

ANNUAL REPORT

2016-2017



www.nintecsystems.com

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Niraj Gemawat
Mr. Indrajeet Mitra
Mr. Vipin Moharir
Mrs. Rachana Gemawat
Mr. Hursh Jani
Mr. Vishal Shah
Mr. Parminder S. Chhabda
Mr. Bhushan Saluja

Managing Director
 Non-Executive Non-Independent Director
 Non-Executive Non-Independent Director
 Non-Executive Non-Independent Director
 Independent Director
 Independent Director
 Independent Director
 Independent Director

CORPORATE IDENTIFICATION NUMBER

L72900GJ2015PLC084063

CHIEF FINANCIAL OFFICER

Mr. Bharat Thaker

**COMPANY SECRETARY
& COMPLIANCE OFFICER**

Mr. Mukesh Jiwnani

STATUTORY AUDITORS

M/s. Samir M. Shah & Associates,
 "Heaven", 8, Western Park Society,
 Nr. Inductotherm, Bopal
 Ahmedabad-380058, Gujarat

REGISTERED OFFICE

B-11, Corporate House, S.G. Highway,
 Bodakdev, Ahmedabad-380054,
 Gujarat

REGISTRAR & SHARE TRANSFER AGENTS

Bigshare Services Private Limited,
 A/802, Samudra Complex,
 Near Klassic Gold Hotel, Off C.G. Road,
 Ahmedabad – 380009, Gujarat

BANKERS

Kotak Mahindra Bank Ltd.

E-MAILcs@nintecsystems.com**WEBSITE**www.nintecsystems.com

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Disclaimer

This document contains statements about expected future events and current financial and operating results of NINtec Systems Limited, which are forward-looking by their nature. These forward-looking statements require the company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety based on assumptions, qualifications and risk factors.

NOTICE

NOTICE IS HEREBY GIVEN THAT the **2nd Annual General Meeting (AGM)** of the members of **NINtec Systems Limited** (NSL or the Company) will be held on **Saturday, the 23rd day of September, 2017 at 1:00 P.M.** at the Registered Office of the company at B-11, Corporate House, S.G. Highway, Bodakdev, Ahmedabad - 380054, Gujarat, India, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone Audited Financial Statements of the company for the year ended March 31, 2017 together with Reports of Board of Directors' and Auditors' thereon.
2. To appoint a director in place of Mr. Indrajeet Mitra (DIN: 00030788), who retires by rotation and being eligible, offers himself for re-appointment

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Indrajeet Mitra (DIN: 00030788), who retires by rotation, at this Annual General Meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as Director of the company, liable to retire by rotation."

3. To ratify the appointment of M/s. Samir M. Shah & Associates, (ICAI Firm Registration no. 122377W), Chartered Accountants, Ahmedabad as Statutory Auditors of the Company and fix their remuneration

"RESOLVED THAT pursuant to Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit & Auditors) Rules, 2014 (including any statutory modifications or re-enactments thereof, if any), and pursuant to the resolution passed by the members at the 1st Annual General Meeting held on 24th September, 2016, the appointment of M/s. Samir M. Shah & Associates, Chartered Accountants, Ahmedabad (ICAI Firm Registration No. 122377W), as the Statutory Auditors of the company, be and is hereby ratified to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting, on such remuneration as may be fixed by the Board of Directors of the Company, in consultation with Auditor based on recommendations of the Audit Committee, in addition to re-imbursement of out-of-pocket expenses as may be incurred in connection with the audit of accounts of the Company."

For and on behalf of the Board

Place: Ahmedabad
Date: August 11, 2017

(Niraj C. Gemawat)
Chairman & Managing Director
DIN: 00030749

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (the Meeting) IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL ONLY INSTEAD OF HIMSELF / HERSELF AND A PROXY SO APPOINTED NEED NOT BE A MEMBER. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than 10% of the total share capital of the Company. A Member who is holding more than ten percent of the total share capital of the Company may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

The instrument of proxy in order to be effective must be received at the Registered Office / Corporate Office of the Company duly completed and signed, not less than 48 hours before the commencement of the meeting. A proxy form is annexed herewith. Proxy form submitted on behalf of the Companies, Societies, etc. must be supported by an appropriate resolution / authority, as applicable authorizing their representative to attend and vote on their behalf at the meeting.

2. Members who hold shares in dematerialised form are requested to write their DP ID and Client ID number(s) and those who hold share(s) in physical form are requested to write their Folio Number(s) in the attendance slip for attending the Meeting to facilitate identification of membership at the Meeting.
3. Members / Proxies / Representatives are requested to bring the enclosed Attendance Slip, duly filled in, for attending the Meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, September 16, 2017 to Saturday, September 23, 2017 (both days inclusive).
5. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or Registrar & Share Transfer Agent.
6. The Notice of the Annual General Meeting and Annual Report of the Company for the year ended March 31, 2017 is uploaded on the Company's website www.nintecsystems.com and may be accessed by the members.
7. In compliance with the circular of Ministry of Corporate Affairs for a "Green Initiative in the Corporate Governance" by allowing / permitting service of documents etc. in electronic form, electronic copy of the Annual Report of 2016-17 is being sent to all the members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2016-17 has been sent in the permitted mode.
8. The Company proposes to send documents, such as the Notice of the Annual General Meeting and Annual Report etc. henceforth to the Members in electronic form at the e-mail address provided by them and made available to the Company by the Depositories from time to time.

REQUEST TO THE MEMBERS

1. Members intending to require information about Accounts to be explained in the Meeting are requested to inform the Company at least 7 days in advance of the Annual General Meeting.
2. Members are requested to bring their copy of the Annual Report to the meeting.

EXHIBIT TO THE NOTICE

Details of Directors seeking Appointment/Re-appointment at the Annual General Meeting
(Under Regulation 36 of the SEBI Listing Obligations and Disclosure Requirements, 2015)

Name of Director	Mr. Indrajeet Mitra (DIN: 00030788)
Date of Birth	24/10/1972
Brief Resume and Nature of Expertise in Functional Areas	Mr. Indrajeet Mitra is associated with the company since August 2015. He has completed his Bachelor of Science (BSc.) and Masters in Computer Applications (MCA). On the business front, he is responsible for technology transformation, quality and overall project management in order to bring the strategic differential advantage to the company thereby ensuring high quality and affordable services to the broader population and ultimate client satisfaction.
No. of Equity Shares held in the Company	322500
List of Directorship/Committee Memberships in other Public companies as on 31st March, 2017	Other Directorship- NIL Other Committee Membership- NIL
Disclosure of Relationships between Directors inter-se	No relationship

For and on behalf of the Board

Place: Ahmedabad
Date: August 11, 2017

(Niraj C. Gemawat)
Chairman & Managing Director
DIN: 00030749

ATTENDANCE SLIP



NINTEC SYSTEMS LIMITED

(CIN: L72900GJ2015PLC084063)

cs@nintecsystems.com, www.nintecsystems.com

Regd. Office: B-11, Corporate House, S.G. Highway, Bodakdev, Ahmedabad Tel/Fax: 079-40393909

2nd ANNUAL GENERAL MEETING

Folio No.:

DP ID & Client ID:

Name:

Address:

No. of shares:

I /We hereby record my / our presence at 2nd Annual General Meeting of the Company to be held at Registered Office at B-11, Corporate House, S.G. Highway, Bodakdev, Ahmedabad, Gujarat, India on Saturday, the 23rd September, 2017 at 1:00 P.M.

Member's Folio/DP ID
Client ID No.

Member's/Proxy name
in Block

Member's/Proxy's
Signature

Note:

1. Please complete the Folio / DP ID-Client ID No. and Name, sign this Attendance Slip and hand it over at the Attendance Verification Counter at the ENTRANCE OF THE MEETING VENUE.
2. Electronic copy of the Annual Report for 2016-17 and Notice of the 2nd Annual General Meeting (AGM) along with Attendance Slip and Proxy Form are being sent to all the members whose email address is registered with the Company / Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy & attending the AGM can print copy of this Attendance Slip.
3. Physical copy of the Annual Report for 2016-17 and Notice of the Annual General Meeting along with Attendance Slip and Proxy Form is sent in the permitted mode (s) to all members whose email address is not registered or have requested for a hard copy.

**NINTEC SYSTEMS LIMITED**(CIN: L72900GJ2015PLC084063) cs@nintecsystems.com, www.nintecsystems.com**Regd. Office:** B-11, Corporate House, S.G. Highway, Bodakdev, Ahmedabad **Tel/Fax:** 079-40393909**Form No. MGT-11****PROXY FORM**

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

2nd Annual General Meeting- September 23, 2017

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

I/We being the member(s) holding _____ shares of the above named company hereby appoint:

- 1) Name : _____
 Address : _____
 E-mail ID : _____
 Signature : _____ or failing him/her;
- 2) Name : _____
 Address : _____
 E-mail ID : _____
 Signature : _____ or failing him/her;

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the First Annual General Meeting of the company to be held on Saturday, 23rd September, 2017 at 1.00 p.m. at registered office of the company at B-11, Corporate House, S.G. Highway, Bodakdev, Ahmedabad and at any adjournment thereof in respect of such resolutions as are indicated below:

		Vote	
Sr.no	Particulars	For	Against
ORDINARY BUSINESS			
1.	Adoption of Financial Statements for the year ended 31 st March, 2017		
2.	Re-appointment of Mr. Indrajeet Mitra, a Non-Executive Director retiring by rotation.		
3.	Ratification of Appointment of M/s. Samir M. Shah & Associates as Statutory Auditors.		

Signed this _____ day of _____ 2017.

