apartment sales are yet to start.

EXPENDITURE:

We incurred total expenses of Rs. 36.07 lacs, as against Rs. 55.14 lacs in the previous year as the expenses related to infrastructure & Real Estate development activities have been incurred by Associates while company has incurred administrative and general expenses during the period.

DEPRECIATION:

We provided Rs. 3.65 lacs and Rs.12.85 lacs toward depreciation for the periods ended March 31, 2011 and July 31, 2010 as the software development activities were exclusively carried out by the Associates.

PROVISION FOR TAX:

Provisions for current tax of Rs. 1.75 lacs for the period, in terms of the provisions of the Income Tax Act, 1961.

EARNINGS PER SHARE (EPS):

There was Basic and diluted EPS before exceptional /extra ordinary items of Rs. 1.27 as against Rs.(1.79) in the previous year. There was no change in the outstanding shares used in computing basic EPS for the period ended March 31, 2011 and for the year ended July 31, 2010.

RELATED PARTY TRANSACTIONS:

These have been discussed in detail in the Notes to the Standalone and consolidated financial statements section of this report.

EVENTS OCCURRING AFTER THE BALANCE SHEET DATE:

There were no significant events occurring after the Balance Sheet date.

Group:

Persons constituting group within the definition of “group” as defined in the Monopolies and Restrictive Trade Practices Act, 1969, for the purpose of Regulation 3(1)(e)(i) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 1997, include the following:

SR.NO. NAME OF ENTITY

1. M/s. Eaugu Udyog Ltd.
2. M/s. Mantra Day Traders Pvt. Ltd including its individual, promoter shareholders.
3. M/s. Fortune Point Exports Pvt. Ltd. including it's individual promoters shareholder

SEGMENT - WISE PERFORMANCE

The company operates in multi segment of Software and Infrastructure/ Real Estate Developments and accordingly segment wise Result have been provided as per Accounting Standards - 17 (AS-17) issued by the Institute of Chartered Accountants of India (ICAI)/Company (Accounting Standards) Rules, 2006.

INTERNAL CONTROLS AND THEIR ADEQUACY

Company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposition, and to ensure that all transactions are authorised, recorded and reported correctly and adequately. The Company's internal controls are supplemented by an extensive programme of internal audits, review by management and documented policies, guidelines and procedures. The internal control is designed to ensure that financial and other records are reliable for preparing financial information and for maintaining accountability of assets. All financial and audit control systems are also reviewed by the Audit Committee of the Board of Directors of the company.

RISKS AND CONCERNS

The Company is exposed to different types of risks such as credit risk, market risk (including liquidity risk, interest rate risk and foreign exchange risk), operational risk and legal risk. The Company monitors credit and market risks, as well as portfolio and operational risk through the oversight of senior management personnel in each of its business segments. Legal risk is subject to the review of the Company's legal department and external advisers. The Company is exposed to specific risks in connection with the management of investments and the environment within which it operates. The Company aims to understand, measure and monitor the various risks to which it is exposed and to ensure that it adheres, as far as reasonably and practically possible, to the policies and procedures established by it to mitigate these risks.

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the company's and their associates objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the company's operations include a downtrend in the real estate sector, significant changes in political and economic environment in India or key financial markets abroad, tax laws, litigation, labour relations, exchange rate fluctuations, interest and other costs.

ANNEXURE 'II' TO THE DIRECTORS REPORT

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company has incorporated sound Corporate Governance practices. The Company has all along believed in and practiced fair business and corporate practices with all its stakeholders and associates. The Board of Directors has always had adequate competent Independent Directors. For effective discharge of its functions and proper deliberations, Board has constituted various committees.

BOARD OF DIRECTORS:

COMPOSITION AND CATEGORY

Your Company has an optimum mix of professional Executive and non Executive independent Directors. The present strength of the Board is of 5 (Five) Directors.

During the period under review Company was in full compliance with the Clause 49(I) (A) of the Listing Agreement(s). The Board does not have any Nominee Director representing any financial institution. None of the Directors on the Board is a member of more than ten Committees and Chairman of more than five Committees (as specified in Clause 49 of the Listing Agreements) across all companies in which they are Directors.

Composition of the Board - names and categories of Directors, the number of Directorships and Committee positions held by them in companies are given below:

Name of the Directors	Category *	Attendance		No. of directorship, Committee positions in other companies \$		
		Board Meeting	Last AGM	Director -ship #	Member	Chairman
Mr. V. I. Garg	NE (C)	4	Present	2	2	1
Mr. Vikas Shukla	M.D.	4	Present	-	-	-
Mr. Ravindra Shenoy	NED (I)	4	Present	-	-	-
Mr. Ashish Kankani	NED (I)	4	Present	-	-	-
Mr. Harish Luharuka	NED(I)	1	Present	-	-	-
Mr. Rahul Shidhaye (resigned w.e.f. 23.05.2011)	NED(I)	1	Absent	-	-	-

*NE(C)- Non Executive (Chairman) NED (I)- Non Executive Director (Independent)

MD - Managing Director

Excludes Alternate Directorships, and Directorships in Private Companies.

\$ As required by the existing Clause 49 of the Listing Agreement entered into with the Stock Exchanges, only Memberships/Chairmanships of the Audit Committee, Remuneration Committee and Investors Grievance Committee of public companies have been considered.

No Directors holds any shares in the Company.

BOARD PROCEDURE

The Board meets at least once a quarter to consider and approve the Financial Results and review the operations and Performance of the Company. All the Board meetings are properly scheduled. Notice and Agenda papers containing all the relevant information are circulated to the Directors well in advance of each Board Meeting and the same is recorded in Minutes Book. All the relevant and necessary information / documents are made available to the Board so as to enable the directors to take informed decisions. During the period ended 2010-11, 4(Four) Board Meetings were held on 14.09.2010, 10.12.2010, 03.01.2011 and 12.03.2011. The gap between two Board Meetings did not exceed Four Months.

NOTE ON DIRECTORS SEEKING RE-APPOINTMENT:

The Directors of the Company, as eligible, are liable to retire by rotation. One-third of the said Directors are liable to retire every year and if eligible, offer themselves for re-appointment. Accordingly, Mr. Harish Luharuka and Mr. Ravindra Shenoy retire by rotation at the ensuing Annual General Meeting and being eligible, have offered themselves for reappointment.

Mr. Harish Luharuka:

Mr. Harish Luharuka, aged 47 year is a qualified and professional educationist in the field of commerce and academics and he is having 22 years of experience. He is the member of Share Transfer & Investors Grievances Committee of the Company and he is director on the Board of the Company. Not holding any shares in the Company.

Mr. Ravindra Shenoy:

Mr. Ravindra Shenoy, aged 40 year is a qualified company secretary and cost accountant with 14 years of experience. He is a Member of the Audit Committee, Shareholders/Investors" Grievance Committee and Remuneration Committee of the Company and he is director on the Board of the Company. Not holding any shares in the Company.

Director: Mr. Rahul Shidhaye- Non-executive, independent director resigned from the directorship on 23rd May, 2011 due to his pre-occupation.

AUDIT COMMITTEE:

The terms of reference and powers of the Audit Committee are as mentioned in Clause 49 II (D) of the Listing Agreement entered into with the Stock Exchanges and include overseeing the Company's financial reporting process, reviewing with the management the financial statements and the adequacy of the internal audit function and to discuss significant internal audit findings, statutory compliance and issues related to risk management and compliances.

Compositions, Name of Members and Chairman:

Mr. Vikas Shukla - Chairman
 Mr. Ravindra Shenoy - Member
 Mr. Ashish Kankani - Member

Both the Member of the Audit Committee is Non-Executive Independent Directors & Chairman is the Managing Director (Finance) & CFO, the Internal Auditor and the representatives of Statutory Auditors are invitees to the meetings of the Audit Committee.

Meetings and Attendance during the period

The Audit Committee during the Financial Period 2010-2011 held the meetings as on 14.09.2010, 10.12.2010, 03.01.2011 and 12.03.2011.

During the financial period 2010-11, 4 (four) meetings of the Audit Committee were held. The details of attendance of the members at these audit committee meetings are as follows:

Sr. No.	Name of Directors	No. of Meetings Attended
1	Mr. Vikas Shukla	4
2	Mr. Ravindra Shenoy	4
3	Mr. Ashish Kankani	4

REMUNERATION COMMITTEE:

The company had constituted a remuneration committee in accordance with the requirements specified under the provisions of Companies Act, 1956 and Clause 49 of the listing agreement. The terms of reference of the Remuneration Committee is to determine Company's policy on specific remuneration packages to Managing Directors and any compensation payments and also to approve payment of remuneration to Managing or Whole-Time Directors.

Composition, Name of Members and Chairman:

Mr. Ashish Kankani - Chairman
 Mr. V. I. Garg - Member
 Mr. Ravindra Shenoy - Member

Present composition of the Remuneration Committee comprises of Three (3) Directors, out of which one is Non-Executive Chairman and others are Non-Executive independent Directors.

Meetings and Attendance during the Period:

During the Financial Period 2010-2011, one meeting of the Remuneration Committee were held on 12.03.2011.

Sr. No.	Name of Directors	No. of Meetings Attended
1	Mr. Ashish Kankani	1
2	Mr. V. I. Garg	1
3	Mr. Ravindra Shenoy	1

SHAREHOLDERS'/ INVESTORS' GRIEVANCE COMMITTEE:

The Functions and Powers of the committee include approval of transfers, transmissions, transpositions, splitting and consolidations of shares issued of duplicate certificates and demat / remat requests within the purview of the guidelines issued by SEBI and Listing Agreement besides review and redressal of shareholders and investors complaints.

Composition, Name of Members and Chairman:

Mr. Vikas Shukla - Chairman

Mr. Ravindra Shenoy - Member

Mr. Ashish Kankani - Member

One member of the Shareholders/Investors' Grievance Committee is Managing Director and others are Non-Executive and Independent Directors.

Meetings and Attendance during the Period:

The Shareholder/ Investors' Grievance Committee during the Financial Period 2010-2011 held their meetings on 14.09.2010, 10.12.2010, 03.01.2011 and 12.03.2011.

Ms. Anjali Modi is Compliance Officer of the Company. Continuous efforts are made to ensure that grievances, if any, are more expeditiously redressed to the complete satisfaction of the investors.

