



Parle Software Ltd.

Bridge to Technology



Annual Report
2011-12

FORWARD LOOKING STATEMENTS

This report may contain certain statements that might be considered forward looking. These statements are subject to certain risks and uncertainties, since they are based on certain assumptions and exceptions of future events. Actual results may differ materially from those expressed in the statement. The Company cannot guarantee that these assumptions and expectations are accurate and will be realised. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information and events.

INVESTORS' INFORMATION

| | | |
|----|---|---|
| 1. | Date of 29 th Annual General Meeting | Thursday, August 30, 2012 |
| 2. | Venue and time | Landmark Building, Link Road, Mith Chowki, Malad (West), Mumbai – 400 064 at 10.30 a.m. |
| 3. | Book Closure | 23rd August, 2012 to 30th August, 2012 (Both days inclusive). |
| 4. | Investors' complaints may be addressed to | The Secretarial Department, Parle Software Ltd., 434, New Sonal Link, Linking Road, Malad (West), Mumbai 400 064 |

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.

CORPORATE INFORMATION

| | |
|----------------------------------|--|
| BOARD OF DIRECTORS | Mr. Ashish Kankani |
| | Mr. Harish Luharuka |
| | Mr. V. I. Garg Non – Executive Chairman |
| | Mr. Ravindra Shenoy - (resigned w.e.f. 12.06.2012) |
| | |
| PRACTISING COMPANY SECRETARY | Mr. Dinesh Modi |
| | |
| COMPLIANCE OFFICER | Mr. Sheena Karkera |
| | |
| 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. |
|---|-----------------|
| Notice | 04 |
| Director's Report | 06 |
| Management Discussion & Analysis Report | 10 |
| Corporate Governance Report | 14 |
| Shareholders Information | 23 |
| Auditors' Report on Standalone Financial Statements | 26 |
| Consolidated Auditors' Report | 44 |
| Consolidated Financial Statements | 45 |

NOTICE

Notice is hereby given that the 29th Annual General Meeting of the Members of Parle Software Limited will be held on Thursday, 30th August, 2012 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, 2012, 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. V. I. Garg, who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Ashish Kankani, 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”.

Place: Mumbai
Date: August 02, 2012

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

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

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 Thursday, 23rd August, 2012 to Thursday, 30th August, 2012 (both days inclusive).
3. Members /Proxies should bring their Attendance Slips along with copy of the Annual Report to the meeting.
4. Members are requested to notify to the Company's Registrar immediately, if any change in their registered address along with quoting their folio number.
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 India Private Limited.
8. Re-appointment of Directors (Pursuant of Clause 49 of the Listing Agreement) at this ensuring Annual General Meeting Mr. V.I.Garg and Mr. Ashish Kankani 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.

Place: Mumbai
Date: August 02, 2012

By Order of the Board
For Parle Software Limited
sd/-
Ravindra Shenoy
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 Ninth Annual Report of the company together with the Audited Accounts for the year ended 31st March, 2012.

FINANCIAL RESULTS

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

| (Amounts in Lacs) | | | | |
|---|------------|----------|--------------|----------|
| | STANDALONE | | CONSOLIDATED | |
| | 31.03.12 | 31.03.11 | 31.03.12 | 31.03.11 |
| Total Income | 20.59 | 190.00 | 20.59 | 1.62 |
| Profit / (Loss) (before Interest, depreciation and tax) | (0.55) | 153.93 | (0.55) | (34.45) |
| Less: Finance Charges | 0.53 | NIL | 0.53 | NIL |
| Less: Depreciation | 5.49 | 3.65 | 5.49 | 3.65 |
| Profit/(Loss) before Tax | (6.57) | 150.28 | (6.57) | (38.10) |
| Less: Provision for Tax | | | | |
| Current | NIL | 1.75 | NIL | 1.75 |
| Deferred | 0.37 | (29.02) | 0.37 | (29.02) |
| Profit / (Loss) after Tax | (6.93) | 177.55 | (6.93) | (10.83) |
| Add: Share of Profit from Associates | | | NIL | NIL |
| Profit / (Loss) for the year | (6.93) | 177.55 | (6.93) | (10.83) |
| Paid Up Equity Share Capital | 1400.00 | 1400.00 | 1400.00 | 1400.00 |

*: Previous year's figures have been re-grouped/re-classified, wherever necessary to conform to this year's classification.

FINANCIAL HIGHLIGHTS AND OPERATIONS

During the year under review, company on a standalone basis have made total Income of Rs.20.59 lacs as against Rs.190.00 lacs in the previous year. The company has made Loss before Interest, Depreciation and Tax of Rs. 0.55 lacs against profit of Rs. 153.93 lacs in the previous year in the standalone financial statement.

Your company has made a Net loss of Rs. 6.93 against Rs.10.83 lacs in the previous year in Consolidated financial statement.

APPROPRIATION

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

CHANGES IN SHARE CAPITAL

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

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 conservation 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 year under review were Rs. NIL.

ASSOCIATES

During the year, 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. "HAZOOR 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 erstwhile Monopolies and Restrictive Trade Practices ("MRTP") Act, 1969 are disclosed in the Annual Report for the purpose of the erstwhile SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

DIRECTORS

Mr. Ravindra Shenoy, director resigned w.e.f.12.06.2012. The Board places on record its appreciation for their service accorded to your company.

Mr. V. I. Garg and Mr. Ashish Kankani, 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 year and of the profit and loss of the company for that year.
- 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 year under review ,there was no employee employed throughout the financial year 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 year. 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
Date: 31st July, 2012

Ashish Kankani
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.

Macro-Economic Environment

The global economy is recovering steadily from the lows of 2008. After shrinking by 0.6% in 2009, world economic output was back on positive track registering 5% growth in 2010. Much of the new growth impetus came from developing and emerging economies that witnessed 7.1% growth in 2010 compared to 2.6% in 2009. Even the advanced economies recovered from a 3.6% contraction in output in 2009 to a growth of 3% in 2010. These positive trends have led to lower risk perceptions, greater global financial stability and improved business sentiments.

Having said so, there are some other problematic factors that may impact the future growth. There is economic instability in some countries in Europe. Ireland, for example, is facing threats of a complete banking collapse. Also, there has been a surge in prices of commodities and oil leading to high levels of inflation, which has hit normal life especially in emerging economies like India. There is growing unrest in the Middle East and North African region which has affected Asian trade and market sentiments.

The Indian economy, is well on its way to regaining the high growth momentum seen in the period immediately prior to the economic meltdown of 2008. Advanced estimates suggest that real GDP growth will be 8.6% in 2010-11.

The secular growth in GDP has contributed to a significant improvement in construction activities. Chart B shows that after falling to a low of 5.4% in 2008-09, construction growth recovered to 7% in 2009-10 and has improved further to 8% in 2010-11. While this growth level is still below what was seen in 2006-07 and 2007-08, the trend over the last two years is in the right direction.

Real Estate and Infrastructure Industry Issues

With the second half of 2010-11 witnessing an increase in activity, one had expected 2011-12 to be a watershed year for infrastructure development in India. But, what had started with a bang ended in a whimper and as the year progressed, one witnessed major issues with implementation. Clearly, the opportunities did not translate into well-planned development initiatives on the ground.

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, 2012 were Rs.14 Crore.

2. Reserves and surplus:

The balance as at March 31, 2012 amounted to Rs. 5.68 Crores as per the Standalone Financial Statements and Rs. 5.68 Crores as per the consolidated financial Statements.

3. Shareholder funds:

The total shareholder funds were Rs. 19.68 Crores as at March 31, 2012 as per the Standalone Financial Statements and Rs. 19.68 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. 22.75 lacs after provision of depreciation and amortization.

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 balance in fiscal amounted to Rs. 288.35 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, 2012.