Signature of Shareholder _____ Signature of Proxy holder (s) _____

Affix
Revenue
Stamp

Notes: -

- 1) **This Form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.**
- 2) A proxy need not be a Member of the Company.
- 3) A person can act as proxy on behalf of such number of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Further, a Member holding more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.
- 4) It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he / she thinks appropriate.
- 5) Please complete all details including details of member (s) in the above box before submission.

ROUTE MAP TO ANNUAL GENERAL MEETING VENUE



Venue - Registered Office: B-11, Corporate House, S.G. Highway, Bodakdev, Ahmedabad-380054, Gujarat

DIRECTORS' REPORT

Dear Members,

NINtec Systems Limited

Your Directors hereby present the Second Annual Report of your company together with the Audited Standalone Financial Statements for the Financial Year ended 31st March, 2017.

1. FINANCIAL HIGHLIGHTS

Particulars	(Amount in Rs.)	
	Results for the Financial Year 2017	Results for the Financial Year 2016
Revenue from Operations	304,59,757	1,19,16,354
Profit before Interest, Depreciation / Amortisation and Taxes	75,48,169	19,75,766
Finance Cost	56,841	2355
Depreciation & Amortization	11,09,196	83327
PROFIT BEFORE TAX	63,82,132	18,90,084
(i) Provision for Taxation (Current)	21,12,510	5,18,264
(ii) Provision for Taxation (Deferred)	(1,32,812)	65,772
Total Tax	19,79,698	5,84,036
PROFIT AFTER TAX	44,02,435	13,06,048
Minority Interest	-	-
Profit After Minority Interest	-	-
Surplus Brought Forward from Previous Year	-	-
Balance available for appropriations	44,02,435	13,06,048
Transferred to General Reserve	-	-
Interim / Final Dividend on Equity Shares	-	-
Tax on Dividend on Equity Shares	-	-
Balance Carried to Balance Sheet	44,02,435	13,06,048
Earnings per share (Basic)	0.65	1.21
Earnings per share (Diluted)	0.65	1.21

2. DIVIDEND

In order to conserve resources for future growth and business expansion, your directors do not recommend any dividend for the Financial Year 2016-17.

3. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

There is no unclaimed/unpaid Dividend within the meaning of the provisions of Section 125 of the Companies Act, 2013.

4. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

This being the first full year of operations under review, the net revenue from operations of the company on a Standalone basis stand at Rs. 304,59,757/-.

During the year under review, your company has earned a Profit before Tax (PBT) of Rs. 63,82,132/- and Profit After Tax (PAT) of Rs. 44,02,435/-. The company has plans to increase its services/operations in coming years with more business friendly/value/solutions approach for other industries with specific software's for the industry which will further add to growth and new milestones for the company in near future. Further, the company has utilised the entire public issue amount of Rs. 1.88 crores till 31st March, 2017.

5. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There are no significant/material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of your Company and its operations in future.

6. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

Your Company has in place, adequate internal financial controls with reference to financial statements, commensurate with the size, scale and complexity of its operations. The company has appointed Ms. Zalak Kaushikbhai Choksi as the Internal Auditor of the Company for the Financial Year 2016-2017 to monitor and evaluate the efficacy and adequacy of Internal Control Systems in the company, its compliance with operating systems, accounting procedures and policies. During the year, such controls were tested and no reportable material weaknesses in the operations of the company were observed.

7. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

The Board wish to inform the members that there are no material changes and commitments affecting the financial position of your Company which have occurred between the end of the Financial Year 2016-2017 and the date of this report.

8. PREVENTION OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Pursuant to provisions of Section 134 of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 the details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are attached as Annexure "A" which forms part of this report.

9. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company follows a specific, well-defined and comprehensive risk management process that is integrated with operations for identification, categorization and prioritization of operational, financial and strategic business risks. Across the organization, there are teams responsible for these processes who report to the senior management.

Business risk evaluation and management is an ongoing process within the company. The Board and Audit Committee review periodically the risk assessment in the company.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There are no loans given, guarantees issued or investments made to which provisions of Section 186 are applicable to the Company. The details of the Investments made by the Company are given in the notes to the Financial Statements.

11. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

With reference to Section 134 (3) (h) of the Companies Act, 2013, all contracts and arrangements with related parties under Section 188(1) of the Act, entered by the Company during the Financial Year, were in the ordinary course of business and on an arm's length basis.

The details of transactions with the company and related parties are given as information under Notes to Accounts and Form AOC – 2 as Annexure “B” which forms a part of this Report.

12. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

Statutory Auditors and Secretarial Auditors of the company have not raised any qualifications, reservations or remarks in their respective Audit Report for the financial year ended on 31st March 2017. The specific notes forming part of the accounts referred to in the Auditor's Report are self-explanatory.

13. POLICIES

a) VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. In compliance with Section 177 of the Companies Act, 2013 and other applicable provisions, the company has formulated a Vigil Mechanism / Whistle Blower Policy (Mechanism) for its Stakeholders, Directors and Employees in order to promote ethical behaviour in all its business activities and in line with the best governance practices.

Vigil Mechanism provides a channel to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the code of conduct or policy. It provides adequate safeguards against victimization of directors, employees and all stakeholders. It also provides direct access to the Chairman of the Audit Committee.

The policy is available on the website of the company www.nintecsystems.com.

b) PROTECTION OF WOMEN AGAINST SEXUAL HARASSMENT

Your company believes in providing a safe and harassment-free workplace for all its employees. Further company ensures that every women employee is treated with dignity and respect.

The Company has in place an Anti-Sexual Harassment Policy as per the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. During the year under review, no complaints of sexual harassment have been received by the company.

c) CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY INSIDERS

Your company has in place the code of conduct to regulate, monitor and report trading by Directors and Designated Employees in order to protect the investor's interest as per Securities and Exchange of Board of India (Prohibition of Insider Trading) regulations, 2015. As per the code periodical disclosures and pre-clearances for trading in securities by the Directors, Designated Employees and Connected Persons is regulated and monitored.

14. DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. BOARD OF DIRECTORS

The composition of the Board is as per the Listing Regulations and provisions of the Companies Act, 2013. There was no change in the composition of the Board during the year under review.

Presently, the composition of the Board is eight Directors, led by Non – Independent Executive Chairman & Managing Director with three Non-Executive Directors and four Independent Directors.

In accordance with the provisions of Companies Act, 2013, Mr. Indrajeet Mitra, director of the company, retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for reappointment.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under Section 149 of the Companies Act, 2013 and Regulation 16(1) (b) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges.

B. MEETINGS OF THE BOARD

During the year under review, Seven Board Meetings were convened. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and Clause 49 of the Listing Agreement as amended from time to time.

C. COMMITTEES OF THE BOARD OF DIRECTORS

In compliance with the requirement of applicable laws and as part of the best governance practice, the Board has constituted various Committees of its members. These Committees hold meetings at such frequencies as is deemed necessary by them to effectively undertake and deliver upon the responsibilities and tasks assigned to them. Minutes of the meetings of each of these Committees are tabled regularly at the Board Meetings.

Your Company currently has **3 (Three) Committees** viz.:

(a) Audit Committee

The Company has formed a qualified and Independent Audit Committee which acts as a link between the Statutory and Internal Auditors and the Board of Directors. The terms of reference of the Audit Committee cover the matters specified for Audit Committee in the SEBI Listing Regulations and Section 177 of the Companies Act, 2013.

As on 31st March, 2017, the Audit Committee comprises of the following members-

Mr. Vishal Shah	Chairman
Mr. Indrajeet Mitra	Member
Mr. Bhushan Saluja	Member

Four Audit Committee meetings were held during the year. Mr. Mukesh Jiwnani, Company Secretary acts as the Secretary of the Committee.

(b) Stakeholders Relationship Committee

The Stakeholders Relationship Committee is constituted according to Section 178 of the Companies Act, 2013 and SEBI Listing Regulations. The Committee ensures cordial investor relations and oversees the mechanism for redressal of investor grievances. The Committee specifically looks into redressing shareholders and investor complaints/ grievances pertaining to share transfers, non-receipts of annual reports, non- receipt of dividend and other allied complaints.

As on 31st March, 2017, the Stakeholders Relationship Committee comprises of the following members-

Mr. Indrajeet Mitra	Chairman
Mr. Vishal Shah	Member
Mrs. Rachana Gemawat	Member

Two meetings were held for the Committee during the year. Mr. Mukesh Jiwnani, Company Secretary acts as the Secretary of the Committee.

During the period under review, Company has not received any complaint from shareholders. There is no outstanding complaint as on 31st March, 2017.

(c) Nomination and Remuneration Committee

In compliance with Section 178 of the Companies Act, 2013 and SEBI Listing Regulations, a Nomination & Remuneration Committee of the company has been constituted.

As on 31st March, 2017, the Nomination and Remuneration Committee comprises of the following members-

Mr. Vishal Shah	Chairman
Mr. Bhushan Saluja	Member
Mrs. Rachana Gemawat	Member

During the year, three Nomination and Remuneration Committee meetings were held. Mr. Mukesh Jiwnani, Company Secretary acts as the Secretary of the Committee.