Sr. No.	Name of Directors	No. of Meetings Attended
1	Mr. Vikas Shukla	4
2	Mr. Ravindra Shenoy	4
3	Mr. Ashish Kankani	4

Details of complaints received & redressed during the last Financial Period is given below:

SHARE TRANSFER COMMITTEE (STC):

Nature of Complaints	2010-11	
	Received (Nos.)	Resolved (Nos.)
Number of Complaints received from shareholders	5	5
Total	5	5

The STC has been set up for approving the transfer / transmission of shares, allotment of share warrants and consolidation, splitting of folios, issue of share certificates in exchange for sub-divided, consolidated, defaced, etc., for ensuring compliance with legal requirements of share transfers and co-ordination with the Registrar and Share Transfer Agent, Depositories, etc. The Name of the directors who are members of the Committee and the details of meeting attended by directors is as under:-

Name of Directors	Designation
Mr. Ashish Kankani	Chairman
Mr. V.I. Garg	Member
Mr. Harish Luharuka	Member

Meetings and attendance during the Period

During the Financial Period 2010-2011, two meetings of the Share Transfer Committee were held as on 10.12.2010 and 12.03.2011.

Sr. No.	Name of Directors	No. of Meetings Attended
1	Mr. Ashish Kankani	2
2	Mr. V.I. Garg	2
3	Mr. Harish Luharuka	2

No application for share transfers was pending as on 31st March, 2011. The Company pays sitting fees of Rs.4,500/- each for attending Board Meeting and Committee Meeting by Non-Executive Director/Chairman.

GENERAL BODY MEETINGS:

Locations and time when the last three Annual General Meetings held:

Financial Year	Date	Time	Locations
2009-10	31.01.2011	10.30 A.M.	Landmark Building, Link Road, Mith Chowki, Malad (West), Mumbai – 400 064
2008-09	29.01.2010	10.30 A.M.	Landmark Building, Link Road, Mith Chowki, Malad (West), Mumbai – 400 064
2007-08	24.01.2009	10.30 A.M.	Landmark Building, Link Road, Mith Chowki, Malad (West), Mumbai – 400 064

In the last three years, one Special Resolution has been passed in the AGMs and none through Postal Ballot.

At the forthcoming Annual General Meeting, there is no Agenda that need approval by Postal ballot.

CODE OF CONDUCT:

The Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company which is posted on the Website of the Company. All Board Members and

Senior Management Personnel have affirmed Compliance with the Code on an annual basis. A declaration to this effect signed by the Managing Director Forms part of this Report.

CEO/CFO CERTIFICATION:

In accordance with Clause 49(V) of the Listing Agreement, the Managing Director has given his certificate to the Board and it forms part of this report.

PREVENTION OF INSIDER TRADING:

In accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992, Company has framed and implemented code of conduct for prevention of insider trading.

DISCLOSURES:

i. There were no materially significant related party transactions during the period having conflict with the interest of the Company.

ii. The Company has complied with all the requirements of the Listing Agreement with the Stock Exchanges as well as regulations and guidelines of SEBI. No penalties or strictures have been imposed by SEBI, Stock Exchanges or any other statutory authority on matters relating to capital markets during last three years.

iii. The Company has not established a mechanism for implementing Whistle Blower Policy as yet. It is confirmed that no personnel has been denied access to the Audit Committee.

iv. It is confirmed that the mandatory requirements are complied with and the non-mandatory provisions are adopted wherever necessary.

MEANS OF COMMUNICATION:

i. The quarterly, half-yearly and yearly financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board.

ii. Un-audited Quarterly Results and Audited Financial Results are published in Free Press Journal (English) having all India coverage and Navshakti (Marathi) local newspaper.

iii. Name of the Company's Website where the results are displayed:

www.parlesoftware.com and on BSE website (www.bseindia.com Scrip Code 532911)

iv. The Company displays official news releases as and when the situation arises.

v. Email id: parle.software@gmail.com

COMPLIANCE CERTIFICATE FROM PRACTISING COMPANY SECRETARY:

The Company has complied with the mandatory requirements of the Code of Corporate Governance as stipulated under Clause 49 of the Listing Agreements with the Stock Exchanges. Practising Company Secretary have certified that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreements with the Stock Exchanges and the same is annexed to the Directors' Report and Management Discussion and Analysis. The Certificate from the Practising Company Secretary will be sent to the Listed Stock Exchanges along with the Annual Return of the Company.

DECLARATION BY CHAIRMAN UNDER CLAUSE 49 OF LISTING AGREEMENT

To,

The Members of,

Parle Software Ltd.

As provided under Clause 49 of the Listing Agreement(s) with the Stock Exchange, the Board Members and the designated senior management personnel have confirmed compliance with the Code of Conduct in respect of the financial period 2010-11.

Place: Mumbai

Vikas Shukla

Date: 1st August, 2011

Managing Director

PRACTICING COMPANY SECRETARY'S CERTIFICATE ON CLAUSE 49 COMPLIANCE CORPORATE GOVERNANCE

To The Members of

Parle Software Limited

We have reviewed the records concerning the Company's compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreements entered into, by the Company, with the Stock Exchanges of India, for the financial period ended 31st March, 2011.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for the review, and the information and explanations given to us by the Company.

Based on such a review, and to the best of our information and according to the explanations given to us, in our opinion, the Company has complied with the conditions of Corporate Governance, as stipulated in Clause 49 of the said Listing Agreements.

We further 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.

Swaminathan Mahadevan

(Company Secretary)

Certificate of Practice No. 4515

Mumbai: 1st August, 2011

CERTIFICATION UNDER CLAUSE 49 OF THE LISTING AGREEMENT:

Pursuant to Clause 49 of the Listing Agreements with the Stock Exchanges, we, the undersigned hereby certify that:

a. we have reviewed the financial statements and the cash flow statement for the period ended 31st March, 2011 and that to the best of our knowledge and belief:

(i) these statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading; and

(ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing generally accepted accounting standards, applicable laws and regulations.

b. there are, to the best of our knowledge and belief, no transactions entered into by the Company during the period ended 31st March, 2011 which are fraudulent, illegal or volatile of the Company's Code of Conduct;

c. we are responsible for establishing and maintaining internal controls for financial reporting in the Company and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. We have disclosed to the Auditors of the Company and the Audit and Compliance Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies; and

d. (i) there has not been any significant change in internal control over financial reporting during the period under review;

(ii) there has not been any significant change in the accounting policies during the period under review requiring disclosure in the notes to the financial statements; and

(iii) there were no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For & on behalf of the Board

**Place: Mumbai
Date: 1st August, 2011**

**Vikas Shukla
Managing Director**

Annexure 'III' to the Directors Report**GENERAL SHAREHOLDER'S INFORMATION:**

Date, Time and Venue of AGM:	August 30, 2011 at 10.30 AM at Landmark Building, Link Road, Mith Chowki, Malad (West), Mumbai – 400 064
Book closure:	From 23 rd August, 2011 to 30 th August, 2011 (both days inclusive)
Financial Period:	01.08.2010 to 31.03.2011
Listing of shares with Stock Exchanges*:	Bombay Stock Exchange Ltd. (BSE) Pune Stock Exchange Ltd. Ahmedabad Stock Exchange Ltd.
Stock Code:	BSE Scrip Code :- 532911
ISIN Code:	INE272G01014
Registrars and share transfer agent:	Link Intime India Private Limited, C – 13, Pannalal Silk Mill Compound, L.B.S Marg, Bhandup (West), Mumbai – 400 078 Phone: 0091 – 22 – 2596 3838
<p>*The company's share is actively traded on BSE. BSE had permitted trading of the company's shares in the 'B' category.</p> <p>The company hereby confirms that the listing fee for the year 2010-11, payable to each of the stock exchanges pursuant to Clause 38 of the listing Agreement in which the company's shares are listed, have been paid within the prescribed time limit.</p>	

DIVIDEND:

Due to exigency of funds, your Directors have not recommended any dividend on equity shares for the period ended 31st March, 2011 under review.

MARKET PRICE DATA:

The market price of the shares of the company quoted in the Bombay Stock Exchange Ltd. during the period August 2010 to March, 2011 is as under:

Month	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
High	63.95	80.00	69.90	75.25	66.85	74.40	58.60	49.40
Low	56.40	56.15	57.50	55.00	45.15	47.20	40.00	38.10

DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2011:

Shareholding (Range)	No. of holders	% of holders	No. of Shares	% of Shares
Upto - 500	1,511	74.21	1,13,264	0.81
501 – 1,000	63	3.10	47,432	0.34
1,001 – 2,000	343	16.85	4,11,557	2.94
2,001 – 3,000	35	1.72	94,506	0.68
3,001 – 4,000	8	0.39	29,180	0.21
4,001 – 5,000	2	0.10	8,732	0.06
5,001 -- 10,000	31	1.52	2,11,884	1.51
10,001 and above	43	2.11	1,30,83,445	93.45
TOTAL	2,036	100.00	1,40,00,000	100.00

SHAREHOLDING PATTERN AS ON 31.03.2011:

Shares held by	No. of shares	% of Capital
Promoters	87,26,824	62.33
Body Corporate	31,64,098	22.60
Public	21,01,254	15.01
NRIs	494	0.01
Clearing Member	7,330	0.05
TOTAL...	1,40,00,000	100.00

SHARE TRANSFER SYSTEM:

The applications for transfers, transmission and transposition are received by the Company at its Registered Office address or at M/s. Link Intime India Pvt. Ltd., Registrar and Transfer Agents of the Company. As the Company's shares are currently traded in demat form, the transfers are processed and approved by NSDL/CDSL in the electronic form through its Depository Participants having ISIN No: INE272G01014. The Registrar & Share Transfer

Agent on a regular basis processes the physical transfers and the share certificates are being sent to the respective transferees.

OUTSTANDING GDRS/ ADRS AND THEIR IMPACT ON EQUITY

The Company has not issued GDRs, ADRs, Warrants or any convertible Instruments.

INVESTORS RELATION SECTION:

Investors grievances/queries may be addressed to the:

Share Department,

Parle Software Limited

434, New Sonal Link, Link Road, Malad (West),

Mumbai – 400 064

Tel: 91- 022 –28822492 / 66999319 Fax: 91 – 022 – 40033979

E-mail address: investor.helpdesk@parlesoftware.com

Nomination Facility

Section 109A of the Companies Act, 1956 facilitates shareholders to make nominations in respect of shares held by them.

Shareholders holding shares in physical form who are desirous of making a nomination are requested to send their requests in Form No. 2B to the Company's Registrar and Share Transfer Agent. Shareholders holding shares in electronic form are requested to give their nomination request to their respective Depository Participants directly.