4. Loans and Advances (Long term and short term) :

The balance as at March 31, 2012 amounted to Rs.183.25 Crores as per the Standalone and Consolidated financial Statements.

5. Current liabilities:

The balance as at March 31, 2012 amounted to Rs. 11.49 lacs as per the Standalone and Consolidated financial Statements as against Rs. 11.49 lacs at March 31, 2012.

6. Provisions:

Deferred Tax debit of Rs. 0.37 lacs payable by the company and tax provision of Rs. NIL is made during the year.

RESULTS OF OPERATIONS:

Parle Software Ltd.,(PSL) has essentially followed a Revenue Model of carrying out the Infrastructure & Real estate development exclusively through its associates alone and the company has not recorded any Revenue from the operations on its own and hence company has essentially become an investment company. The company hold 45% in Hazoor Township Developers Pvt. Ltd. and revenue from this associates will be consolidated with PSL.

The highlights of the Results of operations are as follows:

INCOME:

During the year company earned Rs. 20.59 lacs in standalone financial statements represents compensation on surrender of flat rights and interest and has incurred an expenditure of Rs.26.63 Lacs thereby making a net loss of Rs.6.94 Lacs as against the net loss of Rs. (10.83) lacs.

The Associates of the Company Hazoor Township Developers Pvt. Ltd. has not made any revenue in the year under report out of the real estate projects undertaken by Hazoor Homes (J.V. of the Associate) which has not yet recognised any revenue during the year. Hence the company has posted net loss of Rs. 6.94 Lacs as against the net loss of Rs. (10.83) lacs.

EXPENDITURE:

We incurred total expenses of Rs. 21.67 lacs, as against Rs. 36.07 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. 5.49 lacs and Rs.3.65 lacs toward depreciation for the periods ended March 31, 2012 and March 31, 2011 as the activities were exclusively carried out by the Associates.

PROVISION FOR TAX:

Provisions for current tax of Rs. NIL 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. (0.05) as against Rs. 1.27 in the previous year. There was no change in the outstanding shares used in computing basic EPS for the period ended March 31, 2012 and for the year ended March 31, 2011.

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 erstwhile Monopolies and Restrictive Trade Practices Act, 1969, for the purpose of Regulation 3(1)(e)(i) of the erstwhile 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 3 (Three) Directors.

During the year 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) | 6 | Present | 2 | 2 | 1 |
| Mr. Vikas Shukla (resigned w.e.f. 02.08.2011) | M.D. | 3 | Present | - | - | - |
| Mr. Ravindra Shenoy (resigned w.e.f. 12.06.2012) | NED (I) | 6 | Present | - | - | - |
| Mr. Rahul Shidhaye (resigned w.e.f. 23.05.2011) | NED (I) | - | Absent | - | - | - |
| Mr. Ashish Kankani | NED (I) | 6 | Present | - | - | - |
| Mr. Harish Luharuka | NED(I) | 6 | Present | - | - | - |

*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 year ended 2011-12, 6 (Six) Board Meetings were held on 29th April, 2011, 09th May, 2011, 01st August, 2011, 11th August, 2011, 14th November, 2011 & 06th February, 2012. 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. V.I. Garg and Mr. Ashish Kankani retire by rotation at the ensuing Annual General Meeting and being eligible, have offered themselves for reappointment.

Mr. Ashish Kankani

Mr. Ashish Kankani, aged 29 years, a Chartered Accountant with four years of experience in the field of Corporate finance & Market analyst. Mr. Kankani is the Chairman of the Audited Committee, Remuneration Committee & Share Transfer Committee of the Company and He is director on the Board of the Company.

Mr. V I Garg

Mr. V I Garg aged 60 years is a qualified Commerce graduate. He is Management consultant and has 35 years of experience in management development and Project Execution and Land Development. Mr. V I Garg is a Non - Executive Chairman on the Company's Board.

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 Designation:

Mr. Ashish Kankani - Chairman

Mr. Ravindra Shenoy - Member

Mr. V.I. Garg - Member

Present composition of the Audited Committee comprises of Three (3) Directors, out of which one is Non-Executive Chairman and others are Non-Executive independent Directors. Chairman is the Non-Executive Independent Directors, the Internal Auditor and the representatives of Statutory Auditors are invitees to the meetings of the Audit Committee.

Meetings and Attendance during the year

The Audit Committee during the Financial Year 2011-2012 held the meetings as on 09th May, 2011, 01st August, 2011, 11th August, 2011, 14th November, 2011 & 06th February, 2012.

During the financial year 2011-12, 5 (Five) 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. Ashish Kankani | 5 |
| 2 | Mr. Ravindra Shenoy | 5 |
| 3 | Mr. V. I. Garg | 5 |
| 4 | Mr. Vikas Shukla | 2 |

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 Designation:

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 Year:

During the Financial Year 2011-2012, one meeting of the Remuneration Committee were held on 06.02.2012.

| 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 Designation:

Mr. V I Garg - Chairman

Mr. Ravindra Shenoy - Member

Mr. Ashish Kankani - Member

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

Meetings and Attendance during the Year:

The Shareholder/ Investors' Grievance Committee during the Financial year 2011-2012 four meeting held on 09th May, 2011, 11th August, 2011, 14th November, 2011 & 06th February, 2012.

Ms. Anjali Modi was the Compliance officer of the Company from 11.12.2008 till 21.11.2011 thereafter Mr. Sheena Karkera took over as the 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. V I Garg | 4 |
| 2 | Mr. Ravindra Shenoy | 4 |
| 3 | Mr. Ashish Kankani | 4 |

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

SHARE TRANSFER COMMITTEE (STC):

| Nature of Complaints | 2011-12 | |
|---|-----------------|-----------------|
| | Received (Nos.) | Resolved (Nos.) |
| Number of Complaints received from shareholders | 8 | 8 |
| Total | 8 | 8 |

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 Year

During the Financial Year 2011-2012, two meetings of the Share Transfer Committee were held as on 11.08.2011 and 06.02.2012.

| 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, 2012.

GENERAL BODY MEETINGS:

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

| Financial Year | Date | Time | Locations |
|----------------|------------|------------|---|
| 2010-11 | 30.08.2011 | 10.30 A.M. | Landmark Building, Link Road, Mith Chowki, Malad (West), Mumbai – 400 064 |
| 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 |

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 / DIRECTOR CERTIFICATION:

In accordance with Clause 49(V) of the Listing Agreement, the 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 year 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 NON EXECUTIVE 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 year 2011-12.

Place: Mumbai

V I GARG

Date: 31st July, 2012

Non Executive Chairman

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 year ended 31st March, 2012.

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.

Dinesh Modi

(Company Secretary)

Certificate of Practice No. 11041

Mumbai: 31st July, 2012

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 year ended 31st March, 2012 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 year ended 31st March, 2012 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 year under review;

(ii) there has not been any significant change in the accounting policies during the year 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: 31st July, 2012

Ashish Kankani
Director

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

| | |
|--|---|
| Date, Time and Venue of AGM: | August 30, 2012 at 10.30 AM at Landmark Building, Link Road, Mith Chowki, Malad (West), Mumbai – 400 064 |
| Book closure: | From 23 rd August, 2012 to 30 th August, 2012 (both days inclusive) |
| Financial Year: | 01.04.2011 to 31.03.2012 |
| Listing of shares with Stock Exchanges*: | BSE Ltd. Pune Stock Exchange Ltd. Ahmadabad 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 2012-13, payable to 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 year ended 31st March, 2012 under review.