D. BOARD EVALUATION

The Board adopted a formal mechanism for evaluating its performance as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific

duties & obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

E. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions under Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, the Directors confirm:

- (a) That in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed and no material departures have been made from the same;
- (b) That they had selected such accounting policies and applied them consistently, and made judgements 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 period;
- (c) That they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) That they had prepared the Annual Accounts on a going concern basis;
- (e) That they had laid down Internal Financial Controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) That they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15. AUDITORS

a) STATUTORY AUDITORS

M/s. Samir M. Shah & Associates, Chartered Accountants were appointed as the Statutory Auditors of the Company at the Annual General Meeting held on 24th September, 2016 for a period of 5 years subject to ratification of their appointment at every forthcoming Annual General Meeting till 2021. Accordingly, the aforesaid appointment of Auditor needs to be ratified in the forthcoming Annual General meeting by the members. M/s. Samir M. Shah & Associates, Chartered Accountants, has provided their confirmation stating that their appointment is within the prescribed limits under Section 141 of the Companies Act, 2013.

b) SECRETARIAL AUDITORS

Pursuant to the provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors have appointed M/s. Tushar Vora & Associates, Company Secretaries for conducting secretarial audit of the company for the year ended 31st March, 2017. Secretarial Audit Report issued by Mr. Tushar Vora, Practicing Company Secretary in Form MR – 3 (Annexure – F) forms part of this report.

16. SHARE CAPITAL

During the Financial Year 2016-2017, the company came out with a maiden public issue of 18,80,000 Equity Shares of Rs. 10/- each through Bombay Stock Exchange SME platform. The issue was opened on March 29, 2016 and closed on April 06, 2016. The Company's 68,80,000 equity shares are listed and are available for trading on BSE SME platform since April 18, 2016.

Hence, the Paid up share capital has been increased from Rs. 5,00,00,000 to Rs. 6,88,00,000 pursuant to allotment of 18,80,000 Equity Shares of the face value of Rs. 10/- each.

17. FINANCE & ACCOUNTS

Your Company prepares its financial statements in compliances with the requirements of the Companies Act, 2013 and the Generally Accepted Accounting Principles (GAAP) in India.

Cash and Cash Equivalents as at March 31, 2017 were Rs. 19,58,856/-. The company continues to focus on its working capital, receivables and other parameters were kept under check through continuous monitoring. The Company during the year under review incurred Capital Expenditure of Rs. 16,360/-

18. PUBLIC DEPOSITS

Your company has not invited, accepted, received or renewed any deposits from public falling within the meaning of Section 73 and 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules, 2014, as amended from time to time during the year under review and accordingly, there were no deposits which were due for repayment on or before 31st March, 2017.

19. SHARES

a. BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.

b. SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.

c. BONUS SHARES

No Bonus Shares were issued during the year under review.

d. EMPLOYEES STOCK OPTION PLAN

The Company has not provided any Stock Option Scheme to the employees.

20. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

Your company does not have any subsidiary, Joint Venture and associate companies.

21. CORPORATE GOVERNANCE

In line with the Company's commitment to good Corporate Governance Practices, your Company has

Complied with all the mandatory provisions as prescribed in SEBI Listing Regulations and other applicable provisions.

22. LITIGATIONS

There were no litigations outstanding as on March 31, 2017.

23. NUMBER OF COMPLAINTS RELATING TO CHILD LABOUR, FORCED LABOUR, INVOLUNTARY LABOUR

During the year under review, no cases of child labour, forced labour, involuntary labour and discriminatory employment were reported.

24. EXTRACT OF ANNUAL RETURN

The extract of the Annual Return in Form MGT-9 in terms of Section 92(3) of the Companies Act, 2013 for the financial year under review has been provided in an Annexure "C" which forms part of the Directors' Report.

25. MANAGEMENT DISCUSSION AND ANALYSIS (MDA)

The Management Discussion and Analysis Report, highlighting the important aspects of the business of the company for the year under review is given as a separate statement as Annexure - D, which forms part of this Annual Report.

26. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

Your company has in place a structured induction and familiarisation programme for the Independent Directors of the company. Your company through such programmes familiarises the Independent Directors with a brief background of your company, their roles, rights, responsibilities, nature of the industry in which it operates, business model operations, ongoing events, etc. They are also informed of the important policies of your company including the Code of Conduct for Directors and Senior Management Personnel and the Code of Conduct for Prevention of Insider Trading. Brief details of the familiarisation programme are uploaded on the website of your company (www.nintecsystems.com).

27. PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as Annexure 'E' which forms a part of this report.

28. HUMAN RESOURCE MANAGEMENT

At NINtec Systems Limited, we believe that human resources are precious assets of the company. The motto during the year has been to enhance the morale and capabilities of the employees. We strongly believe in favourable work environment that encourages innovation and creativity. Your Company has established an organization structure that is agile and focused on delivering business results, stimulating performance culture and motivating employees to develop themselves personally and professionally.

29. FRAUD REPORTING

There have been no instances of fraud reported by the Statutory Auditors under Section 143(12) of the Act and Rules framed there under either to the Company or to the Central Government.

30. CAUTIONARY STATEMENT

Statements in the Board's Report describing the company's objective, expectations or forecasts may be forward looking within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed in the statement.

31. ACKNOWLEDGEMENT

The Directors wish to place on record their appreciation for the assistance, cooperation, and support received from all the clients, vendors, bankers, Registrar of Companies, auditors, suppliers, Government bodies, shareholders and other business associates.

The Directors also acknowledge the hard work, dedication and commitment of the employees. Their enthusiasm and unstinting efforts have enabled the company to grow during the year under review.

The Board deeply acknowledges the trust and confidence placed by the clients of the company and all its shareholders. Your Directors look forward to the long term future confidently.

For and on behalf of the Board

Place: Ahmedabad
Date: August 11, 2017

(Niraj C. Gemawat)
Chairman & Managing Director
DIN: 00030749

ANNEXURE-A

DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

[Pursuant to Section 134(3) (m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY:

Your company's operations are not energy intensive and involve low energy consumption. However, adequate measures have been taken to conserve energy wherever possible by using energy efficient computers and purchase of energy efficient equipment. Your company has also taken effective steps at every stage to reduce consumption of electricity. The efforts to conserve and optimize the use of energy through improved operational method and other means will continue.

B. TECHNOLOGY ABSORPTION:

Your company continues to use the latest technologies for improving the productivity and quality of its services. Various methods have been established to encourage seamless cooperation and collaboration amongst project teams across technology and business domain areas. These methods enable teams to explore, learn and adapt best practices, new approaches, experience and innovative proven solutions from within the industry and showcase the same through a technology and business-centric review by the management.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

(Amt. in Rs.)

Sr. No.	Particulars	Year ended 31 st March, 2017
1.	Total Foreign Exchange used	5,54,669/-
2.	Total Foreign Exchange earned	304,59,757/-

For and on behalf of the Board

Place: Ahmedabad
Date: August 11, 2017

Niraj C. Gemawat
Chairman & Managing Director
DIN: 00030749

ANNEXURE-B

Form No. AOC-2

[Pursuant to Clause (h) of Sub-Section (3) of Section 134 of the Companies Act, 2013
and Rules 8 (2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of Contracts / Arrangements entered into by the Company with the Related Parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 including certain Arm's Length transactions under third proviso thereto:

1. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS:

i.	Name (s) of the Related Party and nature of Relationship	None
ii.	Nature of contract/arrangement/transactions	
iii.	Duration of contract/arrangements/transactions	
iv.	Salient Terms of contract/arrangements/transactions including the value if any	
v.	Justification for entering into such contracts or arrangements or transactions	
vi.	Date(s) of approval by the Board	
vii.	Amount paid as Advances, if any	
viii.	Date on which the special resolution was passed in general meeting under first proviso to Section 188 of Companies Act, 2013	

2. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS AT ARM'S LENGTH BASIS:

i.	Name (s) of the Related Party and nature of Relationship	Yemo Connect & Interact B.V, Group Company
ii.	Nature of contract/arrangement/transactions	Software Development Outsourcing
iii.	Duration of contract/arrangements/transactions	Order/Agreement-based transaction
iv.	Total value of contract	Rs. 77,29,603/-
v.	Salient Terms of contract/arrangements/transactions including the value if any	Normal business terms as normally entered into with unrelated parties
vi.	Date(s) of approval by the Board, if any	07.11.2016
vii.	Amount paid as Advances, if any	Nil

For and on behalf of the Board

Place: Ahmedabad
Date: August 11, 2017

Niraj C. Gemawat
Chairman & Managing Director
DIN: 00030749

ANNEXURE-C

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the Financial Year ended on March 31, 2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

I.	CIN	L72900GJ2015PLC084063
II.	Registration Date	04 th August, 2015
III.	Name of the Company	NINtec Systems Limited
IV.	Category / Sub-Category of the Company	Public Company Company limited by Share Capital
V.	Address of the Registered office and contact details	B-11, Corporate House, S.G. Highway, Bodakdev, Ahmedabad-380054, Gujarat, India
VI.	Whether listed company	Yes – BSE (SME)
VII.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Pvt. Ltd A/802, Samudra Complex, Near Klassic Gold Hotel, Off C.G. Road, Ahmedabad-380 009, Gujarat Tel - 079 – 40024135 Email - bssahd@bigshareonline.com Website - www.bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated: -

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Computer programming, consultancy and related activities.	620	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
N.A.					