Form No. 2B can be obtained from the Company's Registrar and Share Transfer Agent or downloaded from the Company's website under the Section 'Investor Relations'.

Green Initiative

As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' taken by the Ministry of Corporate Affairs, Government of India (MCA), by its recent Circulars, enabling electronic delivery of documents including the Annual Report, to shareholders at their e-mail address previously registered with the Depository Participants (DPs)/Company/Registrars & Share Transfer Agents.

Shareholders who have not registered their e-mail addresses so far are requested to register their e-mail addresses. Those holding shares in demat form can register their e-mail address with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with Link Intime India Pvt. Ltd., Registrar and Transfer Agents of the Company, by sending a letter, duly signed by the first /sole holder quoting details of Folio No

Reconciliation Of Share Capital Audit Report:

As stipulated by SEBI, a qualified practising Company Secretary carries out Reconciliation Of Share Capital Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Listed Stock Exchanges. The audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL) and the total number of shares in physical form.

Report of the Auditors' to the Members of PARLE SOFTWARE LIMITED

We have audited the attached Balance Sheet of **PARLE SOFTWARE LIMITED** as at 31st March, 2011, the Profit and Loss account of the Company and the Cash Flow Statement of the Company for the period ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our Audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of financial statement. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that:

- (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- (c) The Balance Sheet, Profit and Loss Account and the Cash Flow Statement dealt with by the report are in agreement with the books of Account;
- (d) In our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub section (3C) of Section 211 of the Act.
- (e) On the basis of the written representations received from the Directors as at 31st March, 2011, and taken on record by the Board of Directors, we report that none of the Directors are disqualified as at 31st March, 2011 from being appointed as a director in terms of section 274(1) (g) of the Act.

- (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with notes appearing in schedule '14' and elsewhere, 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:
- (i) In the case of the Balance Sheet, of the state of the affairs of the Company as at 31st March, 2011,
- (ii) In the case of the Profit and Loss Account, of the Profit of the Company for the period ended on that date, and
- (iii) In the case of the Cash Flow Statement, of the cash flows of the Company for the period ended on that date.

For Ajmera Ajmera & Associates
Firm Registration No.123989W
Chartered Accountants

Sandeep Ajmera
Partner
Membership No.48277

Place: Mumbai
Date: 1st August, 2011

Annexure to the Auditors' Report

The annexure referred to in our report to the members of PARLE SOFTWARE LIMITED for the period ended 31st March, 2011. We report that:

- i. a)The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
b) As explained to us, considering the nature of the fixed assets, the same have been physically verified by the management at reasonable intervals during the period in accordance with the verification policy adopted by the company. According to the information and explanations given to us no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets.
c)During the period the company has not disposed of any substantial part of its Fixed Assets.
- ii. The company does not hold any physical inventories. Thus, paragraph 4(ii) of the Order is not applicable.
- iii. a) The Company has not granted any loans, secured or unsecured to Companies, Firms or parties covered in the Register maintained under section 301 of the Act.
b) The Company has not taken any loans, secured or unsecured from Companies, Firms or parties covered in the Register maintained under section 301 of the Act.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and sale of services. The activities of the Company do not involve purchase of inventory and sale of goods. We have not observed any major weakness in the internal control system during the course of audit.
- v. a)In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
b)In our opinion and according to the information and explanations given to us, the transactions referred to in (v) (a) above and exceeding the value of rupees five lacs with any party during the period have been made at the prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi. The company has not accepted any deposits from public. Accordingly, Paragraph 4(vi) of the Order is not applicable.
- vii. In our opinion, the Company has an internal audit system which is commensurate with its size and nature of its business;
- viii. The Central Government of India has not prescribed maintenance of cost records under section 209(1) (d) of the Act for any of the services rendered by the company. Accordingly, paragraph 4 (viii) of the Order is not applicable.
- ix. a)According to the records of the Company, the Company has been regular in depositing undisputed statutory dues including Income tax and any other statutory dues with the appropriate authorities.
b)According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2011 for a period of more than six months from the date they became Payable. The Company does not have any disputed statutory dues that have not been deposited on account of matters pending before appropriate authorities.
- x. The company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year under report but has incurred cash losses in the immediately preceding financial year.

- xi. In our opinion and according to the information and explanations given to us, the company has not made any default in repayment of dues payable to any financial institutions, banks during the period.
- xii. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly paragraph 4(xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, the company is not a chit fund / nidhi / mutual benefit fund / society. Accordingly, paragraph 4(xiii) of the Order is not applicable.
- xiv. According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, paragraph 4(xiv) of the Order is not applicable.
- xv. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Accordingly, paragraph 4(xv) of the Order is not applicable.
- xvi. The company did not have any term loans outstanding during the period. Accordingly, paragraph 4(xvi) of the Order is not applicable.
- xvii. According to the information and explanations given to us and on examination of the financial statements of the Company, we are of the opinion that, prima facie, short term funds have not been used for long term investment;
- xviii. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act. Accordingly, paragraph 4(xviii) of the Order is not applicable.
- xix. The Company did not have any outstanding debentures during the period. Accordingly, paragraph 4(xix) of the Order is not applicable.
- xx. The Company has not raised any money by public issues during the period. Accordingly, paragraph 4(xx) of the Order is not applicable.
- xxi. According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our Audit.

For Ajmera Ajmera & Associates
Firm Registration No.123989W
Chartered Accountants

Sandeep Ajmera
Partner
Membership No.48277

Place: Mumbai
Date:1st August, 2011

PARLE SOFTWARE LIMITED			
BALANCE SHEET AS AT 31ST MARCH, 2011			
Particulars	Schedule	31.03.2011 Amount (Rs)	31.07.2010 Amount (Rs)
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	140,000,000	140,000,000
Reserves & Surplus	2	57,494,479	39,739,359
Loan Funds			
Secured Loans	3	4,764,383	19,963,094
Deferred Tax Liabilities (Refer Note 7)		(149,216)	2,752,732
TOTAL		202,109,646	202,455,185
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	4	4,381,016	4,339,516
Less : Accumulated Depreciation		1,556,924	1,192,127
Net Block		2,824,092	3,147,389
Add: Capital Work-In-Progress & Advances on Capital Account		70,358,447	69,062,501
		73,182,539	72,209,890
Investments			
	5	56,706,615	47,671,615
Current Assets, Loans & Advances			
Sundry Debtors	6	-	5,138,720
Cash and Bank Balance	7	4,742,493	6,971,369
Loans and Advances	8	69,272,882	72,226,454
		74,015,376	84,336,542
Less:Current Liabilities & Prov.			
Current Liabilities	9	556,332	699,313
Provision		1,238,549	1,063,549
		1,794,881	1,762,862
Net Current Assets		72,220,495	82,573,680
TOTAL		202,109,646	202,455,185
Notes forming part of the Accounts	14		
As per our Report of even date			
For Ajmera Ajmera & Associates		For & On Behalf of the Board	
Chartered Accountants (Firm Registration No. 123989W)			
Sandeep Ajmera		Vikas Shukla	V I Garg
Partner (Membership No. 48277)		Managing Director	Non Exe. Chairman
		R.Y. Shenoy	
		Director	
Place: Mumbai		Place: Mumbai	
Date: 01.08.2011		Date: 01.08.2011	

PARLE SOFTWARE LIMITED			
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011			
Particulars	Sch.	31.03.2011 Amount (Rs)	31.07.2010 Amount (Rs)
INCOME			
Other Operative Income	10	-	2,238,953
Other Income	11	19,000,347	212,000
TOTAL		19,000,347	2,450,953
EXPENDITURE			
Personnel Cost	12	1,348,712	1,057,721
Administrative Selling & General Expenses	13	2,258,665	4,455,955
Retirement of Assets		-	19,641,137
Interest & Finance Charges		-	1,910,077
Depreciation	4	364,798	1,284,812
TOTAL		3,972,175	28,349,701
PROFIT / (LOSS) BEFORE TAX		15,028,172	(25,898,748)
LESS : PROVISION FOR TAXATION			
Current Tax		175,000	-
Defferred Tax (Credit) / Expense (Refer Note 7)		(2,901,948)	(817,524)
PROFIT / (LOSS) AFTER TAX		17,755,120	(25,081,224)
Balance B/F from previous period		-	12,915,195
Add: Transfer from General Reserve		-	12,166,029
Profit / Loss Available for Appropriation		17,755,120	-
APPROPRIATION:			
Surplus carried to Balance Sheet		17,755,120	-
		17,755,120	-
Basic Earnings Per Share of Rs. 10 each before exceptional/ extra Ordinary items (Rupees)		1.27	(1.79)
Diluted Earnings per share of Rs. 10 each before exceptional/ extra Ordinary items (Rupees)		1.27	(1.79)
Basic Earnings Per Share of Rs. 10 each after exceptional/ extra Ordinary items (Rupees)	Ref. Note 10	1.27	(1.79)
Diluted Earnings per share of Rs. 10 each after exceptional/ extra Ordinary items (Rupees)		1.27	(1.79)
Notes forming part of the Accounts	14		
As per our Report of even date			
For Ajmera Ajmera & Associates		For & On Behalf of the Board	
Chartered Accountants (Firm Registration No. 123989W)			
Sandeep Ajmera Partner (Membership No. 48277)		Vikas Shukla Managing Director	V I Garg Non Exe Chairman
		R.Y. Shenoy Director	
Place: Mumbai Date: 01.08.2011		Place: Mumbai Date: 01.08.2011	