MARKET PRICE DATA:

The market price of the shares of the company quoted in the BSE Ltd. during the year April 2011 to March, 2012 is as under:

| Month | April | May | June | July | Aug. | Sept. | Oct. | Nov. | Dec. | Jan. | Feb. | Mar. |
|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| High | 48.70 | 50.00 | 53.40 | 42.75 | 40.85 | 31.00 | 27.00 | 27.50 | 21.70 | 25.25 | 24.00 | 21.70 |
| Low | 38.50 | 35.00 | 36.00 | 35.00 | 26.50 | 23.30 | 22.00 | 18.00 | 16.80 | 17.40 | 19.10 | 15.45 |

DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2012:

| Shareholding (Range) | No. of holders | % of holders | No. of Shares | % of Shares |
|-------------------------|----------------|--------------|---------------|-------------|
| Upto - 500 | 1,512 | 73.57 | 1,17,794 | 0.84 |
| 501 – 1,000 | 68 | 3.31 | 52,545 | 0.38 |
| 1,001 – 2,000 | 350 | 17.03 | 4,21,935 | 3.01 |
| 2,001 – 3,000 | 39 | 1.90 | 1,03,529 | 0.74 |
| 3,001 – 4,000 | 10 | 0.49 | 35,745 | 0.26 |
| 4,001 – 5,000 | 2 | 0.10 | 8,732 | 0.06 |
| 5,001 -- 10,000 | 31 | 1.51 | 2,11,787 | 1.51 |
| 10,001 and above | 43 | 2.09 | 1,30,47,933 | 93.20 |
| TOTAL | 2,036 | 100.00 | 1,40,00,000 | 100.00 |

SHAREHOLDING PATTERN AS ON 31.03.2012:

| Shares held by | No. of shares | % of Capital |
|-----------------|---------------|--------------|
| Promoters | 87,24,860 | 62.32 |
| Body Corporate | 31,61,443 | 22.58 |
| Public | 21,09,172 | 15.06 |
| NRIs | 967 | 0.01 |
| Clearing Member | 3,558 | 0.03 |
| TOTAL... | 14,000,000 | 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 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'.

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, 2012, the Profit and Loss account of the Company and the Cash Flow Statement of the Company for the year 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, 2012, and taken on record by the Board of Directors, we report that none of the Directors are disqualified as at 31st March, 2012 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 and significant accounting policies thereon, 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, 2012,
 - (ii) In the case of the Profit and Loss Account, of the Loss of the Company for the year ended on that date, and
 - (iii) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

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

Sandeep Ajmera
Partner
Membership No.48277

Place: Mumbai
Date: 15th May, 2012

Annexure to the Auditors' Report

The annexure referred to in our report to the members of PARLE SOFTWARE LIMITED for the year ended 31st March, 2012. 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 year 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 year 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 year 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, 2012 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 but has incurred cash losses in the financial year under report and has not 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 year.
- 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 year. 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 year. Accordingly, paragraph 4(xix) of the Order is not applicable.
- xx. The Company has not raised any money by public issues during the year. 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: 15th May, 2012

PARLE SOFTWARE LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2012

| Particulars | Note No. | 31st March 2012 Rs. | 31st March 2011 Rs. |
|--|----------|---------------------------|---------------------------|
| I <u>EQUITY AND LIABILITIES</u> | | | |
| 1 SHARE HOLDER'S FUNDS | | | |
| (a) Share Capital | 2 | 140,000,000 | 140,000,000 |
| (b) Reserves & Surplus | 3 | 56,800,983 | 57,494,479 |
| | | <u>196,800,983</u> | <u>197,494,479</u> |
| 2 NON-CURRENT LIABILITIES | | | |
| (a) Long-term borrowings | 4 | 3,408,000 | 4,764,383 |
| | | <u>3,408,000</u> | <u>4,764,383</u> |
| 3 CURRENT LIABILITIES | | | |
| (a) Trade payables | 5 | 710,925 | 441,779 |
| (b) Other current liabilities | 6 | 168,315 | 114,553 |
| (c) Short-term provisions | 7 | 270,048 | 1,238,549 |
| | | <u>1,149,288</u> | <u>1,794,881</u> |
| TOTAL | | <u><u>201,358,271</u></u> | <u><u>204,053,743</u></u> |
| II <u>ASSETS</u> | | | |
| 1 NON-CURRENT ASSETS | | | |
| (a) Fixed assets | 8 | | |
| (i) Tangible assets | | 2,275,187 | 2,824,092 |
| (b) Non-current investments | 9 | 28,835,000 | 13,085,000 |
| (c) Deferred Tax Assets | 10 | 112,428 | 149,216 |
| (d) Long-term loans and advances | 11 | 141,816,890 | 139,631,329 |
| | | <u>173,039,505</u> | <u>155,689,637</u> |
| 2 CURRENT ASSETS | | | |
| (a) Cash and cash equivalents | 12 | 447,150 | 4,742,491 |
| (b) Short-term loans and advances | 13 | 27,871,615 | 43,621,615 |
| | | <u>28,318,765</u> | <u>48,364,106</u> |
| TOTAL | | <u><u>201,358,271</u></u> | <u><u>204,053,743</u></u> |

SIGNIFICANT ACCOUNTING POLICIES
NOTES ON FINANCIAL STATEMENTS

1 to 31

As per our report of even date

For AJMERA AJMERA & ASSOCIATES
Firm Registration No. 123989W
Chartered Accountants

SANDEEP AJMERA
Partner
Membership No. 048277

Place: Mumbai
Date: 15th May, 2012

For and on behalf of the Board of Directors

Mr. Ravindra Shenoy
Director

Mr. V. I. Garg
Director

Mr. Ashish Kankani
Director

Place: Mumbai
Date: 15th May, 2012

PARLE SOFTWARE LIMITED**STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2012**

| Particulars | Note No. | 2011-2012 Rs. | 2010-2011 Rs. |
|--|----------|------------------|--------------------|
| I Revenue from operations | | - | - |
| II Other income | 14 | 2,059,109 | 19,000,347 |
| III Total Revenue (I+II) | | 2,059,109 | 19,000,347 |
| IV Expenses: | | | |
| Employee benefits expense | 15 | 687,891 | 1,348,712 |
| Finance costs | 16 | 52,887 | - |
| Depreciation and amortization expense | 8 | 548,905 | 364,798 |
| Other expenses | 17 | 1,426,134 | 2,258,665 |
| Total expenses | | 2,715,817 | 3,972,175 |
| V Profit before extraordinary items and tax (III-IV) | | (656,708) | 15,028,172 |
| VI Extraordinary Items | | - | - |
| VII Profit before tax (V- VI) | | (656,708) | 15,028,172 |
| VIII Tax expense: | | | |
| (1) Current tax | | - | 175,000 |
| (2) Deferred tax | | 36,788 | (2,901,948) |
| | | 36,788 | (2,726,948) |
| IX Profit (Loss) for the period (VII + VIII) | | (693,496) | 17,755,120 |
| X Earnings per equity share: | 18 | | |
| Equity share of par value of Rs. 10/- each | | | |
| Before Extra Ordinary Item | | | |
| (1) Basic | | (0.05) | 1.27 |
| (2) Diluted | | (0.05) | 1.27 |
| After Extra Ordinary Item | | | |
| (1) Basic | | (0.05) | 1.27 |
| (2) Diluted | | (0.05) | 1.27 |

SIGNIFICANT ACCOUNTING POLICIES
NOTES ON FINANCIAL STATEMENTS

1 to 31

As per our report of even date

For AJMERA AJMERA & ASSOCIATES
Firm Registration No. 123989W
Chartered Accountants