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

i. Category-wise Share Holding

Category of Shareholders	No. of shares held at the beginning of the year, i.e. on April 01, 2016				No. of shares held at the end of the year, i.e. on March 31, 2017				% Change during the year
	Demat	Physical	Total	%	Demat	Physical	Total	%	
A. Promoters									
1) Indian									
a) Individual/ HUF	2577500	-	2577500	51.55	2577500	-	2577500	37.46	(14.09)
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt. (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp	630000	-	630000	12.60	630000	-	630000	9.16	(3.44)
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A) (1)	3207500	-	3207500	64.15	3207500	-	3207500	46.62	(17.53)
2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FIs	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A) (1) + (A) (2)	3207500	-	3207500	64.15	3207500	-	3207500	46.62	(17.53)
B. Public Shareholding									
1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FIs	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt. (s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-

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h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B) (1)	0	0	0	0	0	0	0	0	0

Category of Shareholders	No. of shares held at the beginning of the year, i.e. on April 01, 2016				No. of shares held at the end of the year, i.e. on March 31, 2017				% Change during the year
	Demat	Physical	Total	%	Demat	Physical	Total	%	
2) Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i. Indian	-	-	-	-	-	-	-	-	-
ii. Overseas	-	1750000	1750000	35.00	-	1750000	1750000	25.44	(9.56)
b) Individuals									
i. Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	670000	-	670000	9.74	9.74
ii. Individual shareholders holding nominal share capital in excess of Rs 1 lakh	42500	-	42500	0.85	842500	-	842500	12.25	11.40
c) Others - Specify	-	-	-	-	410000	-	410000	5.95	5.95
Sub-Total (B) (2)	42500	1750000	1792500	35.85	1922500	1750000	3672500	53.38	53.38
Total Public Shareholding (B) = (B) (1) + (B) (2)	-	-	-	-	1922500	1750000	3672500	53.38	53.38
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	3250000	1750000	5000000	100	5130000	1750000	6880000	100	-

ii. Shareholding of Promoter and Promoter Group

Sr. No	Shareholder's Name	Shareholding at the beginning of the year, i.e. on April 01, 2016			Shareholding at the end of the year, i.e. on March 31, 2017			% Change during the year
		No. of Shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No. of Shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
1.	Sumanlata Gemawat	20000	0.40	-	20000	0.29	-	(0.11)
2.	Niraj Gemawat	1250000	25.00	-	1250000	18.17	-	(6.83)
3.	Chhaganraj Gemawat	20000	0.40	-	20000	0.29	-	(0.11)
4.	Rachana Gemawat	945000	18.90	-	945000	13.74	-	(5.16)
5.	Indrajeet Mitra	322500	6.45	-	322500	4.69	-	(1.76)
6.	Ketki Mitra	20000	0.40	-	20000	0.29	-	(0.11)
7.	VIN ITSolutions LLP	630000	12.60	-	630000	9.15	-	(3.45)
TOTAL		3207500	64.15	0	3207500	46.62	0	(17.53)

iii. Change in Promoters' shareholding (Please specify, if there is no change):

There is no change in the number of shares held by the promoters of the Company. However, the percentage of the shareholding has changed during the year due to Initial Public Offer (IPO).

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
At the beginning of the year	3207500	64.15%	3207500	46.62%
Increase/decrease in promoters shareholding during the year specifying reasons for increase /decrease (i.e. IPO)	-	-	-	-
At the end of the year	3207500	64.15%	3207500	46.62%

iv. Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs & ADRs):

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	TecThink B.V.	17,50,000	35.00%	17,50,000	25.44%
2.	Guiness Securities Limited	-	-	2,00,000	9.71%
3.	Mahipal M	-	-	80,000	1.16%
4.	Anuradha Joshi	-	-	70,000	1.02%
5.	Sonal Ajay Savai	-	-	70,000	1.02%
6.	Arun S Bhat	-	-	70,000	1.02%
7.	Gautam Varma	-	-	60,000	0.87%
8.	Pankaj Mashruwala	-	-	60,000	0.87%
9.	Malav Mehta	-	-	60,000	0.87%
10.	Yogesh Joshi	-	-	60,000	0.87%

v. Shareholding of Directors and Key Managerial Personnel

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
Mr. Niraj Gemawat	12,50,000	25.00%	12,50,000	18.17%
Mrs. Rachana Gemawat	9,45,000	18.90%	9,45,000	13.74%
Mr. Indrajeet Mitra	3,22,500	6.45%	3,22,500	4.69%
<u>Non-Executive Director-</u> Mr. Vipin Moharir <u>Independent Directors-</u> Mr. Vishal Shah Mr. Bhushan Saluja Mr. Parminder Singh Chhabda & Mr. Hursh Jani	<i>None of these Directors hold shares in the company</i>			
<u>Chief Financial Officer-</u> Mr. Bharat Thaker <u>Company Secretary-</u> Mr. Mukesh Jiwnani				
	<i>None of these Key Managerial Personnel hold shares in the company</i>			

V. INDEBTEDNESS

Indebtedness of the company including interest outstanding/accrued but not due for payments.

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
i. Principal Amount	NIL	NIL	NIL	NIL
ii. Interest due but not paid	NIL	NIL	NIL	NIL
iii. Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i + ii + iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the Financial Year				
i. Addition	NIL	NIL	NIL	NIL
ii. Reduction	NIL	NIL	NIL	NIL
Indebtedness at the end of the Financial Year				
i. Principal Amount	NIL	NIL	NIL	NIL
ii. Interest due but not paid	NIL	NIL	NIL	NIL
iii. Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i + ii + iii)	NIL	NIL	NIL	NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Names of MD/WTD/Manager	Total Amount
		Mr. Niraj Gemawat (Managing Director)	
1.	Gross Salary		
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Rs. 6.00 Lacs	Rs. 6.00 Lacs

	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	c) Profits in lieu of salary under section 17(3) Income- Tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission- As % of Profit, Others- Specify	-	-
5.	Others, please specify	-	-
6.	Total (A)	Rs. 6.00 Lacs	Rs. 6.00 Lacs

Sr. No.	Particulars of Remuneration	Names of Other Directors				Total Amount
		Mr. Vishal Shah	Mr. Bhushan Saluja	Mr. Parminder Singh Chhabda	Mr. Hursh Jani	
Independent Directors						
1.	Gross Salary					
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-	-
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
	c) Profits in lieu of salary under section 17(3) Income- Tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission- As % of Profit, Others- Specify	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
	Total (A)	-				-

B. Remuneration to Other Directors:

Sr. No.	Particulars of Remuneration	Names of Other Directors		Total Amount
		Mr. Vipin Moharir	Mrs. Rachana Gemawat	
Other Non-Executive Directors				
1.	Gross Salary			

	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	c) Profits in lieu of salary under section 17(3) Income- Tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission- As % of Profit, Others- Specify	-	-	-
5.	Others, please specify	-	-	-
	Total (A)	-	-	-

C. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel (Other than MD)		
		Company Secretary (CS)	Chief Financial Officer (CFO)	Total Amount
1.	Gross Salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Rs. 5.52/- Lacs	Rs. 13.20/- Lacs	Rs. 18.72/- Lacs
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	c) Profits in lieu of salary under section 17(3) Income- Tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission- As % of Profit, Others- Specify	-	-	-
5.	Others, please specify	-	-	-
	Total	Rs. 5.52/- Lacs	Rs. 13.20/- Lacs	Rs. 18.72/- Lacs

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD /NCLT/Court]	Appeal made. If any (give details)
A. Company					
Penalty	NONE				
Punishment					
Compounding					
B. Directors					
Penalty	NONE				
Punishment					
Compounding					
C. Other Officers In Default					
Penalty	NONE				
Punishment					
Compounding					

For and on behalf of the Board

Place: Ahmedabad
Date: August 11, 2017

Niraj C. Gemawat
Chairman & Managing Director
DIN: 00030749

ANNEXURE-D

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Structure & Overview

The IT industry rose at a healthy pace and is expected to maintain a volume-driven growth in the upcoming years. Indian IT companies are looking to expand into other geographies/domains to maintain the competitive edge. The business environment across the globe today is undergoing a transformation in every aspect of their business operations. These changes have resulted in increased use of analytics and digital technologies.

Over the coming years, the industry will see demand in digital technologies, such as platforms, cloud-based applications, big data & analytics, mobile systems, social media and cyber security. In addition, investments are expected to be made in services required to integrate these technologies with prevailing legacy technologies. The rate of change and the level of disruption driven by modern technology are exponential. Advancements in computer processing power, data storage, and the ubiquity of bandwidth; enterprise mobility, along with many other developments unfolded in recent years are enabling myriad opportunities that were once impossible, both technologically and economically. Companies across the entire IT services landscape are changing how they deliver their offerings, shifting toward more flexible consumption business models thereby generating new revenue opportunities.

Business Overview

Your company is well poised in delivering software development services and solutions to global enterprises and to adopt new technologies. We tried to foster introducing innovative ways and means to engage with customers in order to deliver consistent enhanced services. The company tried to achieve excellence in execution, digital agility and speedy solution so as to emerge as a preferred transformation partner for organisations globally. Specialising in off/on-shore software product development, software migration, multimedia design & development, application development & maintenance, web designing, digitization of engineering drawings, and search engine optimization, the company's customer base is spread across all verticals like Automotive, Financial Services, Navigation, Print Media & Publishing and Transportation & Logistics. Significant activities in the field of technology were observed in the organisation in order to deliver the best possible digital results. Client engagement, Enterprise Solutions, Application Engineering and other arenas witnessed a growth during the year under review.

The company strived to help organizations remain efficient and agile and our application services are an effective and affordable means to this end. NINtec Systems assures process-oriented approach for delivering Quality Product & timeliness in delivery. The future plan is to deliver cutting-edge and cost-effective technology solutions that enable success of enterprises across the globe, while also helping our employees realize and expand their potential.

Future Outlook

India is the topmost offshoring destination for IT companies across the world. Amidst the constant change, challenges and opportunities, NINtec constantly strives to recognize the business opportunity behind the changing environment which is really useful in helping our clients better serve their beneficiaries using IT strategically and cost effectively. While our clients proactively seek support and

strategic inputs as they look towards embarking on their digital journey, our team imbibes the leading best practices to meet the clients' business objectives. The company's strategy for long term growth is to continuously expand the addressable market, increase the customer-base and superior execution that gives clients an experience of digital transformation.