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011			
		Year Ended	Year Ended
		31.03.2011	31.07.2010
A.	<u>Cash Flow From Operating Activities</u>		
	Profit / (Loss) Before Tax as per Profit & Loss Account	15,028,172	(25,898,748)
	Add / (Deduct):		
	Depreciation	364,798	1,284,812
	Interest & Finance Charges	-	1,910,077
	Retirement of Assets	-	19,641,137
	Interest Received	(161,753)	(212,000)
	Other Income (Share of Profit)	(18,838,594)	-
	(Profit) / Loss on Sale of Fixed Assets	-	2,468,891
	Operating Profit before Working Capital changes	(3,607,377)	(805,832)
	Trade and Other receivables	5,027,758	83,427,468
	Trade Payables	142,981	201,787
	Loans & Advances	2,953,572	(27,748,207)
		8,124,311	55,881,048
	Provision (Tax)	(175,000)	-
	Net Working Capital Changes	7,949,311	55,881,048
	Net Cash from Operating Changes	4,341,933	55,075,216
B.	<u>Cash Flow from Investment Activities:</u>		
	(Purchase) / Sale of Fixed Assets	(41,500)	3,263,721
	Addition in Capital WIP	(1,295,945)	(39,662,439)
	(Purchase) / Sale of Investments	(9,035,000)	(16,400,000)
	Net Cash used in Investing Activities	(10,372,445)	(52,798,718)
C.	<u>Cash Flow From Financing Activities:</u>		
	Interest Received	161,753	212,000
	Other Income	18,838,594	-
	Interest & Finance Charges	-	(1,910,077)
	Secured Loan	(15,198,711)	6,053,552
	Net cash used in Financing activities	3,801,637	4,355,475
	Net Increase in Cash & Cash Equivalents	(2,228,875)	6,631,974
	Opening Balance of Cash & Cash Equivalents	6,971,369	339,395
	Closing Balance of Cash & Cash Equivalents	4,742,493	6,971,369
	Net Increase / (Decrease) as disclosed above	(2,228,875)	6,631,974
Note: 1). The above cash flow statement has been prepared under the indirect method as set out in Accounting Standard-3, "Cash Flow Statement" issued by The Institute of Chartered Accountants of India. 2). Figures of the previous year have been regrouped / reclassified wherever necessary.			
As per our Report of even date			
For Ajmera Ajmera & Associates		For & On Behalf of the Board	
Chartered Accountants (Firm Registration No. 123989W)			
Sandeep Ajmera Partner (Membership No. 48277)		Vikas Shukla Managing Director	V I Garg Non Exe. Chairman
		R.Y. Shenoy Director	
Place: Mumbai Date: 01.08.2011		Place: Mumbai Date: 01.08.2011	

SCHEDULES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2011		
Particulars	31.03.2011 (Amount in Rs.)	31.07.2010 (Amount in Rs.)
Schedule 1		
SHARE CAPITAL:		
AUTHORISED CAPITAL		
140,00,000 Equity shares of Rs.10/- each and 10,00,000 Un-Clasified shares of Rs. 10 each (P.Y. 1,40,00,000 & 10,00,000)	150,000,000	150,000,000
	150,000,000	150,000,000
ISSUED, SUBSCRIBED AND PAID UP		
140,00,000 (P.Y 140,00,000) Equity shares of Rs.10/- each fully paid Note: Out of the above Equity shares: a) 35,00,000 equity shares of Rs. 10/-each have been issued for consideration other than cash pursuant to Scheme of Arrangement. b) 1,05,00,000 equity shares of Rs.10/- each allotted as fully paid up bonus shares.	140,000,000	140,000,000
TOTAL	140,000,000	140,000,000
Schedule 2		
RESERVES AND SURPLUS		
Securities Premium:	14,000,000	14,000,000
Capital Redemption Reserve:	1,000,000	1,000,000
General Reserve:	24,739,359	24,739,359
Surplus as per Profit & Loss Account	17,755,120	-
TOTAL	57,494,479	39,739,359
Schedule 3		
SECURED LOANS		
Loan from bank	4,764,383	19,963,094
Interest Accrued on above	-	-
	4,764,383	19,963,094
[Cash Credit (Miscellaneous) facility with Vijaya Bank, Mumbai secured against hypothecation of Book Debts, and against personal guarantee of a Director of the Company.]		
TOTAL	4,764,383	19,963,094

Schedule 4

FIXED ASSETS

Particulars	Gross Block (AT COST)			Depreciation				Net Block		
	As on 01.08.2010	Additions	Deductions	As on 31.03.2011	As on 01.08.2010	For the Period	Deduction & Adjustment	As on 31.03.2011	As At 31.03.2011	As At 31.07.2010
Office Equipments	964,256	-	-	964,256	397,575	66,378	-	463,953	500,303	566,681
Furniture & Fixture	1,059,273	-	-	1,059,273	324,722	44,640	-	369,362	689,911	734,551
Computer & Com.Software	2,315,987	41,500	-	2,357,487	469,829	253,779	-	723,608	1,633,879	1,846,158
TOTAL	4,339,516	41,500	-	4,381,016	1,192,126	364,798	-	1,556,924	2,824,092	3,147,390
Previous Year	40,316,238	-	35,976,722	4,339,516	10,510,288	1,284,812	10,602,973	1,192,127	3,147,389	-
Capital Work-In-Progress (including capital advances)									70,358,447	69,062,501

SCHEDULES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2011		
Particulars	31.03.2011 (Amount in Rs.)	31.07.2010 (Amount in Rs.)
Schedule 5		
INVESTMENTS (Unquoted at cost)		
In Associates:		
Hazoor Township Developers Pvt. Ltd.		
Long Term Non Trade -Unquoted in fully paid equity shares:		
1,57,500 Equity Shares of Hazoor Township Developers Pvt. Ltd. (P.Y.1,35,000 Equity Shares)	13,085,000	8,585,000
- Share Application Money Pending Allotment	28,384,737	7,815,000
	41,469,737	16,400,000
Samay Techno Corp.	-	11,008,947
Universal Technologies	-	5,025,790
Others:		
Share Application Money Pending Allotment	15,236,878	15,236,878
TOTAL	56,706,615	47,671,615
Schedule 6		
SUNDRY DEBTORS		
(Unsecured considered good unless otherwise specified)		
Debts outstanding for a period exceeding Six months	-	1,875,000
Others Debts	-	3,263,720
TOTAL	-	5,138,720
Schedule 7		
CASH / BANK BALANCE		
Cash & Cheque on Hand	3,054,772	1,434,501
Balances with scheduled banks ;		
- in current account	1,687,721	5,536,868
TOTAL	4,742,493	6,971,369
Schedule 8		
LOANS & ADVANCES		
Advances recoverable in cash or in kind or for value to be received:	68,321,334	71,271,946
Prepaid expenses	-	169,135
Deposit	2,820	2,820
Advance tax	948,728	782,553
TOTAL	69,272,882	72,226,454
Schedule 9		
CURRENT LIABILITIES & PROVISIONS		
<u>Current liabilities:</u>		
Sundry Creditors	-	-
Other liabilities	556,332	699,313
	556,332	699,313
<u>Provisions:</u>		
Provision	1,238,549	1,063,549
TOTAL	1,794,881	1,762,862

SCHEDULES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2011		
Particulars	31.03.2011 (Amount in Rs.)	31.07.2010 (Amount in Rs.)
Schedule 10		
OTHER OPERATIVE INCOME		
Operating Income	-	2,238,953
TOTAL	-	2,238,953
Schedule 11		
OTHER INCOME		
Interest Income (TDS Rs. 16,175/- PY. Rs. 19,200/-)	161,753	212,000
Other Income (Refer Note: 3)	18,838,594	-
TOTAL	19,000,347	212,000
Schedule 12		
PERSONNEL COST		
Salaries,Wages & Bonus	1,140,000	1,057,721
Staff Wealfare	208,712	-
TOTAL	1,348,712	1,057,721
Schedule 13		
ADMINISTRATIVE SELLING & GENERAL EXPENSES		
Advertisements	78,144	270,036
AGM Expenses	62,850	16,000
Bank Charges	5,437	23,722
Books and Periodicals	20,798	-
Custodian Charges	-	33,090
Director Sitting Fees (MD)	-	16,000
Others Director Sitting Fees	45,000	24,500
Donation	-	5,000
Electricity Expenses	72,460	114,500
Inspection Charges	4,000	69,934
Insurance Charges	1,490	20,943
Internet & Web Charges	72,589	76,905
Listing Fees	86,335	43,168
Loss on Sale of Furniture & Fixtures	-	1,534,463
Loss on Sale of Office Equipments	-	934,428
Membership & Subscription	33,300	36,226
Miscellaneous Expenses	69,582	7,179
Office Expenses	134,927	20,505
Payment to Auditors :		
- Towards Audit fee	110,300	110,300
- Towards Tax matters	-	24,818
Postage and Courier	79,363	19,448
Printing & Stationery	89,338	33,784
Processing Charges	55,200	-
Professional Charges	213,146	171,816
Registrar Charges	-	96,556
Repair & Maintenance-Office	49,452	54,571
Repair & Maintenance-Others	160,590	119,824
ROC Expenses	1,000	3,723
Sales Promotion	133,836	113,542
Software Expenses	-	13,500
STPI Annual Service Charges	-	27,500
Telephone Charges	46,488	97,524
Travelling & Conveyance	633,041	322,450
TOTAL	2,258,665	4,455,955

NOTES ANNEXED TO AND FORMING PART OF THE ACCOUNTS FOR THE PERIOD ENDED 31ST MARCH, 2011

Schedule – 14:

Company overview

1. The company is carrying out Infrastructure & Real Estate Development activities through its associate Hazoor Township Developers Pvt. Ltd (HTDPL) who are operating in the segment of Infrastructure & Real Estate Development. The Associate is carrying out the development of Housing Project comprising of affordable apartments and convenient shopping catering to middle income group in Pune city.

A. Significant Accounting Policies:

a. Basis of Preparation of financial statement:

The financial statements are prepared in accordance with Indian GAAP under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards prescribed by the Companies (Accounting Standards) Rules, 2006 and guidelines issued by SEBI. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

b. Use of Estimates:

The preparation of financial statements in conformity with the GAAP requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as at the date of financial statements and the reported amounts of income and expenses during the reporting period.

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

The Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset other than goodwill is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset other than goodwill is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in previous years.

c. Revenue Recognition:

The company generally follows mercantile system of accounting and recognizes significant terms of income and expenditure on accrual basis.

i. Revenue is primarily derived from software development and related services, licensing of software products and business process management. Arrangements with clients are either on a fixed-price, fixed-timeframe or on a time-and-material basis. Revenue on time-and-material contracts is recognized as the related services are performed. Revenue from fixed-price, fixed-timeframe contracts, where there is no uncertainty as to measurement or collectability of consideration, is recognized based upon the percentage-of-completion.