SANDEEP AJMERA
Partner
Membership No. 048277

Place: Mumbai
Date: 15th May, 2012

For and on behalf of the Board of Directors

Mr. Ravindra Shenoy
Director

Mr. V. I. Garg
Director

Mr. Ashish Kankani
Director

Place: Mumbai
Date: 15th May, 2012

| CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012 | | | |
|--|---------------------|---------------------|------------|
| | | Year Ended | Year Ended |
| | | 31.03.2012 | 31.03.2011 |
| A. <u>Cash Flow From Operating Activities</u> | | | |
| Profit / (Loss) Before Tax as per Profit & Loss Account | (656,708) | 15,028,172 | |
| Add / (Deduct): | | | |
| Depreciation | 548,905 | 364,798 | |
| Interest Received | (73,659) | (161,753) | |
| Other Income (Share of Profit) | | (18,838,594) | |
| Interest & Finance Charges | 52,887 | - | |
| Operating Profit before Working Capital changes | (128,575) | (3,607,377) | |
| Trade and Other receivables | - | 5,027,758 | |
| Trade Payables | 340,334 | 142,981 | |
| Loans & Advances | 12,615,711 | 2,953,572 | |
| | 12,956,045 | 8,124,311 | |
| Taxes Paid | (37,200) | (175,000) | |
| Net Working Capital Changes | 12,918,845 | 7,949,311 | |
| Net Cash from Operating Changes | 12,790,270 | 4,341,934 | |
| B. <u>Cash Flow from Investement Activities:</u> | | | |
| (Purchase) / Sale of Fixed Assets | - | (41,500) | |
| Change in Capital WIP | - | (1,295,945) | |
| (Purchase) / Sale of Investments | (15,750,000) | (9,035,000) | |
| Net Cash used in Investing Activities | (15,750,000) | (10,372,445) | |
| C. <u>Cash Flow From Financing Activities:</u> | | | |
| Interest Received | 73,659 | 161,753 | |
| Other Income | - | 18,838,594 | |
| Finance Charges | (52,887) | - | |
| Secured Loan | (1,356,383) | (15,198,711) | |
| Net cash used in Financing activities | (1,335,611) | 3,801,636 | |
| Net Increase in Cash & Cash Equivalents | (4,295,341) | (2,228,875) | |
| Opening Balance of Cash & Cash Equivalents | 4,742,491 | 6,971,366 | |
| Closing Balance of Cash & Cash Equivalents | 447,150 | 4,742,491 | |
| Net Increase / (Decrease) as disclosed above | (4,295,341) | (2,228,875) | |
| Notes: 1. Previous Years figures have been regrouped, recast wherever necessary. 2. The above cash flow statement has been prepared under the indirect method as set out in Accounting Standard -3, "Cash Flow Statements" issued by the Institute of Chartered Accountants of India. As per our Report of even date <div style="display: flex; justify-content: space-between;"> <div> For Ajmera Ajmera & Associates Chartered Accountants (Firm Registration No. 123989W) Sandeep Ajmera Partner (Membership No. 48277) Place: Mumbai Date: 15th May, 2012 </div> <div> For & On Behalf of the Board of Directors <div style="display: flex; justify-content: space-around;"> <div> Mr. Ravindra Shenoy Director Mr. V. I. Garg Director Place: Mumbai Date: 15th May, 2012 </div> <div> Mr. Ashish Kankani Director </div> </div> </div> </div> | | | |

PARLE SOFTWARE LIMITED**1** 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 recognises significant terms of income and expenditure on accrual basis.

i. 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.

ii. 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 recognised and carried forward only to the extent that there is a reasonable / virtual certainty that the asset will be realised in future. Provision for Income 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.

r

PARLE SOFTWARE LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012****2 SHARE CAPITAL**

| | as at 31-03-2012 | as at 31-03-2011 |
|---|------------------|------------------|
| AUTHORISED CAPITAL | | |
| 140,00,000 Equity shares of Rs.10/- each and 10,00,000 | 150,000,000 | 150,000,000 |
| Un-Classified shares of Rs. 10 each (P.Y. 1,40,00,000 & 10,00,000) | | |
| 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. | | |
| | 140,000,000 | 140,000,000 |

a. The reconciliation of the shares outstanding as at March 31, 2012 and March 31, 2011 is set out below:

| | as at 31.03.2012 | as at 31.03.2011 |
|-----------------------------------|------------------|------------------|
| | No. of Shares | No. of Shares |
| Number of shares at the beginning | 1,40,00,000 | 1,40,00,000 |
| Number of shares at the end | 1,40,00,000 | 1,40,00,000 |

b. Terms/rights attached to equity shares

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

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Details of shareholder holding more than 5% shares as at March 31, 2012 is set out below :

| | 31/03/2012 | 31/03/2011 |
|---|------------------|------------------|
| <u>Name of the shareholder</u> | Number of Shares | Number of Shares |
| Eaugu Udyog Ltd. - Promoter | 84,88,876 | 84,90,840 |
| % held | 60.63% | 60.65% |
| Sunnidhi Infrastructure Developers Pvt Ltd - Public | 17,57,791 | 17,61,491 |
| % held | 12.56% | 12.58% |

d. Aggregate number of bonus shares issued, shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

| Years | Equity Shares |
|------------|---------------|
| 31.03.2012 | - |
| 31.03.2011 | - |
| 31.07.2010 | - |
| 31.07.2009 | - |
| 31.07.2008 | 10,500,000 |

3 RESERVES AND SURPLUS

| | as at 31-03-2012 | as at 31-03-2011 |
|--|-------------------|-------------------|
| Securities Premium: | 14,000,000 | 14,000,000 |
| Capital reserve - Opening Balance | 1,000,000 | 1,000,000 |
| General reserve - Opening balance | 24,739,359 | 24,739,359 |
| Surplus in the statement of profit and loss | | |
| Opening balance | 17,755,120 | NIL |
| Add/Less: Loss transferred form Statement of Profit & Loss | (693,496) | 17,755,120 |
| Closing balance | 17,061,624 | 17,755,120 |
| TOTAL | 56,800,983 | 57,494,479 |

4 LONG-TERM BORROWINGS**Secured**

| | | |
|---|-----|-----------|
| Loan from bank | NIL | 4,764,383 |
| [Cash Credit (Miscellaneous) facility with Vijaya Bank, Mumbai secured against hypothecation of Book Debts, and against personal guarantee of a Director of the Company.] | | |

Unsecured

| | | |
|----------------------|------------------|------------------|
| From Body Corporates | 3,408,000 | NIL |
| | 3,408,000 | 4,764,383 |

5 TRADE PAYABLES:

| | | |
|----------------|----------------|----------------|
| Trade Payables | 710,925 | 441,779 |
| | 710,925 | 441,779 |

6 OTHER CURRENT LIABILITIES:

| | | |
|-------------------------------------|----------------|----------------|
| Provision for Expenses | 116,708 | 101,131 |
| Withholding and other Taxes payable | 51,607 | 13,422 |
| | 168,315 | 114,553 |

a. The Company has no dues to micro small enterprises during the year ended 31/03/2012.

b. There are no amounts due and outstanding to be credited to investor Educations and Protection Fund.

7 SHORT TERM PROVISIONS:

| | | |
|--|----------------|------------------|
| Provision for Income Tax (Net of Advance Tax) | 270,048 | 1,238,549 |
| | 270,048 | 1,238,549 |

| PARLE SOFTWARE LIMITED | | | | | | | | | | |
|--------------------------------|---------------------|---------------|-----------|---------------------|---------------------|-----------------|-----------|---------------------|---------------------|---------------------|
| 8. FIXED ASSETS | | | | | | | | | | |
| | ORIGINAL COST | | | | DEPRECIATION | | | | NET BLOCK VALUE | |
| Particulars | As at 01.04.2011 | Additions | Deletions | As at 31.03.2012 | As at 01.04.2011 | For the Year | Deletions | As at 31.03.2012 | As at 31.03.2012 | As at 31.03.2011 |
| | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. |
| <u>Tangible Assets:</u> | | | | | | | | | | |
| Office Equipments | 964,256 | - | - | 964,256 | 463,953 | 99,704 | - | 563,657 | 400,599 | 500,303 |
| Furniture & Fixture | 1,059,273 | - | - | 1,059,273 | 369,362 | 67,052 | - | 436,414 | 622,859 | 689,911 |
| Computer | 2,357,487 | - | - | 2,357,487 | 723,608 | 382,149 | - | 1,105,757 | 1,251,730 | 1,633,879 |
| Total | 4,381,016 | - | - | 4,381,016 | 1,556,924 | 548,905 | - | 2,105,829 | 2,275,187 | 2,824,092 |
| Previous Year Rupees | 4,339,516 | 41,500 | - | 4,381,016 | 1,192,126 | 364,798 | - | 1,556,924 | 2,824,092 | |
| | | | | | | | | | | |