Opportunities and Threats

Information Technology support services remains an increasingly competitive business environment. With the change in emerging technology areas, companies have become dependent on technology not only for day-to-day operations, but also for the use of technology as a strategic tool to enable them to re-engineer business processes, restructure operations, ensure regulatory compliances, etc. Over the coming years, the industry will see huge demand in cloud-based applications, big data & analytics, mobile systems, social media etc. This provides an opportunity for providers to support and integrate Company IT systems on an on-going basis. The IT Industry becomes a powerful tool used by companies to reduce their costs. Small and medium business houses have also started using IT with the emergence of cloud computing. Global cloud market is expected to grow faster than overall IT. The company intends its growth share with the existing clients which will have a supplemental effect of reducing overhead and delivery costs. The company's business model is such that helps in evolving to meet the pace of change in its customer's customer base. Your company intends to continue building on the strength of its superior service delivery culture to seize the existing opportunities.

In the midst of a challenging business environment, there are certain threats which can have impact on the business of the company. We understand that in order to remain competitive and to continue being a trusted partner to our customers, we need to expand our operational scope to provide better services and capabilities. While businesses are trying with every passing day to integrate information technology in their daily life, user organisations are facing several challenges in terms of performance and integration with existing applications.

Amidst other risks in the industry, Cyber Risk has emerged as a top risk across industries as organizations are moving to newer areas of engagement such as social, mobile, computing, cloud computing, etc. Moreover, our operating results are impacted by fluctuations in the exchange rate between the Indian Rupee and other foreign currencies. Apart from these threats, economic uncertainties in the international markets can also have a deep impact on demand for our services. Other general threats to the business continue to include competition among Information and Technology companies/service providers.

Financial Highlights

During the year under review, the company has achieved revenue from operations of Rs.3,04,59,757/- and Profit after tax for the year stood at Rs. 44,02,435/- as compared to the previous Financial Year 2015-2016 where the Revenue from Operations was Rs. 1,19,16,354/- and Profit after tax was Rs. 13,06,048/-. The Basic and Diluted Earnings per share of the company as on 31st March, 2017 is Rs. 0.65 on a standalone basis.

Foreign Currency Risks

Global economic situation continues to remain volatile with and since India IT industry is largely focused on markets outside India, fluctuations in major currencies due to unstable economic conditions impact revenue and profits of the IT industry. The company has a defined policy for managing its foreign exchange exposure. The company tracks the foreign exchange markets closely and takes appropriate pro-active decisions from time to time to manage the currency fluctuations.

Human Resources

Your company is committed to strengthen positive work culture and environment which promotes innovation, excellence and mutual trust between all the personnel and the company. The company lays strong emphasis on systematic training and developing the technical and behavioural skills of the employees at each level so as to upgrade the competence of the personnel. A fostered culture of continuous learning was observed with high employee engagement along with effective and efficient talent development and deployment. Employee relations continued to be cordial. Your Directors acknowledge and thank employees for their constant support.

Cautionary Statement

Readers are cautioned that this discussion contains “forward-looking statements” that involve risks and uncertainties. Statements made in this Management Discussions and Analysis describing company’s objectives and predictions may be “forward-looking Statements” within the meaning of applicable laws and regulations. Actual results may differ from those expressed herein. Important factors that could make difference to the operations include Government regulations, tax regimes, and economic developments within India and other countries, availability of input and their prices and other incidental factors. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of their dates. The following discussion and analysis should be read in conjunction with the Company's financial statements included in this report and the notes thereto. Investors are also requested to note that this discussion is based on the Standalone Financial Results of the company.

For and on behalf of the Board

Place: Ahmedabad
Date: August 11, 2017

Niraj C. Gemawat
Chairman & Managing Director
DIN: 00030749

ANNEXURE-E

Particulars of Remuneration as per Section 197 (12) of the Companies Act, 2013 read with Rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules 2014

Disclosure of Ratio of Remuneration of each Director to Median Employees Remuneration, the % increase in remuneration of Director, Chief Financial Officer and Company Secretary for the financial year ended 31st March, 2017:-

- 1) Ratio of Mr. Niraj Gemawat, Managing Director's remuneration to the median remuneration of employees of the company is 0.56:1.
- 2) Percentage increase in remuneration of Mr. Niraj Gemawat, Managing Director is 0 % Mr. Mukesh Jiwnani, Company Secretary is 4 % and Mr. Bharat Thaker, CFO is 0 % in the financial year.
- 3) Percentage increase in the median remuneration of employees- 9.79%
- 4) Number of permanent employees on the rolls of company- 16 Employees.
- 5) The average increase in the salaries of employees other than managerial personnel in the financial year was 11.00% compared to average increase in managerial personnel remuneration of 0%.
- 6) The company affirms that the remuneration is as per the remuneration policy of the company.

For and on behalf of the Board

Place: Ahmedabad
Date: August 11, 2017

Niraj C. Gemawat
Chairman & Managing Director
DIN: 00030749

ANNEXURE-F

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Personnel) Rules, 2014]

To,
The Members,
NINtec Systems Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by NINTEC SYSTEMS LIMITED (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion read with Annexure A forming part of this report, the Company has, during the audit period covering the financial year ended on 31st March, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I/we have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) to the extent applicable to the Company:-
 - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

- (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

We have also examined compliance with the applicable clauses of

- 1. Secretarial Standards issued by the Institute of Company Secretaries of India
- 2. The Listing Agreement entered into by the Company with BSE Limited and The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

We hereby report that during the period under review, the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

- (vi) We further report that having regard to the compliance system and process prevailing in the Company and on examination, on test-check basis, of the relevant documents and records thereof, the Company has complied with the provision of (1) The Information Technology Act, 2000, (2) Policy relating to Software Technology Parks of India and its regulations as are specifically applicable to the Company.

We further report that

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.
- b) Adequate notice is given at least seven days in advance to all directors to schedule the Board Meetings. As informed to us, the Company has also provided agenda and detailed notes on agenda to the directors, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

- c) Majority decision is carried through while the dissenting members' views are captured and recorded, wherever applicable, as part of the minutes.

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

We further report that during the audit period, the no major events took place under the Companies Act, 2013 having bearing on the Company's affairs.

11th August, 2017
Ahmedabad

FOR TUSHAR VORA & ASSOCIATES
Company Secretaries

TUSHAR M VORA
Proprietor
FCS No.: 3459
C P No.: 1745

“Annexure A”

To
The Members
NINtec Systems Limited

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as considered appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification as done on test basis is to reasonably ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. In respect of laws, rules and regulations other than those specifically mentioned in our report above, we have limited our review, analysis and reporting up to process and system adopted by the Company for compliance with the same and have not verified detailed compliance, submissions, reporting under such laws etc. nor verified correctness and appropriateness thereof including financial records and books of accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to compliance in totality or the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

11th August, 2017
Ahmedabad

FOR TUSHAR VORA & ASSOCIATES
Company Secretaries

TUSHAR M VORA
Proprietor
FCS No.: 3459
C P No.: 1745

INDEPENDENT AUDITORS' REPORT

To,
The Members of
NINtec Systems Limited
Ahmedabad.

Report on the Financial Statements

We have audited the accompanying standalone financial statements of **NINtec Systems Limited** ('the Company'), which comprise the balance sheet as at **31st March, 2017**, the statement of profit and loss and the cash flow statement for the period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes

evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

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

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at **31st March, 2017**;
- b) in the case of the Statement of Profit and Loss, of the **Profit** for the period ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the period ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the said order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) on the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - (g) with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has no pending litigations on its financial position in its financial statements;

- ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
- iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and
- iv. the Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 25 to the financial statements.

Place : AHMEDABAD
Date : 19th May, 2017

For SAMIR M. SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. No.: 122377W

SAMIR M. SHAH
(PARTNER)
MEMBERSHIP No.: 111052
B-516, Gopal Palace,
Nr. Shiromani Flats,
Opp. Ocean Park,
Satellite Road,
Ahmedabad-380015

ANNEXURE “A” TO INDEPENDENT AUDITOR’S REPORT

The Annexure referred to in our Independent Auditors’ Report to the members of the Company on the financial statements for the period ended **31st March, 2017**, we report that:

- 1) Fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a regular programme of physical verification of its fixed assets. In accordance with this programme, certain fixed assets were verified during the period and 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) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The Company is a service company, primarily rendering software services. Accordingly it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted secured or unsecured loans to the companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 (‘the Act’) so this clause is not applicable.
- (iv) According to the information and explanations given to us, there were no transactions made in respect of loans, investments, guarantees, and security in respect to section 185 and 186 of the Companies Act, 2013 so this clause is not applicable.
- (v) According to the information and explanations given to us, the company has not accepted deposits and hence no question arises on compliance of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed thereunder, where applicable.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- (vii) In respect of Statutory Dues:
 - (a) According to the records provided by the Company, the company has been regular in depositing undisputed statutory dues, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities during the period and there were no arrears of any outstanding statutory dues as at 31st March, 2017 for a period of more than six months from the date they became payable.
 - (b) According to the information and explanations provided to us, there were no undisputed demands payable in respect of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax and no amount has been deposited on account of any dispute.

- (viii) The Company does not have loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly paragraph 3 (viii) of the Order is not applicable.
- (ix) According to the information and explanations given to us, the Company has raised moneys by way of initial public offer ~~or further public offer (including debt instruments)~~ and was applied for the purposes for which it was raised. Further, according to the information and explanations given to us, the Company has no term loan during the period.
- (x) To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud by the Company or no material fraud on the Company by its officers or employees was noticed or reported during the period.
- (xi) According to the information and explanations given to us, the Company has paid or provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review so this clause is not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable.
- (xvi) According to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 so this clause is not applicable.