When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Provision for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the current estimates. Revenue from the sale of user licenses for software applications is recognized on transfer of the title in the user license. Revenue from client training, support and other services arising out of the sale of software products is recognized as the related services are performed.

ii. Revenue from sale of finished properties / buildings / Land are recognized on transfer of property and once significant risks and rewards of ownership have been transferred to the buyer. Similarly, revenue from sale of Transferable Development Rights (TDR) is recognized on transfer of the rights to the buyer. Revenue recognition is postponed to the extent of significant uncertainty.

iii. Profit on sale of investments is recorded on transfer of title by the company and is determined as the difference between the sale price and carrying value of the investment. Lease rentals are recognized ratably on a straight-line basis over the lease term. Interest is recognized using the time-proportion method, based on rates implicit in the transaction. Dividend income is recognized when the right to receive dividend is established.

d. Fixed assets, including goodwill, intangible assets and capital work-in-progress: Fixed assets are stated at cost, less accumulated depreciation and impairments, if any. Direct costs are capitalized until fixed assets are ready for use. Capital work-in-progress comprises outstanding advances paid to acquire fixed assets and the cost of fixed assets that are not yet ready for their intended use at the reporting date. Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment. Goodwill comprises the excess of purchase consideration over the fair value of the net assets of the acquired enterprise. Goodwill arising on acquisition is not amortized but is tested for impairment.

e. Depreciation and Amortization

Depreciation on fixed assets is provided on the straight-line method based on useful lives of assets as estimated by the Management. Depreciation for assets purchased / sold during the period is proportionately charged. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available for its use. Leasehold improvements are written off over the lower of the remaining primary Period of lease or the life of the asset. Depreciation methods, useful lives and residual values are reviewed at each reporting date.

Cost of Application Software for internal use are generally charged to revenue as incurred due to its estimated useful lives being relatively short, usually less than one year.

f. Investments:

Trade investments are the investments made to enhance the company's business interests. Investments are either classified as current or long term based on the Management's intention at the time of purchase. Current investments are carried at lower of cost and fair value of each investment individually. Long-term investments are carried at cost less provisions recorded to recognize any decline, other than temporary, in the carrying value of each investment.

g. Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to revenue.

h. Income Taxes:

i) Income taxes are accrued at the same period in which the related revenue and expenses arise. A provision is made for income tax annually based on the tax liability computed after

considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable. MAT paid in accordance to the tax laws, which gives rise to future economic benefits in the form of tax credit against future income tax liability, is recognized as an asset in the Balance Sheet if there is convincing evidence that the company will pay normal tax after the tax holiday period and the resultant asset can be measured reliably. The company offsets, on a year-on-year basis, the current tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

ii)Deferred tax resulting from “timing differences” between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the Balance Sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable /virtual certainty that the asset will be realized in future. Provision for Income Tax includes provision for current Tax & Deferred Tax liabilities/ Assets.

i. Provision and Contingent Liabilities:

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

j. Research and development:

Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the software and that these costs can be measured reliably.

k. Foreign Currency Transactions

Revenues are accounted at daily rates. Exchange fluctuations arising on realization are dealt with in the Profit and Loss Account.

l. Earning Per Share:

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value, which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues, including for changes effected prior to the approval of the financial statements by the Board of Directors.

m. Cash and Cash Equivalents

Cash and cash equivalents comprise cash and cash on deposit with banks and corporations. The company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

n. Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

B.NOTES ON ACCOUNTS

1. Amounts in the financial statements are presented in Rupees and figures have been rounded off to nearest rupee wherever applicable.

2.The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current presentation.

3.Other operative income of Rs. 188.39 lacs represents surplus on cost of Investments in Associates during the Quarter as per AS- 13 “ Accounting for Investments” issued by the Institute of Chartered Accountants of India (ICAI)/Company (Accounting Standards) Rules, 2006. These surplus was recognized as ‘Share of Profit from Associates’ in Consolidated Financial Statements of the company of earlier years on the basis of Equity Method as prescribed in AS – 23 “ Accounting for Investment in Associates” issued by the Institute of Chartered Accountants of India (ICAI)/Company (Accounting Standards) Rules, 2006.

4.Quantitative Information:

The Company is engaged in the development of computer Software and Infrastructure/ Real Estate Developments. Therefore, the provisions of clause 3 (ii) of Schedule VI of Part II of Companies Act, 1956 are not applicable to the company and hence no quantitative details are given.

5. Payment to Auditors:

Particulars	31.03.2011	31.07.2010
Audit Fees	Rs. 1,10,300/-	Rs. 1,10,300/-

6. Income Taxes:

Provisions for current tax is made in view of the Profit for the period, in terms of the provisions of the Income Tax Act, 1961.

7. Deferred Taxation for the period ended 31st March, 2011.

Particulars	As At 01.08.2010	Charge/(Credit) during the period	As at 31.03.2011
Deferred Tax Liability/ (Asset) on account of :			
i. Depreciation	27,52,732	(29,01,948)	(1,49,216)
ii. Expenses allowable for Tax purpose in subsequent year(s)	NIL	NIL	NIL
Net Deferred Tax Liability /(Asset)	27,52,732	(29,01,948)	(1,49,216)
Previous Year.	35,70,256	(8,17,524)	27,52,732

8.Remuneration Paid/Payable to Directors and other Chief Managerial Personnel as per Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, the number of employees employed for the whole period drawing salary of Rs. 60,00,000/- per annum or more is NIL and the number of employees employed for part of the year drawing salary of Rs.5,00,000/- per month or more is also NIL.

9. In the Opinion of Board of Directors, all the Current Assets, Loans and Advances have a value on realization in the ordinary course of Business at least equal to the amount at which they are stated and all the known liabilities as at the end of period have been provided for.

10. Earnings per Share (EPS):

Particulars		Before exceptional / prior period items		After exceptional/ prior period items	
		2010-11	2009-10	2010-11	2009-10
Basic					
Profit After Tax as per the Accountants	A	1,77,55,120	(2,50,81,224)	1,77,55,120	(2,50,81,224)
Weighted average number of shares outstanding	B	14,000,000	14,000,000	14,000,000	14,000,000
Basic EPS	A/B	1.27	(1.79)	1.27	(1.79)
Diluted					
Profit After Tax as per the accountants	A	1,77,55,120	(2,50,81,224)	1,77,55,120	(2,50,81,224)
Weighted average number of shares outstanding	B	14,000,000	14,000,000	14,000,000	14,000,000
Diluted EPS	A/B	1.27	(1.79)	1.27	(1.79)

11. Segment Reporting:

The company operates in multi segment of Software and Infrastructure/ Real Estate Developments and accordingly segment wise Result have been provided as per Accounting Standards - 17 (AS-17) issued by the Institute of Chartered Accountants of India (ICAI)/Company (Accounting Standards) Rules, 2006.

SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(Rs. in Lacs)

Sr. No	PARTICULARS	March 31, 2011 (Audited)	July 31, 2010 (Audited)
1	Segment Revenue (net sales/income from each segment should be disclosed under this head).		
	a. Segment – Software	188.39	22.39
	b. Segment – Infrastructure/Real Estate	-	-
	Total	188.39	22.39
	Less: Inter segment revenue	NIL	NIL
	Net sales/income from operations	188.39	22.39
2	Segment Results Profit (+)/Loss (-) before tax and interest from each segment)*		
	a. Segment – Software	188.39	14.98
	b. Segment – Infrastructure/Real Estate	NIL	NIL
	Total	188.39	14.98
	Less: (i) Interest	NIL	19.10
	(ii) Other Un-allocable expenditure net off	39.13	256.98
	(iii) Un-allocable income.	(1.62)	(2.12)
	Total Profit/(loss) Before Tax	150.28	(258.99)
3	Capital Employed (Segment assets-Segment		

	liabilities).		
	a. Segment – Software	188.39	160.35
	b. Segment – Infrastructure/Real Estate	1,626.15	1,555.09
	c. Un-allocable & Corporate	159.46	81.95
	Total	1,974.00	1,797.39

12. Related Party Disclosures:

a) List of Related Parties and Description of Relationships

i. Promoters Group

M/s. Eaugu Udyog Ltd.*

M/s. Mantra Day Traders Pvt. Ltd.* along with their individuals promoter shareholder

M/s. Fortune Point Exports Pvt. Ltd.* along with their individuals promoter shareholder

* all the above co-promoters of your company are members of the same “Group”, as that expression is defined in MRTP Act 1969.

ii. Associates:

Hazoor Township Developers Pvt. Ltd.

iii. Company under the same Management:

M/s. Hazoor Multi Projects Ltd.

M/s. Hazoor Aambey Valley Developers Pvt. Ltd.

iv. Key Managerial Personnel:

Mr. Vikas Shukla

Ms. Anjali Modi

Note: Related party relationships are identified by the Company and relied upon by the Auditors.

b) Transactions with related parties as required by the AS-18 (Rs. in Lacs)

Nature of Transactions	Associates / Group	Director / Key Personnel	O/S Amt. carried to Balance Sheet
Investments:			
Samay Techno Corp.	- (-)	-	- (110.09)
Universal Technologies	- (-)	-	- (50.26)
Hazoor Township Developers Pvt. Ltd.	45 (85.85)	-	130.25 (85.85)
Advance against Share Appl. Money			
Hazoor Township Developers Pvt. Ltd.	205.70 (78.15)	-	283.84 (78.15)
On behalf Advances for purchase of materials :			
Hazoor Township Developers Pvt. Ltd.	-28.87 (116.96)	-	506.13 (535.00)
Advances given/ repaid/ adjusted :			
Hazoor Multi Projects Ltd.	22.86 (433.09)	-	101.33 (78.47)
License Income:			

Samay Techno Corp	89.84 (-)	-	-
Universal Technologies	98.34 (22.39)	-	-
Directors Sitting Fees	-	0.45 (0.16)	- (-)
Key Management Personnel Remuneration	-	4.25 (6.00)	0.35 (0.50)

13. Advances recoverable in cash or in kind or for value to be received include amounts due from companies under the same management within the meaning of Section 370 (1B) of the Companies Act, 1956 as given below :

(Amount in Rs.)

Name of the Company	As at 31/03/2011	Maximum balance 2010-11	As at 31/07/2010	Maximum balance 2009-10
Hazoor Multi Projects Ltd.	1,01,32,875	1,01,32,875	78,46,939	43,308,499

14. The company has no dues to micro small enterprises during the period ended 31st March, 2011.

15. The provisions of payment of Gratuity Act, 1972 are not applicable to the company.

16. The provisions of PF / ESIC Act are not applicable to the company.

17. During the year company has changed its financial year ending from 31st July to 31st March and accordingly current period comprises of 8 months ending as on 31st March, 2011.

18. The Corresponding previous year was comprising of 8 months as the financial year ending is changed from 31st July to 31st March, therefore figures for the current period is not comparable with corresponding period in the previous year.