9 NON CURRENT INVESTMENTS:

| | | |
|--|-------------------|-------------------|
| Long Term Investment- at cost | | |
| Non Trade (un-quoted) | | |
| Investment in Associates | | |
| Hazoor Township Developers Pvt. Ltd. | 28,835,000 | 13,085,000 |
| 1,80,000 Equity Shares of Rs.10/-each fully paid-up. | | |
| (P.Y.1,57,500- Equity Shares) | | |
| | 28,835,000 | 13,085,000 |

10 DEFERRED TAX ASSETS

| | | |
|--|----------------|----------------|
| Opening Balance | 149,216 | 149,216 |
| Difference between book and Tax Depreciation | 36,788 | - |
| Deferred Tax Liability | 112,428 | 149,216 |

11 LONG TERM LOANS AND ADVANCES:

(Unsecured, Considered Good unless stated otherwise)

| | | |
|---|--------------------|--------------------|
| Capital Advances | 70,525,736 | 70,358,447 |
| Loans and Advances: | | |
| Inter Corporate Deposit with related party: | 11,724,875 | 10,132,875 |
| Electricity and other deposits | 2,820 | 2,820 |
| Other parties | 59,563,459 | 58,188,459 |
| Advance Income Tax (Net of Provisions) | - | 948,728 |
| | 141,816,890 | 139,631,329 |

12 CASH AND CASH EQUIVALENTS

| | As at 31.03.2012 | As at 31.03.2011 |
|--------------------|------------------|------------------|
| Cash on Hand | 26,444 | 310,041 |
| Balances with Bank | | |
| - current Accounts | 420,706 | 4,432,450 |
| | 447,150 | 4,742,491 |

13 SHORT TERM LOANS AND ADVANCES:

(Un-secured, considered good)

| | | |
|----------|-------------------|-------------------|
| - Others | 27,871,615 | 43,621,615 |
| | 27,871,615 | 43,621,615 |

14 OTHER INCOME:

| | Year Ended 31.03.2012 | Year Ended 31.03.2011 |
|--|--------------------------|--------------------------|
| Compensation on sale of Residential rights | 1,976,250 | - |
| Misc Income | 9,200 | 18,838,594 |
| Interest Income | | |
| - Others (TDS Rs.7200/-, P.Y Rs.16,175/-) | 73,659 | 161,753 |
| | 2,059,109 | 19,000,347 |

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012**19 Payment to Auditors:**

| | 31-Mar-12 | 31-Mar-11 |
|--------------------|------------------|------------------|
| Particulars | Rs. | Rs. |
| Audit Fees | 110,300 | 110,300 |

20 Income Taxes:

No provisions for current tax is made in view of the loss for the year, in terms of the provisions of the Income Tax Act, 1961.

21 Deferred Tax :

Deferred Tax liability is provided for as per Accounting Standard 22 issued by the Institute of Chartered Accountants of India.

| | 31-Mar-12 | 31-Mar-11 |
|---|------------------|------------------|
| Deferred Tax as for the year: (Difference between book & I.T.Depreciation) | Rs. | Rs. |
| Opening Balance | (149,216) | 2,752,732 |
| For the year | 20,132 | 2,901,948 |
| Total | 129,084 | (149,216) |

22 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 year 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.

23 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 year have been provided for.

24 Segment Reporting:

The company and its associates operates in a single business segment of "Infrastructure & Real Estate".

25 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.*

M/s. Fortune Point Exports Pvt. Ltd.*

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

ii. Associates:

Hazoor Township Developers Pvt. Ltd.

| | Year Ended 31.03.2012 | Year Ended 31.03.2011 |
|---|--------------------------|--------------------------|
| 15 EMPLOYEE BENEFITS EXPENSE: | | |
| Salaries and Bonus | 633,917 | 1,140,000 |
| Staff Welfare Expenses | 53,974 | 208,712 |
| | 687,891 | 1,348,712 |
| Note: | | |
| Salaries and Bonus include Directors' remuneration Rs.1,13,167/- (P.Y.Rs.3,50,000/-) | | |
| 16 FINANCE COSTS: | | |
| Interest on borrowings | 52,887 | - |
| | 52,887 | - |
| 17 OTHER EXPENSES: | | |
| Electricity Expenses | 90,310 | 72,460 |
| Repair to Office | 80,939 | 210,042 |
| Insurance | 6,623 | 1,490 |
| Auditor's Remuneration: | | |
| Statutory Audit Fee | 110,300 | 110,300 |
| Professional Charges | 500,627 | 213,146 |
| Travelling & Conveyance | 181,624 | 633,041 |
| Telephone Charges | 41,373 | 46,488 |
| Listing Fees | 86,806 | 86,335 |
| CDSL Charges | 33,096 | - |
| Custodian Charges | 33,090 | - |
| Advertisements | 100,946 | 78,144 |
| AGM Expenses | 2,000 | 62,850 |
| Bank Charges | 12,615 | 5,437 |
| Books and Periodicals | 4,215 | 20,798 |
| Internet & Web Charges | 40,774 | 72,589 |
| Others Director Sitting Fees | - | 45,000 |
| Inspection Charges | - | 4,000 |
| Membership & Subscription | - | 33,300 |
| Miscellaneous Expenses | - | 69,582 |
| Office Expenses | 30,208 | 134,927 |
| Postage and Courier | 16,188 | 79,363 |
| Printing & Stationery | 22,463 | 89,338 |
| Processing Charges | - | 55,200 |
| Registrar Charges | 13,802 | - |
| ROC Expenses | 2,510 | 1,000 |
| Sales Promotion | 15,625 | 133,836 |
| | 1,426,134 | 2,258,665 |
| 18 Earning Per Shares | | |
| Profit / (Loss) after taxation as per | | |
| Profit / (Loss) Accounts | -693496 | 17755120 |
| Number of shares outstanding | 14000000 | 14000000 |
| Basic and Diluted Earing per share in rupee (Face Value of Rs.10/- per share) | (0.05) | 1.27 |

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. V I Garg

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 management Personnel | O/S Amt. carried to Balance Sheet |
|---|----------------------|-------------------------------------|-----------------------------------|
| Investments: | | | |
| Hazoor Township Developers Pvt. Ltd. | 157.50 (45.00) | - | 288.35 (130.25) |
| Advance against Share Appl. | | | |
| Hazoor Township Developers Pvt. Ltd. | (157.50) (205.70) | - | 126.35 (283.84) |
| On behalf Advances for purchase of materials : | | | |
| Hazoor Township Developers Pvt. Ltd. | - (28.87) | - | 506.13 (506.13) |
| Advances given/ repaid/ adjusted : | | | |
| Hazoor Township Developers Pvt. Ltd. | 34.50 - | - | 34.50 - |
| Hazoor Multi Projects Ltd. | 15.92 (22.86) | - | 117.25 (101.33) |
| License Income: | | | |
| Samay Techno Corp | - (89.84) | - | - - |
| Universal Technologies | - (98.34) | - | - - |
| Directors Sitting Fees | - | - (0.45) | - - |
| Key Management Personnel Remuneration | - | 1.19 (4.25) | - (0.35) |
| Professional Fees | - | 3.20 - | - - |

26 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 :

| Name of the Company | As at 31/03/2012 | Maximum balance 2011-12 | As at 31/03/2011 | Maximum balance 2010-11 |
|----------------------------|------------------|-------------------------|------------------|-------------------------|
| Hazoor Multi Projects Ltd. | 11,724,875 | 11,829,875 | 10,132,875 | 10,132,875 |