Place : AHMEDABAD
Date : 19th May, 2017

For SAMIR M. SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. No.: 122377W

SAMIR M. SHAH
(PARTNER)
MEMBERSHIP No.: 111052
B-516, Gopal Palace,
Nr. Shiromani Flats,
Opp. Ocean Park,
Satellite Road,
Ahmedabad-380015

ANNEXURE “B” TO INDEPENDENT AUDITOR’S REPORT

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

We have audited the internal financial controls over financial reporting of NINtec Systems Limited (“the Company”) as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : AHMEDABAD
Date : 19th May, 2017

For SAMIR M. SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. No.: 122377W

SAMIR M. SHAH
(PARTNER)
MEMBERSHIP No.: 111052
B-516, Gopal Palace,
Nr. Shiromani Flats,
Opp. Ocean Park,
Satellite Road,
Ahmedabad-380015

BALANCE SHEET AS AT 31ST MARCH 2017

(Amount in Rs.)			
Particulars	Note No.	As at 31 st March, 2017	As at 31 st March, 2016
A. EQUITY AND LIABILITIES			
1. Shareholders' Funds			
(a) Share Capital	2	688,00,000	500,00,000
(b) Reserves and Surplus	3	57,08,483	13,06,048
		745,08,483	513,06,048
2. Share Application Money Pending Allotment			-
3. Non-Current Liabilities			
(a) Long-Term Provisions	4	1,62,393	15,880
(b) Deferred Tax Liabilities	5	-	65,772
		1,62,393	81,652
4. Current Liabilities			
(a) Trade Payables	6	11,90,412	8,45,163
(b) Other Current Liabilities	7	4,62,306	3,07,900
(c) Short-Term Provisions	8	34,13,453	20,96,144
		50,66,171	32,49,207
TOTAL		797,37,046	546,36,907
B. ASSETS			
1. Non-current assets			
(a) Fixed Assets	9		
(i) Tangible Assets		18,79,830	23,73,447
(ii) Intangible Assets		-	-
		18,79,830	23,73,447
(b) Non-Current Investments	10	216,54,269	201,98,148
(c) Other Non-Current Assets	11	24,28,472	12,55,600
(d) Deferred Tax Assets	5	67,040	-
		260,29,611	238,27,195
2. Current Assets			
(a) Current Investments	12	485,55,184	203,56,391
(b) Trade Receivables	13	2,70,040	63,46,215
(c) Cash and Cash Equivalents	14	19,58,856	29,41,706
(d) Short-Term Loans and Advances	15	29,23,356	11,65,399
		537,07,436	308,09,712
TOTAL		797,37,046	546,36,907
<i>Summary of significant accounting policies and notes</i>	1		

See accompanying notes forming part of the Financial Statements
In terms of our report attached

For Samir M. Shah & Associates
Chartered Accountants

Firm Reg. No.-122377W

Samir M. Shah
(Partner)
Mem. No. 111052
Place: Ahmedabad
Date: 19th May, 2017

For and on behalf of the Board of Directors,

Niraj Gemawat
Managing Director
(DIN: 00030749)

Bharat Thaker
Chief Financial Officer

Place: Ahmedabad
Date: 19th May, 2017

Indrajeet Mitra
Director
(DIN: 00030788)

Mukesh Jiwnani
Company Secretary

STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED 31ST MARCH, 2017

(Amount in Rs.)			
Particulars	Note No.	Year Ended 31 st March, 2017	Year Ended 31 st March, 2016
1. Revenue from Services	16	304,59,757	119,16,354
2. Other Income	17	29,01,174	1,57,210
3. Total Revenue (1+2)		333,60,931	120,73,564
4. Expenses			
(a) Purchase Cost		-	-
(b) Employee Benefits Expense	18	178,56,754	48,97,914
(c) Finance Costs	19	56,841	2,355
(d) Depreciation & Amortization	9	11,09,196	83,327
(e) Operating and Other Expenses	20	79,56,008	51,99,884
Total Expenses (4)		269,78,799	101,83,480
5. Profit/ (Loss) before Tax (3-4)		63,82,132	18,90,084
6. Tax Expense			
(a) Current tax expense for current year		21,12,510	5,18,264
(b) (Less): MAT Credit		-	-
(c) Current tax expense relating to prior years		-	-
(d) Net current tax expense (a-b+c)		21,12,510	5,18,264
(e) Deferred tax		(1,32,812)	65,772
		19,79,698	5,84,036
7. Profit / (Loss) for the Year (5 -6)		44,02,435	13,06,048
8. Earnings per share (of Rs. 10/- each):	22		
(a) Basic		0.65	1.21
(b) Diluted		0.65	1.21

See accompanying notes forming part of the Financial Statements

In terms of our report attached

For Samir M. Shah & Associates
Chartered Accountants

Firm Reg. No.-122377W

Samir M. Shah
(Partner)
Memb. No. 111052

Place: Ahmedabad
Date: 19th May, 2017

For and on behalf of the Board of Directors,

Niraj Gemawat
Managing Director
(DIN: 00030749)

Indrajeet Mitra
Director
(DIN: 00030788)

Bharat Thaker
Chief Financial Officer

Mukesh Jiwnani
Company Secretary

Place: Ahmedabad
Date: 19th May, 2017

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2017

Particulars	For the year ended 31 st March, 2017		For the year ended 31 st March, 2016	
	₹	₹	₹	₹
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit / (Loss) before extraordinary items and tax		63,82,132		18,90,084
<u>Adjustments for:</u>				
Depreciation and amortisation	11,09,196		83,327	
Provision for impairment of fixed assets and intangibles				
Amortisation of share issue expenses and discount on shares	6,85,593		3,13,900	
(Profit) / loss on sale / write off of assets				
Expense on employee stock option scheme				
Finance costs	56,841		2,355	
Interest income & Other Income	(17,91,081)		(2,20,164)	
Dividend income				
Net (gain) / loss on sale of investments	(10,18,554)		(56,391)	
Rental income from investment properties				
Rental income from operating leases				
Share of profit from partnership firms				
Share of profit from AOPs				
Share of profit from LLPs				
Liabilities / provisions no longer required written back				
Adjustments to the carrying amount of investments				
Provision for losses of subsidiary companies				
Provision for doubtful trade and other receivables, loans and advances				
Provision for estimated loss on derivatives				
Provision for warranty				
Provision for estimated losses on onerous contracts				
Provision for contingencies				
Other non-cash charges (specify)				
Net unrealised exchange (gain) / loss				
		(9,58,005)		1,23,027
Operating profit / (loss) before working capital changes		54,24,127		20,13,111
<u>Changes in working capital:</u>				
<u>Adjustments for (increase) / decrease in operating assets:</u>				
Inventories				
Trade receivables	60,76,175		(63,46,215)	
Short-term loans and advances	(17,57,957)		(11,65,399)	
Long-term loans and advances				
Other current assets				
Other non-current assets	(3,314,586)		(21,767,648)	
<u>Adjustments for increase / (decrease) in operating liabilities:</u>				
Trade payables	3,45,249		8,45,163	
Other current liabilities	1,54,406		3,07,900	
Other long-term liabilities				
Short-term provisions	(2,76,937)		15,77,880	
Long-term provisions	1,46,513		15,880	
		13,72,863		(265,32,439)
		67,96,990		(245,19,328)
Cash flow from extraordinary items		-		-
Cash generated from operations		67,96,990		(245,19,328)
Net income tax (paid) / refunds		(5,18,260)		
Net cash flow from / (used in) operating activities (A)		62,78,730		(245,19,328)

Particulars	For the year ended 31 st March, 2017		For the year ended 31 st March, 2016	
	₹	₹	₹	₹
B. CASH FLOW FROM INVESTING ACTIVITIES				
Capital expenditure on fixed assets, including capital advances	(6,15,581)		(24,56,774)	
Proceeds from sale of fixed assets				
Inter-corporate deposits (net)				
Bank balances not considered as Cash and cash equivalents				
- Placed				
- Matured				
Current investments not considered as Cash and cash equivalents				
- Purchased				
- Proceeds from sale				
Purchase of long-term investments				
- Subsidiaries				
- Associates				
- Joint ventures				
- Business units				
- Others				
Proceeds from sale of long-term investments				
- Subsidiaries				
- Associates				
- Joint ventures				
- Business units				
- Others				
Loans given				
- Subsidiaries				
- Associates				
- Joint ventures				
- Others				
Loans realised				
- Subsidiaries				
- Associates				
- Joint ventures				
- Others				
Interest received				
- Subsidiaries				
- Associates				
- Joint ventures				
- Others				
Dividend received				
- Subsidiaries				
- Associates				
- Joint ventures				
- Others				
Other Income Received	17,91,081		2,20,164	
Net (gain) / loss on sale of investments	10,18,554		56,391	
Rental income from investment properties				
Rental income from operating leases				
Amounts received from partnership firms				
Amounts received from AOPs				
Amounts received from LLPs				
		21,94,054		(21,80,219)
Cash flow from extraordinary items		21,94,054		(21,80,219)
Net income tax (paid) / refunds				
Net cash flow from / (used in) investing activities (B)		21,94,054		(21,80,219)