19. Earnings in foreign exchange

(Rs. In Lacs)

Particulars	31.03.2011	31.07.2010
Foreign Exchange Earned	20.04	NIL

20. There is no amount due and outstanding to be credited to Investor Education and Protection Fund.

As per our Report of Even Date Attached

For Ajmera Ajmera & Associates
Chartered Accountant
Firm Registration No.123989W

For & On behalf of the Board

Sandeep Ajmera
Partner
(Membership No.48277)

Vikas Shukla V I Garg
Managing Director Non Executive Chairman

R.Y. Shenoy
Director

Place: Mumbai
Date: 1st August, 2011

Place: Mumbai
Date: 1st August, 2011

**Statement Pursuant to Part IV of Schedule VI to the Companies Act, 1956
Balance Sheet Abstract and Company's General Business Profile**

I. Registered Details

Registration No.	29128	State Code	11
Balance Sheet Date	31(Date)	03(Month)	2011 (Year)

II. Capital Raised During the Year

(Amount in Rs. Thousand)

Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

III. Position of Mobilisation and Deployment of Funds

(Amount in Rs. Thousands)

Total Liabilities	202,110	Total Assets	202,110
-------------------	---------	--------------	---------

Sources of Funds

Paid-up Capital	140,000	Reserves & Surplus	57,494
Secured Loans	4,764	Unsecured Loans	NIL
Deferred Tax Liability	(149)		

Application of Funds

Net Fixed Assets	73,183	Investments	56,707
Net Current Assets	72,220	Misc. Expenditure	-
Accumulated Losses	NIL	Capital work in progress	NIL

IV. Performance of Company

(Amount in Rs. Thousand)

Turnover	19,000	Total Expenditure	3,972
Profit & Loss before Tax	15,028	Profit & Loss after Tax	17,755
Earning Per Share in Rs.	1.27	Dividend Rate %	NIL

V. Names of Three Principal Products/Services of the Company:-

Item Code no. (ITC Code) :	85249009
Product Description	Computer Software & Real Estate Development

For and on behalf of the Board

Vikas Shukla
Managing Director

V I Garg
Non Exe. Chairman

Place: Mumbai
Date: 01.08.2011

R.Y. Shenoy
Director

Consolidated Financial Statements
for the period ended March 31, 2011

Auditors' Report on the Consolidated Financial Statements

To the Members of Parle Software Limited

We have examined audited the attached Consolidated Balance Sheet of Parle Software Limited and its Associates (collectively referred to as the 'PSL Group') as at March 31, 2011, the consolidated Profit and Loss Account of the PSL Group and the Consolidated Cash Flow Statement of the PSL Group for the period ended on that date, annexed thereto.

These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the Auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes, examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We have relied upon the un-audited financial statement/ information as provided by the Management in respect of its Associates in which share of profit of the company is Nil and our opinion in so far as it relates to the amounts included in respect of this associate, is based solely on such un audited financial statement/information.

We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of the Accounting Standards (AS) 23, "Accounting for Investments in Associates in Consolidated Financial Statements", prescribed by the Companies (Accounting Standards) Rules, 2006.

In Our Opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements read together with notes appearing in schedule '14' and elsewhere, give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of Consolidated balance sheet, of the state of affairs of PSL Group as at 31st March, 2011;

- b) In the case of Consolidated Profit and Loss Account, of the Loss of the PSL Group for the period ended on that date; and

- c) In the case of the Consolidated Cash Flow Statement, of the cash flows of the PSL Group for the period ended on that date.

For Ajmera Ajmera & Associates,
Firm Registration No.123989W
Chartered Accountants,

Sandeep Ajmera
Partner
Membership No.48277

Place: Mumbai
Date:1st August, 2011

PARLE SOFTWARE LIMITED			
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2011			
Particulars	Schedule	31.03.2011 Amount (Rs)	31.07.2010 Amount (Rs)
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	140,000,000	140,000,000
Reserves & Surplus	2	57,494,480	58,577,954
Loan Funds			
Secured Loans	3	4,764,383	19,963,094
Deferred Tax Liabilities (Refer Note 7)		(149,216)	2,752,732
TOTAL		202,109,647	221,293,779
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	4	4,381,016	4,339,516
Less : Depreciation		1,556,924	1,192,127
Net Block		2,824,092	3,147,389
Add: Capital Work-In-Progress & Advances on Capital Account		70,358,447	69,062,501
		73,182,539	72,209,890
Investments			
	5	56,706,615	66,510,209
Current Assets, Loans & Advances			
Sundry Debtors	6	-	5,138,720
Cash and Bank Balance	7	4,742,493	6,971,369
Loans and Advances	8	69,272,882	72,226,454
		74,015,375	84,336,543
Less : Current Liabilities & Provisions			
Current Liabilities	9	556,332	699,313
Provision		1,238,549	1,063,549
		1,794,881	1,762,862
Net Current Assets		72,220,494	82,573,681
TOTAL		202,109,647	221,293,779
Notes forming part of the Accounts	14		
As per our Report of even date			
For Ajmera Ajmera & Associates		For & On Behalf of the Board	
Chartered Accountants (Firm Registration No. 123989W)			
Sandeep Ajmera Partner (Membership No. 48277)		Vikas Shukla Managing Director	V I Garg Non Exe. Chairman
		R.Y. Shenoy Director	
Place: Mumbai Date: 01.08.2011		Place: Mumbai Date: 01.08.2011	

PARLE SOFTWARE LIMITED			
CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011			
Particulars	Sch.	31.03.2011 Amount (Rs)	31.07.2010 Amount (Rs)
INCOME			
Other Operative Income	10	-	2,238,953
Other Income	11	161,753	212,000
TOTAL		161,753	2,450,953
EXPENDITURE			
Personnel Cost	12	1,348,712	1,057,721
Administrative Selling & General Expenses	13	2,258,665	4,455,955
Retirement of Assets		-	19,641,137
Interest & Finance Charges		-	1,910,077
Depreciation	4	364,797	1,284,812
TOTAL		3,972,174	28,349,701
PROFIT / (LOSS) BEFORE TAX		(3,810,421)	(25,898,748)
ADD/LESS : PROVISION FOR TAXATION			
Current Tax		175,000	-
Deferred Tax (Credit) / Expense (Refer Note 7)		(2,901,948)	(817,524)
PROFIT / (LOSS) AFTER TAX		(1,083,473)	(25,081,224)
Add: Share of Profit from Associates		-	6,403,338
		(1,083,473)	(18,677,886)
Balance B/F from previous period		18,838,595	25,350,452
Add: Transfer From General Reserve		-	12,166,029
Profit / Loss Available for Appropriation		17,755,121	18,838,595
APPROPRIATION:			
Surplus Carried to Balance Sheet		17,755,121	18,838,595
		17,755,121	18,838,595
Basic & Diluted EPS			
Basic Earnings Per Share of Rs. 10 each before exceptional/ extra Ordinary items (Rupees)	} Refer Note 10	(0.08)	(1.79)
Diluted Earnings per share of Rs. 10 each before exceptional/ extra Ordinary items (Rupees)		(0.08)	(1.79)
Basic Earnings Per Share of Rs. 10 each after exceptional/ extra Ordinary items (Rupees)		(0.08)	(1.33)
Diluted Earnings per share of Rs. 10 each after exceptional/ extra Ordinary items (Rupees)		(0.08)	(1.33)
Notes forming part of the Accounts		14	
As per our Report of even date			
For Ajmera Ajmera & Associates		For & On Behalf of the Board	
Chartered Accountants (Firm Registration No. 123989W)			
Sandeep Ajmera Partner (Membership No. 48277)		Vikas Shukla Managing Director	V I Garg Non Exe. Chairman
		R.Y. Shenoy Director	
Place: Mumbai Date: 01.08.2011		Place: Mumbai Date: 01.08.2011	

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011			
		Year Ended	Year Ended
		31/03/11	31/07/10
A.	<u>Cash Flow Arising from Operating Activities</u>		
	Profit / (Loss) Before Tax as per Profit & Loss Account	(3,810,421)	(25,898,748)
	Add / (Deduct):		
	Depreciation	364,797	1,284,812
	Interest & Finance Charges	-	1,910,077
	Retirement of Assets	-	19,641,137
	Interest Received	(161,753)	(212,000)
	(Profit) / Loss on Sale of Fixed Assets	-	2,468,891
	Operating Profit before WC changes	(3,607,377)	(805,832)
	Trade and Other receivables	5,027,758	83,427,468
	Trade Payables	142,981	201,787
	Loans & Advances	2,953,572	(27,748,207)
		8,124,311	55,881,048
	Provision (Tax)	(175,000)	-
	Net Working Capital Changes	7,949,311	55,881,048
	Net Cash from Operating Changes	4,341,934	55,075,216
B.	<u>Cash Flow from Investment Activities:</u>		
	(Purchase) / Sale of Fixed Assets	(41,500)	3,263,720
	Addition in Capital WIP	(1,295,946)	(39,662,439)
	Shares of Profit	-	6,403,338
	(Purchase) / Sale of Investments	9,803,594	(22,803,338)
	Net Cash used in Investing Activities	8,466,148	(52,798,719)
C.	<u>Cash Flow From Financing Activities:</u>		
	Interest Received	161,753	212,000
	Interest & Finance Charges	-	(1,910,077)
	Secured Loan	(15,198,711)	6,053,552
	Net cash used in Financing activities	(15,036,958)	4,355,475
	Net Increase in Cash & Cash Equivalents	(2,228,876)	6,631,974
	Opening Balance of Cash & Cash Equivalents	6,971,369	339,395
	Closing Balance of Cash & Cash Equivalents	4,742,493	6,971,369
	Net Increase / (Decrease) as disclosed above	(2,228,876)	6,631,974
Note: 1). The above cash flow statement has been prepared under the indirect method as set out in Accounting Standard-3, "Cash Flow Statement" issued by The Institute of Chartered Accountants of India. 2). Figures of the previous year have been regrouped / reclassified wherever necessary.			
As per our Report of even date			
For Ajmera Ajmera & Associates		For & On Behalf of the Board	
Chartered Accountants (Firm Registration No. 123989W)			
Sandeep Ajmera Partner (Membership No. 48277)		Vikas Shukla Managing Director	V I Garg Non Exe. Chairman
Place: Mumbai Date : 01.08.2011		R.Y. Shenoy Director Place: Mumbai Date : 01.08.2011	