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

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

29 Earnings in foreign exchange

(Rs. In Lacs)

| Particulars | 31.03.2012 | 31.03.2011 |
|-------------------------|------------|------------|
| Foreign Exchange Earned | - | 20.04 |

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

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

As per our report of even date

For AJMERA AJMERA & ASSOCIATES

Firm Registration No. 123989W

Chartered Accountants

SANDEEP AJMERA

Partner

Membership No. 048277

Place: Mumbai

Date: 15th May, 2012

For and on behalf of the Board of Directors

Mr. Ravindra Shenoy
Director

Mr. V. I. Garg
Director

Mr. Ashish Kankani
Director

Place: Mumbai

Date: 15th May, 2012

Consolidated Financial Statements
for the year ended March 31, 2012

Auditors' Report on the Consolidated Financial Statements

To The Members of PARLE SOFTWARE LIMITED

We have examined the attached Consolidated Balance Sheet of **PARLE SOFTWARE LIMITED** and its Associates (Collectively referred to as the 'PSL Group') as at 31st March, 2012, the Consolidated Profit and Loss account of the PSL Group and the Consolidated Cash Flow Statement of the PSL Group of the year 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 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 and significant accounting policies thereon, 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, 2012;
- b) In the case of Consolidated Profit and Loss Account, of the Loss of the PSL Group for the year 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 year ended on that date.

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

Sandeep Ajmera
Partner
Membership No.48277

Place: Mumbai
Date: 15th May, 2012

PARLE SOFTWARE LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2012

| Particulars | Note No. | 31st March 2012 Rs. | 31st March 2011 Rs. |
|--|----------|---------------------------|---------------------------|
| I <u>EQUITY AND LIABILITIES</u> | | | |
| 1 SHARE HOLDER'S FUNDS | | | |
| (a) Share Capital | 2 | 140,000,000 | 140,000,000 |
| (b) Reserves & Surplus | 3 | 56,800,984 | 57,494,480 |
| | | <u>196,800,984</u> | <u>197,494,480</u> |
| 2 NON-CURRENT LIABILITIES | | | |
| (a) Long-term borrowings | 4 | 3,408,000 | 4,764,383 |
| | | <u>3,408,000</u> | <u>4,764,383</u> |
| 3 CURRENT LIABILITIES | | | |
| (a) Trade payables | 5 | 710,925 | 441,779 |
| (b) Other current liabilities | 6 | 168,315 | 114,553 |
| (c) Short-term provisions | 7 | 270,048 | 1,238,549 |
| | | <u>1,149,288</u> | <u>1,794,881</u> |
| TOTAL | | <u><u>201,358,272</u></u> | <u><u>204,053,744</u></u> |
| II <u>ASSETS</u> | | | |
| 1 NON-CURRENT ASSETS | | | |
| (a) Fixed assets | 8 | | |
| (i) Tangible assets | | 2,275,187 | 2,824,092 |
| (b) Non-current investments | 9 | 28,835,000 | 13,085,000 |
| (c) Deferred Tax Assets | 10 | 112,428 | 149,216 |
| (d) Long-term loans and advances | 11 | 141,816,890 | 139,631,329 |
| | | <u>173,039,505</u> | <u>155,689,637</u> |
| 2 CURRENT ASSETS | | | |
| (a) Cash and cash equivalents | 12 | 447,150 | 4,742,491 |
| (b) Short-term loans and advances | 13 | 27,871,615 | 43,621,615 |
| | | <u>28,318,765</u> | <u>48,364,106</u> |
| TOTAL | | <u><u>201,358,272</u></u> | <u><u>204,053,744</u></u> |

SIGNIFICANT ACCOUNTING POLICIES
NOTES ON FINANCIAL STATEMENTS

1 to 31

As per our report of even date

For AJMERA AJMERA & ASSOCIATES
 Firm Registration No. 123989W
 Chartered Accountants

SANDEEP AJMERA
 Partner
 Membership No. 048277

Place: Mumbai
 Date: 15th May, 2012

For and on behalf of the Board of Directors

Mr. Ravindra Shenoy
 Director

Mr. V. I. Garg
 Director

Mr. Ashish Kankani
 Director

Place: Mumbai
 Date: 15th May, 2012

PARLE SOFTWARE LIMITED**CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2012**

| Particulars | Note No. | 2011-2012 Rs. | 2010-2011 Rs. |
|--|----------|------------------|--------------------|
| I Revenue from operations | | - | - |
| II Other income | 14 | 2,059,109 | 161,753 |
| III Total Revenue (I+II) | | 2,059,109 | 161,753 |
| IV Expenses: | | | |
| Employee benefits expense | 15 | 687,891 | 1,348,712 |
| Finance costs | 16 | 52,887 | - |
| Depreciation and amortization expense | 8 | 548,905 | 364,798 |
| Other expenses | 17 | 1,426,134 | 2,258,665 |
| Total expenses | | 2,715,817 | 3,972,175 |
| V Profit before extraordinary items and tax (III-IV) | | (656,708) | (3,810,422) |
| VI Extraordinary Items | | - | - |
| VII Profit before tax (V- VI) | | (656,708) | (3,810,422) |
| VIII Tax expense: | | | |
| (1) Current tax | | - | 175,000 |
| (2) Deferred tax | | 36,788 | (2,901,948) |
| | | 36,788 | (2,726,948) |
| IX Profit (Loss) for the period (VII + VIII) | | (693,496) | (1,083,474) |
| X Earnings per equity share: | 18 | | |
| Equity share of par value of Rs. 10/- each | | | |
| Before Extra Ordinary Item | | | |
| (1) Basic | | (0.05) | (0.08) |
| (2) Diluted | | (0.05) | (0.08) |
| After Extra Ordinary Item | | | |
| (1) Basic | | (0.05) | (0.08) |
| (2) Diluted | | (0.05) | (0.08) |

SIGNIFICANT ACCOUNTING POLICIES
NOTES ON FINANCIAL STATEMENTS

1 to 31

As per our report of even date

For AJMERA AJMERA & ASSOCIATES
Firm Registration No. 123989W
Chartered Accountants