Particulars	For the year ended 31 st March, 2017		For the year ended 31 st March, 2016	
	₹	₹	₹	₹
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issue of equity shares	188,00,000		500,00,000	
Proceeds from issue of preference shares				
Redemption / buy back of preference / equity shares				
Proceeds from issue of share warrants				
Share application money received / (refunded)				
Proceeds from long-term borrowings	-		-	
Repayment of long-term borrowings				
Net increase / (decrease) in working capital borrowings				
Proceeds from other short-term borrowings				
Repayment of other short-term borrowings				
Finance cost	(56,841)		(2,355)	
Dividends paid				
Tax on dividend				
		187,43,159		499,97,645
Cash flow from extraordinary items				
Net cash flow from / (used in) financing activities (C)		187,43,159		499,97,645
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		272,15,943		232,98,098
Cash and cash equivalents at the beginning of the year		232,98,098		-
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents				
Cash and cash equivalents at the end of the year		505,14,041		232,98,098
Reconciliation of Cash and cash equivalents with the Balance Sheet:				
Cash and cash equivalents as per Balance Sheet		505,14,041		232,98,098
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements (give details)		-		-
Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements)		505,14,041		232,98,098
Add: Current investments considered as part of Cash and cash equivalents (as defined in AS 3 Cash Flow Statements)		-		-
Cash and cash equivalents at the end of the year *		505,14,041		232,98,098
* Comprises:				
(a) Cash on hand		3,34,423		14,955
(b) Cheques, drafts on hand				
(c) Balances with banks				
(i) In current accounts				
(ii) In EEFC accounts		16,24,434		29,26,751
(iii) In deposit accounts with original maturity of less than 3 months				
(iv) In earmarked accounts (give details)				
(d) Others (specify nature)				
(e) Current investments considered as part of Cash and cash equivalents		485,55,184		203,56,391
		505,14,041		232,98,098

See accompanying notes forming part of the Financial Statements
In terms of our report attached

For Samir M. Shah & Associates
Chartered Accountants

Firm Reg. No.-122377W

Samir M. Shah
(Partner)
Memb. No. 111052
Place: Ahmedabad
Date: 19th May, 2017

For and on behalf of the Board of Directors,

Niraj Gemawat
Managing Director
(DIN: 00030749)

Indrajeet Mitra
Director
(DIN: 00030788)

Bharat Thaker
Chief Financial Officer

Mukesh Jiwnani
Company Secretary

Place: Ahmedabad
Date: 19th May, 2017

NOTES FORMING PART OF THE BALANCE SHEET AND STATEMENT OF PROFIT AND LOSS

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS FOR THE PERIOD ENDED 31st March, 2017.

1) SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Preparation of Financial Statements:

The financial statements are prepared under the historical cost convention, in accordance with Indian Generally Accepted Accounting Principles ("GAAP"), including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, on the accrual basis, as adopted consistently by the company.

The preparation of the financial statements in conformity with GAAP requires that the management of the company ("Management") make estimates and assumptions that affect the reported amounts of revenue and expenses for the year, reported balances of assets and liabilities, and disclosure relating to contingent liabilities as of the date of the financial statement.

b. Revenue Recognition:

Revenue is recognized on accrual basis. Revenue is reported net of discounts. Dividend is recorded when the right to receive payment is established. Interest income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable. Revenue from the software export is recognised as and when the software development activity is completed and delivered.

c. Expenditure:

Expenditure is recognized on accrual basis.

d. Fixed Assets:

Fixed Assets are stated at its cost less accumulated depreciation. Cost comprise of purchase price and attributable cost, if any.

e. Earning Per Share:

In determining earnings per share, the company considers the net profit / loss after tax. The no. of shares used in computing both basic and dilutive earnings per share is the weighted average number of shares outstanding during the period. There is no potential dilutive equity shares.

f. Foreign Currency Transaction:

Transactions in foreign currencies are translated to the reporting currency based on the average exchange rate for the month. Exchange differences arising on settlement thereof during the year are recognized as income or expenses in the Profit and Loss Statement.

Cash and Bank balances, receivables and liabilities (monetary items) in foreign currencies as at the year end are translated at closing-date rates, and unrealized translation differences are included in the Statement of Profit and Loss.

The Company enters into derivate contracts strictly for hedging purposes and not for trading or speculation. Derivative transactions settlement take place with the terms of the respective contracts and Profit/Loss if any is recognized at the time of execution of the contract.

g. Depreciation:

Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

Depreciation on assets and their respective additions / deduction have been provided on pro-rata basis according to the period for which each such assets have been put to use.

h. Income Tax:

- (1) Provision for Current Tax is made as per the provisions of the Income Tax Act, 1961.
- (2) Deferred Tax resulting from "timing differences that are temporary in nature" between accounting and taxable profit is accounted for, using the tax rates and laws that have been enacted as on the Balance Sheet date. The deferred tax assets is recognized and carried forward only to the extent that there is a reasonable or virtual certainty, as the case may be, that the assets will be realized in future.
- (3) Minimum Alternative Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability is considered as an asset if there is convincing evidence that the Company will pay normal tax. Accordingly, it is recognized as an assets in the Balance Sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.
- (4) Tax on distributed profits payable in accordance with the provisions of the Income-Tax Act, 1961 is disclosed in accordance with the Guidance Note on Accounting for Corporate Dividend Tax issued by the ICAI.

i. Employee Retirement Benefits:

i) Gratuity:

The Company accounts for its gratuity liability, a defined retirement benefit plan covering eligible employees. The gratuity plan provides for a lump sum payment to employees at retirement, death and on attending specified years of completed services as per The Payment of Gratuity Act, 1972. Liabilities with regards to Gratuity plan are determined based on the actuarial valuation carried out by an independent actuary as at the Balance Sheet date using Projected Unit Credit Method.

Actuarial gains and losses are recognized in full in the Statement of Profit and Loss in the year in which they occur.

ii) Leave Encashment:

The Company is not having any policy for payment of leave encashment so no provision for the same has been made.

j. Investments

Long Term Investments are valued at cost as per the Accounting Standard 13 of Indian GAAP.

k. Inventories

The Company is not having any Inventory.

l. Preliminary Expenses

Preliminary and Pre- Operating expenses are written off over a period of 5 years.

2) SHARE CAPITAL

(Amount in Rs.)

PARTICULARS		As at 31 st March, 2017	As at 31 st March, 2016
AUTHORISED SHARE CAPITAL			
75,00,000 Equity Shares (P.Y. -75,00,000) of Rs. 10/- Each		750,00,000	750,00,000
ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL			
68,80,000 Equity Shares of Rs.10/- each fully paid up		688,00,000	500,00,000
Total		688,00,000	500,00,000
Notes :			
(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year :			
Outstanding at the beginning of the year		50,00,000	-
Add : Issued During the year (18,80,000 shares were issued on 18 th April, 2016) {P.Y. : 50,000 shares were issued on 05 th August, 2015 and 49,50,000 shares were issued on 11 th February, 2016}		18,80,000	50,00,000
Outstanding at the end of the year		68,80,000	50,00,000
Outstanding Amount at the beginning of the year		500,00,000	-
Add : Issued During the year (18,80,000 shares were issued on 18 th April, 2016) {P.Y. : 5,00,000 shares were issued on 05 th August, 2015 and 4,95,00,000 shares were issued on 11 th February, 2016}		188,00,000	500,00,000
Outstanding Amount at the end of the year		688,00,000	500,00,000
(ii) Details of Shareholders holding more than 5 per cent equity shares:			
Particulars		As at 31 st March, 2017	As at 31 st March, 2016
Niraj C Gemawat	Nos.	12,50,000	12,50,000
	% Holding	18.17%	25.00%
Rachana N. Gemawat	Nos.	9,45,000	9,45,000
	% Holding	13.74%	18.90%
Indrajeet A Mitra	Nos.	3,22,500	3,22,500
	% Holding	4.69%	6.45%
M/s. TecThink B.V.	Nos.	17,50,000	17,50,000
	% Holding	25.44%	35.00%

M/s. VIN ITSolutions LLP	Nos.	6,30,000	6,30,000
	% Holding	9.16%	12.60%
<p>iii) The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/-. Each holder of equity shares is entitled to one vote per share.</p> <p>In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.</p> <p>iv) Aggregate Numbers and class of shares allotted as fully paid up pursuant to contract without payment being received in cash.</p>			

3) RESERVES AND SURPLUS

(Amount in Rs.)		
PARTICULARS	As at 31 st March, 2017	As at 31 st March, 2016
<u>GENERAL RESERVE</u>		
Balance as per last Financial Year	-	-
Add: Transfer from Statement of Profit and Loss	-	-
<u>SECURITIES PREMIUM RESERVE</u>		
Balance as per last Financial Year	-	-
<u>SURPLUS / (DEFICIT) IN STATEMENT OF PROFIT AND LOSS</u>		
Balance as per last Financial Year	13,06,048	-
Add: Profit for the year	44,02,435	13,06,048
Available for Appropriations	57,08,483	13,06,048
Less: Appropriations		
Interim Dividend on Equity Shares	-	-
Tax on Distributed Profits	-	-
Transfer to General Reserve	-	-
Closing Balance	57,08,483	13,06,048
Total	57,08,483	13,06,048

4) LONG TERM PROVISIONS

(Amount in Rs.)

PARTICULARS	As at 31 st March, 2017	As at 31 st March, 2016
Provision for Employee Benefits		
Provision for Gratuity	1,62,393	15,880
Total	1,62,393	15,880

5) DEFERRED TAX ASSETS/LIABILITIES (NET)

(Amount in Rs.)

PARTICULARS	As at 31 st March, 2017	As at 31 st March, 2016
Deferred Tax Liability		
Timing difference between book and tax depreciation	-	70,679
Gross Deferred Tax Liability	-	70,679
Deferred Tax Asset		
On Disallowances under the Income Tax Act, 1961.- Gratuity	50,179	4,907
Timing difference between book and tax depreciation	16,860	-
Gross Deferred Tax Assets	67,040	4,907
Net Deferred Tax Asset	67,040	(65,772)

6) TRADE PAYABLES

(Amount in Rs.)