SCHEDULES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2011		
Particulars	31.03.2011 (Amount in Rs.)	31.07.2010 (Amount in Rs.)
Schedule 1		
SHARE CAPITAL:		
AUTHORISED CAPITAL		
140,00,000 Equity shares of Rs.10/- each and 10,00,000 Un-Classified shares of Rs. 10 each (P.Y. 1,40,00,000 & 10,00,000)	150,000,000	150,000,000
	150,000,000	150,000,000
ISSUED, SUBSCRIBED AND PAID UP		
140,00,000 (P.Y 140,00,000) Equity shares of Rs.10/- each fully paid	140,000,000	140,000,000
Note: Out of the above Equity shares: a) 35,00,000 equity shares of Rs. 10/-each have been issued for consideration other than cash pursuant to Scheme of Arrangement. b) 1,05,00,000 equity shares of Rs.10/- each allotted as fully paid up bonus shares.		
TOTAL	140,000,000	140,000,000
Schedule 2		
RESERVES AND SURPLUS		
Securities Premium:	14,000,000	14,000,000
Capital Redemption Reserve:	1,000,000	1,000,000
General Reserve:	24,739,359	36,905,388
Less : Transfer From Profit & Loss Account	-	12,166,029
	24,739,359	24,739,359
Surplus as per Profit & Loss Account	17,755,121	18,838,595
TOTAL	57,494,480	58,577,954
Schedule 3		
SECURED LOANS		
Loan from bank	4,764,383	19,963,094
Interest Accrued on above	-	-
	4,764,383	19,963,094
[Cash Credit (Miscellaneous) facility with Vijaya Bank, Mumbai secured against hypothecation of Book Debts, and against personal guarantee of a Director of the Company.]		
TOTAL	4,764,383	19,963,094

Schedule 4

FIXED ASSETS

Particulars	Gross Block (AT COST)				Depreciation				Net Block	
	As on 01.08.2010	Additions	Deductions	As on 31.03.2011	As on 01.08.2009	For the Period	Deduction & Adjustment	As on 31.03.2011	As At 31.03.2011	As At 31.07.2010
Office Equipments	964,256	-	-	964,256	397,575	66,378	-	463,953	500,303	566,681
Furniture & Fixture	1,059,273	-	-	1,059,273	324,722	44,640	-	369,362	689,911	734,551
Computer & Com.Software	2,315,987	41,500	-	2,357,487	469,829	253,779	-	723,608	1,633,879	1,846,158
Site for Call Center	-	-	-	-	-	-	-	-	-	-
TOTAL	4,339,516	41,500	-	4,381,016	1,192,127	364,797	-	1,556,924	2,824,092	3,147,389
Previous Year	40,316,238	-	35,976,722	4,339,516	10,510,288	1,284,812	10,602,973	1,192,127	3,147,389	
Capital Work-In-Progress (including capital advances)									70,358,447	69,062,501

SCHEDULES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2011		
Particulars	31.03.2011 (Amount in Rs.)	31.07.2010 (Amount in Rs.)
Schedule 5		
INVESTMENTS (Unquoted at cost)		
In Associates:		
Hazoor Township Developers Pvt. Ltd.		
Long Term Non Trade -Unquoted in fully paid equity shares:		
1,57,500 Equity Shares of Hazoor Township Developers Pvt. Ltd. (P.Y.1,35,000 Equity Shares)	13,085,000	8,585,000
- Share Application Money Pending Allotment	28,384,737	7,815,000
	41,469,737	16,400,000
Samay Techno Corp.	-	19,993,413
Universal Technologies	-	14,879,918
Others:		
Share Application Money Pending Allotment	15,236,878	15,236,878
TOTAL	56,706,615	66,510,209
Schedule 6		
SUNDRY DEBTORS		
(Unsecured considered good unless otherwise specified)		
Debts outstanding for a period exceeding Six months	-	1,875,000
Others Debts	-	3,263,720
TOTAL	-	5,138,720
Schedule 7		
CASH / BANK BALANCE		
Cash & Cheque on Hand	3,054,772	1,434,501
Balances with scheduled banks ; - in current account	1,687,721	5,536,868
TOTAL	4,742,493	6,971,369
Schedule 8		
LOANS & ADVANCES		
Advances recoverable in cash or in kind or for value to be received :	68,321,334	71,271,946
Prepaid expenses	-	169,135
Deposits	2,820	2,820
Advance tax	948,728	782,553
TOTAL	69,272,882	72,226,454
Schedule 9		
CURRENT LIABILITIES & PROVISIONS		
<u>Current liabilities:</u>		
Sundry Creditors	-	-
Other liabilities	556,332	699,313
	556,332	699,313
<u>Provisions:</u>		
Provision	1,238,549	1,063,549
TOTAL	1,794,881	1,762,862

SCHEDULE TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2011		
Particulars	31.03.2011 (Amount in Rs.)	31.07.2010 (Amount in Rs.)
Schedule 10		
OTHER OPERATIVE INCOME		
Operating Income	-	2,238,953
TOTAL	-	2,238,953
Schedule 11		
OTHER INCOME		
Interest Income (TDS Rs. 16,175/- PY. Rs. 19,200/-)	161,753	212,000
TOTAL	161,753	212,000
Schedule 12		
PERSONNEL COST		
Salaries, Wages & Bonus	1,140,000	1,057,721
Staff Wealfare	208,712	-
TOTAL	1,348,712	1,057,721
Schedule 13		
ADMINISTRATIVE SELLING & GENERAL EXPENSES		
Advertisements	78,144	270,036
AGM Expenses	62,850	16,000
Bank Charges	5,437	23,722
Books and Periodicals	20,798	-
Custodian Charges	-	33,090
Director Sitting Fees (MD)	-	16,000
Others Director Sitting Fees	45,000	24,500
Donation	-	5,000
Electricity Expenses	72,460	114,500
Inspection Charges	4,000	69,934
Insurance Charges	1,490	20,943
Internet & Web Charges	72,589	76,905
Listing Fees	86,335	43,168
Loss on Sale of Furniture & Fixtures	-	1,534,463
Loss on Sale of Office Equipments	-	934,428
Membership & Subscription	33,300	36,226
Miscellaneous Expenses	69,582	7,179
Office Expenses	134,927	20,505
Payment to Auditors :		
- Towards Audit fee	110,300	110,300
- Towards Tax matters	-	24,818
Postage and Courier	79,363	19,448
Printing & Stationery	89,338	33,784
Processing Charges	55,200	-
Professional Charges	213,146	171,816
Registrar Charges	-	96,556
Repair & Maintenance-Office	49,452	54,571
Repair & Maintenance-Others	160,590	119,824
ROC Expenses	1,000	3,723
Sales Promotion	133,836	113,542
Software Expenses	-	13,500
STPI Annual Service Charges	-	27,500
Telephone Charges	46,488	97,524
Travelling & Conveyance	633,041	322,450
TOTAL	2,258,665	4,455,955

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2011.

Schedule – 14

COMPANY OVERVIEW:

1.The company is carrying out Infrastructure & Real Estate Development activities through its associate Hazoor Township Developers Pvt. Ltd (HTDPL) who are operating in the segment of Infrastructure & Real Estate Development. The Associate is carrying out the development of Housing Project comprising of affordable apartments and convenient shopping catering to middle income group in Pune city.

A. PRINCIPLES OF CONSOLIDATION:

The Consolidated Financial Statements relate to Parle Software Limited ('the Company') and it's Associates (collectively referred to as the 'PSL Group'). The Consolidated Financial Statements have been prepared on the Following basis:

- i. Investments in Associate Companies have been accounted under the equity method as per Accounting Standard AS-23–Accounting for Investments in Associates in Consolidated Financial Statements.
- ii. As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.
- iii. Investments other than in Associates, have been accounted as per Accounting Standard AS-13 on "Accounting for Investments" in Consolidated Financial Statements.
- iv. The Associates Company considered in the consolidated financial statements is shown below:

Name of the Associates	Proportion of ownership Interest
Hazoor Township Developers Pvt. Ltd.	45.00%

The reporting year for all the Associates ends on March 31. However, the financial statements of Associate Companies used in consolidation have been drawn for the period 1st August, 2010 to 31st March, 2011 on the basis of books of account which is subject to audit except for those indicated otherwise. These financial statements are certified by the management for the purpose of consolidation.

B. SIGNIFICANT ACCOUNTING POLICIES:

a. Basis of Preparation of financial statement:

The financial statements are prepared in accordance with Indian GAAP under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards prescribed by the Companies (Accounting Standards) Rules, 2006 and guidelines issued by SEBI. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The financial statements are prepared in accordance with the principles and procedures required for the preparation and presentation of consolidated financial statements as laid down under the Accounting Standard (AS) 23, 'Accounting for Investments in Associates in Consolidated Financial Statements'. Investments in Associate Companies have been accounted under the equity method as per Accounting Standard AS-23–Accounting for Investments in Associates in Consolidated Financial Statements. The consolidated financial statements are prepared by applying uniform accounting policies in use at the Group.

b. Use of Estimates:

The preparation of financial statements is in conformity with the GAAP requires the management to make estimates and assumptions that affect the reported balances of assets

and liabilities and the disclosures relating to contingent liabilities as at the date of financial statements and the reported amounts of income and expenses during the reporting period.

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

The Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset other than goodwill is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset other than goodwill is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in previous years.

c. Revenue Recognition:

The Group generally follows mercantile system of accounting and recognizes significant terms of income and expenditure on accrual basis.

i. Revenue is primarily derived from software development and related services, licensing of software products. Revenue on time-and-material contracts is recognized as the related services are performed. Revenue from fixed-price, fixed-timeframe contracts, where there is no uncertainty as to measurement or collectability of consideration, is recognized based upon the percentage-of-completion. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Provision for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the current estimates. Revenue from the sale of user licenses for software applications is recognized on transfer of the title in the user license. Revenue from client training, support and other services arising out of the sale of software products is recognized as the related services are performed.

ii. Revenue from sale of finished properties / buildings / Land are recognized on transfer of Property and once significant risks and rewards of ownership have been transferred to the buyer. Similarly, revenue from sale of Transferable Development Rights (TDR) is recognized on transfer of the rights to the buyer. Revenue recognition is postponed to the extent of significant uncertainty.

iii. Share of profit/Loss from associates is accounted in respect of the financial year of the firm/venture, ending on or before the balance sheet date, on the basis of their audited/un-audited accounts, as the case may be.

iv. Profit on sale of investments is recorded on transfer of title from the Group and is determined as the difference between the sale price and carrying value of the investment. Lease rentals are recognized ratably on a straight-line basis over the lease term. Interest is recognized using the time-proportion method, based on rates implicit in the transaction. Dividend income is recognized when the Group's right to receive dividend is established.

d. Fixed assets, including goodwill, intangible assets and capital work-in-progress:

Fixed assets are stated at cost, less accumulated depreciation and impairments, if any. Direct costs are capitalized until fixed assets are ready for use. Capital work-in-progress comprises outstanding advances paid to acquire fixed assets and the cost of fixed assets

that are not yet ready for their intended use at the reporting date. Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment. Goodwill comprises the excess of purchase consideration over the fair value of the net assets of the acquired enterprise. Goodwill arising on consolidation or acquisition is not amortized but is tested for impairment.

e. Depreciation and amortization

Depreciation on fixed assets is provided on the straight-line method based on useful lives of assets as estimated by the Management. Depreciation for assets purchased / sold during the period is proportionately charged. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Group for its use. Leasehold improvements are written off over the lower of the remaining primary Period of lease or the life of the asset. Depreciation methods, useful lives and residual values are reviewed at each reporting date.