SANDEEP AJMERA
Partner
Membership No. 048277

Place: Mumbai
Date: 15th May, 2012

For and on behalf of the Board of Directors

Mr. Ravindra Shenoy
Director

Mr. V. I. Garg
Director

Mr. Ashish Kankani
Director

Place: Mumbai
Date: 15th May, 2012

| CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012 | | | |
|--|--|---------------------|---------------------|
| | | Year Ended | Year Ended |
| | | 31.03.2012 | 31.03.2011 |
| A. <u>Cash Flow From Operating Activities</u> | | | |
| Profit / (Loss) Before Tax as per Profit & Loss Account | | (656,708) | (3,810,422) |
| Add / (Deduct): | | | |
| Depreciation | | 548,905 | 364,798 |
| Interest Received | | (73,659) | (161,753) |
| Other Income (Share of Profit) | | - | - |
| Interest & Finance Charges | | 52,887 | - |
| Operating Profit before Working Capital changes | | (128,575) | (3,607,377) |
| Trade and Other receivables | | - | 5,027,758 |
| Trade Payables | | 340,334 | 142,981 |
| Loans & Advances | | 12,615,711 | 2,953,572 |
| | | 12,956,045 | 8,124,311 |
| Taxes Paid | | (37,200) | (175,000) |
| Net Working Capital Changes | | 12,918,845 | 7,949,311 |
| Net Cash from Operating Changes | | 12,790,270 | 4,341,934 |
| B. <u>Cash Flow from Investement Activities:</u> | | | |
| (Purchase) / Sale of Fixed Assets | | - | (41,500) |
| Change in Capital WIP | | - | (1,295,945) |
| (Purchase) / Sale of Investments | | (15,750,000) | 9,803,594 |
| Net Cash used in Investing Activities | | (15,750,000) | 8,466,149 |
| C. <u>Cash Flow From Financing Activities:</u> | | | |
| Interest Received | | 73,659 | 161,753 |
| Other Income | | - | - |
| Finance Charges | | (52,887) | - |
| Secured Loan | | (1,356,383) | (15,198,711) |
| Net cash used in Financing activities | | (1,335,611) | (15,036,958) |
| Net Increase in Cash & Cash Equivalents | | (4,295,341) | (2,228,875) |
| Opening Balance of Cash & Cash Equivalents | | 4,742,491 | 6,971,366 |
| Closing Balance of Cash & Cash Equivalents | | 447,150 | 4,742,491 |
| Net Increase / (Decrease) as disclosed above | | (4,295,341) | (2,228,875) |
| Notes: 1. Previous Years figures have been regrouped, recast wherever necessary. 2. The above cash flow statement has been prepared under the indirect method as set out in Accounting Standard -3, "Cash Flow Statements" issued by the Institute of Chartered Accountants of India. As per our Report of even date <div style="display: flex; justify-content: space-between;"> <div> For Ajmera Ajmera & Associates Chartered Accountants (Firm Registration No. 123989W) Sandeep Ajmera Partner (Membership No. 48277) Place: Mumbai Date: 15th May, 2012 </div> <div> For & On Behalf of the Board of Directors <div style="display: flex; justify-content: space-around;"> <div> Mr. Ravindra Shenoy Director Mr. V. I. Garg Director </div> <div> Mr. Ashish Kankani Director </div> </div> Place: Mumbai Date: 15th May, 2012 </div> </div> | | | |

PARLE SOFTWARE LIMITED**1.A Principles of Consolidation:**

The Consolidated Financial Statements relate to Parle Software Limited ('the Company') and its 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% |

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 April, 2011 to 31st March, 2012 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.

1.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.

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 recognises significant terms of income and expenditure on accrual basis.

- i. 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.
- ii. 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 recognised and carried forward only to the extent that there is a reasonable /virtual certainty that the asset will be realised in future. Provision for Income 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.

PARLE SOFTWARE LIMITED**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012****2 SHARE CAPITAL**

| | <u>as at 31-03-2012</u> | <u>as at 31-03-2011</u> |
|---|-------------------------|-------------------------|
| AUTHORISED CAPITAL | | |
| 140,00,000 Equity shares of Rs.10/- each and 10,00,000 | 150,000,000 | 150,000,000 |
| Un-Classified shares of Rs. 10 each (P.Y. 1,40,00,000 & 10,00,000) | | |
| 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. | | |
| | <u>140,000,000</u> | <u>140,000,000</u> |

a. The reconciliation of the shares outstanding as at March 31, 2012 and March 31, 2011 is set out below:

| | <u>as at 31.03.2012</u> <u>No. of Shares</u> | <u>as at 31.03.2011</u> <u>No. of Shares</u> |
|-----------------------------------|---|---|
| Number of shares at the beginning | 1,40,00,000 | 1,40,00,000 |
| Number of shares at the end | 1,40,00,000 | 1,40,00,000 |

b. Terms/rights attached to equity shares

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

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be inproportion to the number of equity shares held by the shareholders.

c. Details of shareholder holding more than 5% shares as at March 31, 2012 is set out below :

| | <u>31/03/2012</u> | <u>31/03/2011</u> |
|--|-------------------------|-------------------------|
| <u>Name of the shareholder</u> | Number of Shares | Number of Shares |
| Eaugu Udyog Ltd. | 84,88,876 | 84,90,840 |
| % in held | 60.63% | 60.65% |
| Sunnidhi Infrastructure Developers Pvt Ltd | 17,57,791 | 17,61,491 |
| % in held | 12.56% | 12.58% |

3 RESERVES AND SURPLUS

| | as at 31-03-2012 | as at 31-03-2011 |
|--|-------------------|-------------------|
| Securities Premium: | 14,000,000 | 14,000,000 |
| Capital reserve - Opening Balance | 1,000,000 | 1,000,000 |
| General reserve - Opening balance | 24,739,359 | 24,739,359 |
| Surplus in the statement of profit and loss | | |
| Opening balance | 17,755,121 | 18,838,595 |
| Add/Less: Loss transferred form Statement of Profit & Loss | (693,496) | (1,083,474) |
| Closing balance | 17,061,625 | 17,755,121 |
| TOTAL | 56,800,984 | 57,494,480 |

4 LONG-TERM BORROWINGS**Secured**

| | | |
|---|---|-----------|
| Loan from bank | - | 4,764,383 |
| [Cash Credit (Miscellaneous) facility with Vijaya Bank, Mumbai secured against hypothecation of Book Debts, and against personal guarantee of a Director of the Company.] | | |

Unsecured

| | | |
|----------------------|------------------|------------------|
| From Body Corporates | 3,408,000 | - |
| | 3,408,000 | 4,764,383 |

5 TRADE PAYABLES:

| | | |
|----------------|----------------|----------------|
| Trade Payables | 710,925 | 441,779 |
| | 710,925 | 441,779 |

6 OTHER CURRENT LIABILITIES:

| | | |
|-------------------------------------|----------------|----------------|
| Provision for Expenses | 116,708 | 101,131 |
| Withholding and other Taxes payable | 51,607 | 13,422 |
| | 168,315 | 114,553 |

- a. The Company has no dues to micro small enterprises during the year ended 31/03/2012.
- b. There are no amounts due and outstanding to be credited to investor Educations and Protection Fund.

7 SHORT TERM PROVISIONS:

| | | |
|--|----------------|------------------|
| Provision for Income Tax (Net of Advance Tax) | 270,048 | 1,238,549 |
| | 270,048 | 1,238,549 |

| PARLE SOFTWARE LIMITED | | | | | | | | | | |
|--------------------------------|---------------------|---------------|-----------|---------------------|---------------------|-----------------|-----------|---------------------|---------------------|---------------------|
| 8. FIXED ASSETS | | | | | | | | | | |
| | ORIGINAL COST | | | DEPRECIATION | | | | NET BLOCK VALUE | | |
| Particulars | As at 01.04.2011 | Additions | Deletions | As at 31.03.2012 | As at 01.04.2011 | For the Year | Deletions | As at 31.03.2012 | As at 31.03.2012 | As at 31.03.2011 |
| | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. |
| <u>Tangible Assets:</u> | | | | | | | | | | |
| Office Equipments | 964,256 | - | - | 964,256 | 463,953 | 99,704 | - | 563,657 | 400,599 | 500,303 |
| Furniture & Fixture | 1,059,273 | - | - | 1,059,273 | 369,362 | 67,052 | - | 436,414 | 622,859 | 689,911 |
| Computer | 2,357,487 | - | - | 2,357,487 | 723,608 | 382,149 | - | 1,105,757 | 1,251,730 | 1,633,879 |
| Total | 4,381,016 | - | - | 4,381,016 | 1,556,924 | 548,905 | - | 2,105,829 | 2,275,187 | 2,824,092 |
| Previous Year Rupees | 4,339,516 | 41,500 | - | 4,381,016 | 1,192,126 | 364,798 | - | 1,556,924 | 2,824,092 | |
| | | | | | | | | | | |

9 NON CURRENT INVESTMENTS:

| | | |
|--|-------------------|-------------------|
| Long Term Investment- at cost | | |
| Non Trade (un-quoted) | | |
| Investment in Associates | | |
| Hazoor Township Developers Pvt. Ltd. | 28,835,000 | 13,085,000 |
| 1,80,000 Equity Shares of Rs.10/-each fully paid-up. | | |
| (P.Y.1,57,500- Equity Shares) | | |
| | 28,835,000 | 13,085,000 |