Cost of Application Software for internal use are generally charged to revenue as incurred due to its estimated useful lives being relatively short, usually less than one year.

f. Investments:

Trade investments are the investments made to enhance the Group's business interests. Investments are either classified as current or long term based on the Management's intention at the time of purchase. Current investments are carried at lower of cost and fair value of each investment individually. Long-term investments are carried at cost less provisions recorded to recognize any decline, other than temporary, in the carrying value of each investment.

g. Borrowing Costs :

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to revenue.

h. Income Taxes :

i) Income taxes are accrued at the same period in which the related revenue and expenses arise. A provision is made for income tax annually based on the tax liability computed after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable. MAT paid in accordance to the tax laws, which gives rise to future economic benefits in the form of tax credit against future income tax liability, is recognized as an asset in the consolidated Balance Sheet if there is convincing evidence that the Group will pay normal tax after the tax holiday period and the resultant asset can be measured reliably. The Group offsets, on a year-on-year basis, the current tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

ii) Deferred tax resulting from "timing differences" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the Balance Sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable /virtual certainty that the asset will be realized in future. Provision for Income Tax includes provision for current Tax & Deferred Tax liabilities/ Assets.

i. Provision and Contingent Liabilities:

A provision is recognized if, as a result of a past event, the Group has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a

present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

j. Research and Development:

Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the software and that these costs can be measured reliably.

k. Foreign Currency Transactions

Revenues are accounted at daily rates. Exchange fluctuations arising on realization are dealt with in the Profit and Loss Account.

l. Earning Per Share:

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value, which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues, including for changes effected prior to the approval of the consolidated financial statements by the Board of Directors.

m. Cash and Cash Equivalents

Cash and cash equivalents comprise cash and cash on deposit with banks and corporations. The Group considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

n. Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

C. NOTES ON ACCOUNTS:

1. Amounts in the financial statements are presented in Rupees and figures have been rounded off to nearest rupee wherever applicable.

2. The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current presentation.

3. Quantitative Information:

The Company is engaged in the development of computer Software and Infrastructure/ Real Estate Developments. Therefore the provisions of clause 3 (ii) of Schedule VI of Part II of Companies Act, 1956 are not applicable to the company and hence no quantitative details are given.

4. Payment to Auditors:

Particulars	31.03.2011	31.07.2010
Audit Fees	Rs. 1,10,300/-	Rs. 1,10,300/-

5. Provisions for current tax is not made in view of the loss for the period, in terms of the provisions of the Income Tax Act, 1961.

6. Remuneration Paid/Payable to Directors and other Chief Managerial Personnel: As per Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, the number of employees employed for the whole period drawing salary of Rs.60,00,000/- per annum or more is NIL and the number of employees employed for part of the period drawing salary of Rs.5,00,000/- per month or more is also NIL.

7. Deferred Taxation for the period ended 31st March, 2011.

Particulars	As At 01.08.2010	Charge/(Credit) during the period	As at 31.03.2011
Deferred Tax Liability/ (Asset) on account of :			
i. Depreciation	27,52,732	(29,01,948)	(1,49,216)
ii. Expenses allowable for Tax purpose in subsequent year(s)	NIL	NIL	NIL
Net Deferred Tax Liability /(Asset)	27,52,732	(29,01,948)	(1,49,216)
Previous Year.	35,70,256	(8,17,524)	27,52,732

8. In the Opinion of Board of Directors, all the Current Assets, Loans and Advances have a value on realization in the ordinary course of Business at least equal to the amount at which they are stated and all the known liabilities as at the end of period have been provided for.

9. Earnings per Share (EPS):

Particulars		Before exceptional / prior period items		After exceptional/ prior period items	
		2010-11	2009-10	2010-11	2009-10
Basic					
Profit After Tax as per the Accountants	A	(10,83,473)	(2,50,81,224)	(10,83,473)	(1,86,77,886)
Weighted average number of shares outstanding	B	14,000,000	14,000,000	14,000,000	14,000,000
Basic EPS	A/B	(0.08)	(1.79)	(0.08)	(1.33)
Diluted					
Profit After Tax as per the accountants	A	(10,83,473)	(2,50,81,224)	(10,83,473)	(1,86,77,886)
Weighted average number of shares outstanding	B	14,000,000	14,000,000	14,000,000	14,000,000
Diluted EPS	A/B	(0.08)	(1.79)	(0.08)	(1.33)

10. Segment Reporting

The company operates in multi segment of Software and Infrastructure/ Real Estate Developments and accordingly segment wise Result have been provided as per Accounting Standards - 17 (AS-17) issued by the Institute of Chartered Accountants of India (ICAI)/Company (Accounting Standards) Rules, 2006

SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(Rs. In Lacs)

SR NO.	PARTICULARS	Figures for the current period ended March 31, 2011 (Audited)	Previous year ended July 31, 2010 (Audited)
1	Segment Revenue (net sales/income from each segment should be disclosed under this head).		
	a. Segment – Software	-	22.39
	b. Segment – Infrastructure & Real Estate	-	-
	Total	-	22.39
	Less: Inter segment revenue	-	NIL
	Net sales/income from operations	-	22.39
2	Segment Results Profit (+)/(Loss) before tax and interest from each segment)		
	a. Segment – Software	-	14.98
	b. Segment – Infrastructure & Real Estate	-	NIL
	Total	-	14.98
	Less: (i) Interest	-	19.10
	(ii) Other Un-allocable expenditure net off	39.72	256.98
	(iii) un-allocable income.	(1.62)	(2.12)
	Total Profit/ (Loss) Before Tax	(38.10)	(258.99)
3	Capital Employed (Segment assets-Segment liabilities).		
	a. Segment – Software	188.39	348.73
	b. Segment – Infrastructure/Real Estate	1,626.15	1,555.09
	c. Un-allocable & Corporate	159.46	81.95
	Total	1,974.00	1,985.78

11. Related Party Disclosures:**a. List of Related Parties and Description of Relationships****i. Promoters Group**

M/s. Eaugu Udyog Ltd.*

M/s. Mantra Day Traders Pvt. Ltd.* along with their individual promoter shareholder

M/s. Fortune Point Exports Pvt. Ltd.* along with their individual promoter shareholder

* all the above co-promoters of your company are members of the same “Group”, as that expression is defined in MRTP Act 1969.

ii. Associates:

Hazoor Township Developers Pvt. Ltd.

iii. Company under the same Management:

M/s. Hazoor Multi Projects Ltd.

M/s. Hazoor Aambey Valley Developers Pvt. Ltd.

iv. Key Managerial Personnel:

Mr. Vikas Shukla

Ms. Anjali Modi

Note: Related party relationships are identified by the Company and relied upon by the Auditors.

b. Transactions with related parties as required by the AS-18 Related Party Disclosures
(Rs. in Lacs)

Nature of Transactions	Associates / Group	Director/Key Personnel	O/S Amt. carried to Balance Sheet
Investment:			
Samay Techno Corp.	- (30.62)	-	- (199.93)
Universal Techno.	- (33.41)	-	- (148.80)
Hazoor Township Dev. Pvt. Ltd.	45.00 (85.85)	-	130.85 (85.85)
Advance against Share Application Money			
Hazoor Township Developers Pvt. Ltd.	205.70 (78.15)	-	283.84 (78.15)
On behalf Advances for purchase of materials :			
Hazoor Township Developers Pvt. Ltd.	-28.87 (116.96)	-	506.13 (535.00)
Advances given/ re paid/ adjusted :			
Hazoor Multi Projects Ltd.	22.86 (433.09)	-	101.33 (78.47)
Share of Profits from Associates			
Samay Techno Corp.	- (30.62)	-	- (89.84)
Universal Techno.	- (33.40)	-	- (98.53)
License Income:			
Universal Techno.	- (22.39)	-	- -
Directors Sitting Fees	-	0.45 (0.16)	- (-)
Key Management Personnel	-	4.25 (6.00)	0.35 (0.50)

12. Advances recoverable in cash or in kind or for value to be received include amounts due from companies under the same management within the meaning of Section 370 (1B) of the Companies Act, 1956 as given below:

(Amount in Rs.)

Name of the Company	As at 31/03/2011	Maximum balance 2010-11	As at 31/07/2010	Maximum balance 2009-10
Hazoor Multi Projects Ltd.	1,01,32,875	1,01,32,875	78,46,939	43,308,499

13. The company has no dues to micro small enterprises during the year ended 31st March, 2011.

14. The provisions of payment of Gratuity Act, 1972 are not applicable to the company.

15.The provisions of PF / ESIC Act are not applicable to the company.

16. During the year company has changed its financial year ending from 31st July to 31st March and accordingly current period comprises of 8 months ending as on 31st March, 2011.

17.The Corresponding previous year was comprising of 8 months as the financial year ending is changed from 31st July to 31st March, therefore figures for the current period is not comparable with corresponding period in the previous year.

18. Earnings in foreign exchange (Rs. In Lacs)

Particulars	31.03.2011	31.07.2010
Foreign Exchange Earned	20.04	NIL

19.There is no amounts due and outstanding to be credited to Investor Education and Protection Fund.

As per our Report of Even Date Attached

For Ajmera Ajmera & Associates
Chartered Accountant
Firm Registration No.123989W

For & On behalf of the Board

Sandeep Ajmera
Partner
(Membership No.48277)

Vikas Shukla V I Garg
Managing Director Non Executive Chairman

R.Y. Shenoy
Director

Place: Mumbai
Date: 1st August,2011

Place: Mumbai
Date: 1st August, 2011

Book Post

Parle Software Ltd.

If undelivered please return it to:

Registered Office:

434, New Sonal Link Indl. Estate,
Linking Road, Malad (West),
Mumbai - 400 064, India.

Tel.: 6699 9319 / 2882 2492

Fax: 2882 2492

Website: www.parlesoftware.com

Email: parle.software@gmail.com