10 DEFERRED TAX ASSETS

| | | |
|--|----------------|----------------|
| Opening Balance | 149,216 | 149,216 |
| Difference between book and Tax Depreciation | 36,788 | - |
| Deferred Tax Liability | 112,428 | 149,216 |

11 LONG TERM LOANS AND ADVANCES:

(Unsecured, Considered Good unless stated otherwise)

| | | |
|---|--------------------|--------------------|
| Capital Advances | 70,525,736 | 70,358,447 |
| Loans and Advances: | | |
| Inter Corporate Deposit with related party: | 11,724,875 | 10,132,875 |
| Electricity and other deposits | 2,820 | 2,820 |
| Other parties | 59,563,459 | 58,188,459 |
| Advance Income Tax (Net of Provisions) | - | 948,728 |
| | 141,816,890 | 139,631,329 |

12 CASH AND CASH EQUIVALENTS

| | | |
|--------------------|-------------------------|-------------------------|
| | As at 31.03.2012 | As at 31.03.2011 |
| Cash on Hand | 26,444 | 310,041 |
| Balances with Bank | | |
| - current Accounts | 420,706 | 4,432,450 |
| | 447,150 | 4,742,491 |

13 SHORT TERM LOANS AND ADVANCES:

(Un-secured, considered good)

| | | |
|----------|-------------------|-------------------|
| - Others | 27,871,615 | 43,621,615 |
| | 27,871,615 | 43,621,615 |

14 OTHER INCOME:

| | | |
|--|-------------------|-------------------|
| | Year Ended | Year Ended |
| | 31.03.2012 | 31.03.2011 |
| Compensation on sale of Residential rights | 1,976,250 | - |
| Misc Income | 9,200 | - |
| Interest Income | | |
| - Others (TDS Rs.7200/-, P.Y Rs.16,175/-) | 73,659 | 161,753 |
| | 2,059,109 | 161,753 |

| | Year Ended 31.03.2012 | Year Ended 31.03.2011 |
|---|--------------------------|--------------------------|
| <u>15 EMPLOYEE BENEFITS EXPENSE:</u> | | |
| Salaries and Bonus | 633,917 | 1,140,000 |
| Staff Welfare Expenses | 53,974 | 208,712 |
| | <u>687,891</u> | <u>1,348,712</u> |
| Note: | | |
| Salaries and Bonus include Directors' remuneration Rs.1,13,167/- (P.Y.Rs.3,50,000/-) | | |
| <u>16 FINANCE COSTS:</u> | | |
| Interest on borrowings | 52,887 | - |
| | <u>52,887</u> | <u>-</u> |
| <u>17 OTHER EXPENSES:</u> | | |
| Electricity Expenses | 90,310 | 72,460 |
| Repair to Office | 80,939 | 210,042 |
| Insurance | 6,623 | 1,490 |
| <u>Auditor's Remuneration:</u> | | |
| Statutory Audit Fee | 110,300 | 110,300 |
| Professional Charges | 500,627 | 213,146 |
| Travelling & Conveyance | 181,624 | 633,041 |
| Telephone Charges | 41,373 | 46,488 |
| Listing Fees | 86,806 | 86,335 |
| CDSL Charges | 33,096 | - |
| Custodian Charges | 33,090 | - |
| Advertisements | 100,946 | 78,144 |
| AGM Expenses | 2,000 | 62,850 |
| Bank Charges | 12,615 | 5,437 |
| Books and Periodicals | 4,215 | 20,798 |
| Internet & Web Charges | 40,774 | 72,589 |
| Others Director Sitting Fees | - | 45,000 |
| Inspection Charges | - | 4,000 |
| Membership & Subscription | - | 33,300 |
| Miscellaneous Expenses | - | 69,582 |
| Office Expenses | 30,208 | 134,927 |
| Postage and Courier | 16,188 | 79,363 |
| Printing & Stationery | 22,463 | 89,338 |
| Processing Charges | - | 55,200 |
| Registrar Charges | 13,802 | - |
| ROC Expenses | 2,510 | 1,000 |
| Sales Promotion | 15,625 | 133,836 |
| | <u>1,426,134</u> | <u>2,258,665</u> |
| <u>18 Earning Per Shares</u> | | |
| Profit / (Loss) after taxation as per | | |
| Profit / (Loss) Accounts | -693496 | -1083474 |
| Number of shares outstanding | 14000000 | 14000000 |
| Basic and Diluted Earning per share in rupee | (0.05) | (0.08) |
| (Face Value of Rs.10/- per share) | | |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

19 Payment to Auditors:

| | 31-Mar-12 | 31-Mar-11 |
|-------------|-----------|-----------|
| Particulars | Rs. | Rs. |
| Audit Fees | 110,300 | 110,300 |

20 Income Taxes:

No provisions for current tax is made in view of the loss for the year, in terms of the provisions of the Income Tax Act, 1961.

21 Deferred Tax :

Deferred Tax liability is provided for as per Accounting Standard 22 issued by the Institute of Chartered Accountants of India.

| | 31-Mar-12 | 31-Mar-11 |
|---|-----------|-----------|
| Deferred Tax as for the year: (Difference between book & I.T.Depreciation) | Rs. | Rs. |
| Opening Balance | (149,216) | 2,752,732 |
| For the year | 20,132 | 2,901,948 |
| Total | 129,084 | (149,216) |

22 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 year 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.

23 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 year have been provided for.

24 Segment Reporting:

The company and its associates operates in a single business segment of "Infrastructure & Real Estate".

25 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.*

M/s. Fortune Point Exports Pvt. Ltd.*

* all the three 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. V I Garg

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 management Personnel | O/S Amt. carried to Balance Sheet |
|---|----------------------|-------------------------------------|-----------------------------------|
| Investments: | | | |
| Hazoor Township Developers Pvt. Ltd. | 157.50 (45.00) | - | 288.35 (130.25) |
| Advance against Share Appl. | | | |
| Hazoor Township Developers Pvt. Ltd. | (157.50) (205.70) | - | 126.35 (283.84) |
| On behalf Advances for purchase of materials : | | | |
| Hazoor Township Developers Pvt. Ltd. | - (28.87) | - | 506.13 (506.13) |
| Advances given/ repaid/ adjusted : | | | |
| Hazoor Township Developers Pvt. Ltd. | 34.50 - | - | 34.50 - |
| Hazoor Multi Projects Ltd. | 15.92 (22.86) | - | 117.25 (101.33) |
| License Income: | | | |
| Samay Techno Corp | - (89.84) | - | - - |
| Universal Technologies | - (98.34) | - | - - |
| Directors Sitting Fees | - | - (0.45) | - - |
| Key Management Personnel Remuneration | - | 1.19 (4.25) | - (0.35) |
| Professional Fees | - | 3.20 - | - - |

- 26 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 :

| Name of the Company | As at 31/03/2012 | Maximum balance 2011- 12 | As at 31/03/2011 | Maximum balance 2010- 11 |
|----------------------------|------------------|--------------------------------|------------------|--------------------------------|
| Hazoor Multi Projects Ltd. | 11,724,875 | 11,829,875 | 10,132,875 | 10,132,875 |

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

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

- 29 Earnings in foreign exchange (Rs. In Lacs)

| Particulars | 31.03.2012 | 31.03.2011 |
|-------------------------|------------|------------|
| Foreign Exchange Earned | - | 20.04 |

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

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

As per our report of even date

For AJMERA AJMERA & ASSOCIATES

Firm Registration No. 123989W

Chartered Accountants

SANDEEP AJMERA

Partner

Membership No. 048277

Place: Mumbai

Date: 15th May, 2012

For and on behalf of the Board of Directors

Mr. Ravindra Shenoy
Director

Mr. V. I. Garg
Director

Mr. Ashish Kankani
Director

Place: Mumbai

Date: 15th May, 2012

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