PARTICULARS	As at 31 st March, 2017	As at 31 st March, 2016
Trade Payables		
For Capital Goods	-	3,79,814
For Expenses	11,90,412	4,65,349
Total	11,90,412	8,45,163

7) OTHER CURRENT LIABILITIES

(Amount in Rs.)

PARTICULARS	As at 31 st March, 2017	As at 31 st March, 2016
Statutory Liabilities	4,62,306	3,07,900
Total	4,62,306	3,07,900

8) SHORT-TERM PROVISIONS

(Amount in Rs.)

PARTICULARS	As at 31 st March, 2017	As at 31 st March, 2016
Expenses :		
- Provision for Expenses	13,00,943	15,77,880
- Provision for Income Tax	21,12,510	5,18,264
Total	34,13,453	20,96,144

9) FIXED ASSETS

(Amount in Rs.)

PARTICULARS	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	As at 01-04 - 2016	Additions during the year	Deducti ons/ Adjust ments during the year	As at 31-03- 2017	As at 01-04- 2016	For the year	Deducti ons for the year	Upto31- 03-2017	As at 31- 03-2017	As at 31- 03-2016
a) TANGIBLE ASSETS										
Building & Office	6,04,894	-	-	6,04,894	8,029	56,702	-	64,731	5,40,163	5,96,865
Furniture & Fixtures	7,01,913	-	-	7,01,913	25,407	1,75,147	-	2,00,554	5,01,359	6,76,506
Computer Hardware	7,40,895	6,14,295	-	13,55,190	31,456	7,46,826	-	7,78,282	5,76,908	7,09,439
Office Equipment	1,60,005	-	-	1,60,005	8,101	68,463	-	76,564	83,441	1,51,904
Electric Installation	2,49,067	1,284	-	2,50,351	10,334	62,058	-	72,392	1,77,959	2,38,733
Total of Tangible Assets	24,56,774	6,15,579	-	30,72,353	83,327	11,09,196	-	11,92,523	18,79,830	23,73,447
b) INTANGIBLE ASSETS										
Computer Software	-	-	-	-	-	-	-	-	-	-
Trade Mark & Patent	-	-	-	-	-	-	-	-	-	-
Total of Intangible Assets	-	-	-	-	-	-	-	-	-	-
TOTAL (a+b)	24,56,774	-	-	30,72,353	83,327	11,09,196	-	11,92,523	18,79,830	23,73,447
Previous Year	-	-	-	24,56,774	-	83,327	-	83,327	23,73,447	-

10) NON-CURRENT INVESTMENTS

(Amount in Rs.)

PARTICULARS	As at 31 st March, 2017	As at 31 st March, 2016
FDR with Kotak Bank - Lien Marked with Kotak Bank for Forex Hedging	215,60,967	201,98,148
Accrued Interest on FDR	93,302	-
Total	216,54,269	201,98,148

11) OTHER NON-CURRENT ASSETS

(Amount in Rs.)

PARTICULARS	As at 31 st March, 2017	As at 31 st March, 2016
Preliminary Expenses		
Preliminary Expenses during the Financial Year	31,14,065	15,69,500
Less : Written off During the Year	6,85,593	3,13,900
Total	24,28,472	12,55,600

12) CURRENT INVESTMENTS

(Amount in Rs.)

PARTICULARS	As at 31 st March, 2017	As at 31 st March, 2016
Investment in Mutual Funds : (Unquoted)		
Franklin India Ultra Short Bond Fund	485,55,184	203,56,391
Total	485,55,184	203,56,391

13) TRADE RECEIVABLES

(Amount in Rs.)

PARTICULARS	As at 31 st March, 2017	As at 31 st March, 2016
Debts outstanding for a period exceeding six months from the date they were due for payment		
Unsecured - Considered good	-	-
Other Debts	-	-
Unsecured - Considered good	2,70,040	63,46,215
Total	2,70,040	63,46,215

14) CASH AND CASH EQUIVALENTS

(Amount in Rs.)

PARTICULARS	As at 31 st March, 2017	As at 31 st March, 2016
Cash on Hand	2,83,674	495
Currency on Hand	50,749	14,460
Balances with Scheduled Banks in:		
Current Accounts	16,24,434	29,26,751
Total	19,58,856	29,41,706

**15) SHORT-TERM LOANS AND ADVANCES
(Unsecured, Considered good)**

(Amount in Rs.)

PARTICULARS	As at 31 st March, 2017	As at 31 st March, 2016
Sundry Deposits	3,53,000	3,53,000
Balance with Central Excise and Service Tax	7,34,239	2,51,276
Balance with State Sales Tax Department	82,417	60,300

Prepaid Expenses	8,612	12,798
Income Tax / Tax Deducted at Source	16,79,108	4,22,016
Advances to Staff	50,528	35,551
Advance to Others	15,453	30,458
Total	29,23,356	11,65,399

16) REVENUE FROM OPERATIONS

(Amount in Rs.)

PARTICULARS	Year ended 31st March, 2017	Year ended 31st March, 2016
Software Export Income	304,59,757	119,16,354
Total	304,59,757	119,16,354

17) OTHER INCOME

(Amount in Rs.)

PARTICULARS	Year ended 31st March, 2017	Year ended 31st March, 2016
Kasar Vatav	20,896	3,723
Interest on FDR	17,91,081	2,20,164
Short Term Capital Gain	10,18,554	56,391
Foreign Fluctuation A/c.	70,643	(1,23,068)
Total	29,01,174	1,57,210

18) EMPLOYEE BENEFIT EXPENSES

(Amount in Rs.)

PARTICULARS	Year ended 31st March, 2017	Year ended 31st March, 2016
Staff Welfare Expenses	95,521	67,696
Labour Welfare Expenses	486	-
Salary & Allowances	176,14,234	48,14,338
Gratuity Expense	1,46,513	15,880
Staff Incentive Expense	-	-
Total	178,56,754	48,97,914

Details of employee benefit as required by the Accounting Standard 15 (Revised) - Employee Benefits are as under:

a) Defined Contribution Plan

Amount recognized as an expense in the Statement of Profit and Loss for the period ended March 31, 2017 in respect of defined contribution plan is Rs. 1,46,513 (15,880).

b) Defined Benefit Plan

The defined benefit plan comprises of gratuity. The gratuity plan is not funded. Changes in the present value of defined obligation representing reconciliation of opening and closing balance thereof and fair value in the Balance Sheet are as follows:

(Amount in Rs.)

PARTICULARS	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Opening defined benefit obligation beginning of the year	15,880	-
Service Cost	1,40,539	15,880
Interest Cost	1,268	-
Actuarial losses (gains)	4,706	-
Benefits Paid	-	-
Projected benefit obligation, at the end of the year	1,62,393	15,880

Components of expenses recognized in the Statement of Profit and Loss for the period ended March 31, 2017:

(Amount in Rs.)

PARTICULARS	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Service Cost	1,40,539	15,880
Interest Cost	1,268	-
Actuarial losses (gains)	4,706	-
Total	1,46,513	15,880

Principal Actuarial Assumptions

PARTICULARS	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Mortality	Indian Assured Lives Mortality (2006-08)	LIC (199496) published table of mortality rates.
Rate of Interest	8.00%	8.00%
Salary Growth	6.50%	6.50%
Expected Rate of Return	NA	NA
Withdrawal rates	5.00%	5.00%
Retirement age	60 Years	60 Years

The gratuity is payable on death whilst in service or withdrawal from service due to resignation, termination or early retirement and on retirement from service at normal retirement age. The above assumptions regarding probabilities of death and withdrawal are combined with retirement age to construct a multiple decrement service table. Since gratuity is payable at the time of death, withdrawal or retirement based on the salary at that time, salary growth rate has been used to project the salaries at the time when gratuity is assumed to be payable.

19) FINANCE COSTS

(Amount in Rs.)

PARTICULARS	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Bank Charges	32,186	2,355
Interest on Self Asst. Tax	24,592	-
Interest on Service Tax	63	-
Total	56,841	2,355

20) OTHER EXPENSES

(Amount in Rs.)

PARTICULARS	Year ended 31 st March, 2017	Year ended 31 st March, 2016
20.1 Administrative & Other Expenses		
Computer Consumable Expense	16,360	5,17,577
Conveyance, Tours & Travelling Expenses	1,09,552	24,547
Consultancy Charges	27,46,271	25,17,613
Electricity Expenses	3,06,031	1,38,470
Legal & Filing Charges	14,057	80,353
Internet Charges	1,50,134	39,301
Insurance Charges	18,283	-
General Expenses	9,132	8,075
Printing & Stationery Expenses	1,08,314	2,62,610
Rent	6,08,100	3,40,000
Bad Debt A/c	4,08,483	-
Computer/Laptop Rent	3,88,200	-
<u>Repairs & Maintenance</u>		
Computers	5,000	67,500
Building	36,000	31,529
Furniture, Fixtures & Electric Fittings	-	36,580
Preliminary Expenses Written off	6,85,593	3,13,900
Prof Tax for Company	2,000	2,060
Audit Fee	14,000	10,000
STPI Transaction Fee	1,65,000	-
Listing Fee	28,625	-
R&T Charges	30,000	-
Depository Charges	15,000	-
Property Tax	55,072	60,524
Telephone Charges	1,21,413	56,626
Swachh Bharat Cess	16,996	8,075
20.2 Selling & Distribution Expenses		
Foreign Tours & Traveling Expense	12,45,456	1,93,845
Commission on Sales	6,37,570	4,90,698
Sales Promotion Expenses	15,365	-
Total	79,56,008	51,99,884

21) PAYMENT TO AUDITORS

(Amount in Rs.)

PARTICULARS	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Auditors' remuneration includes the following amounts paid or adjusted as paid to them during the year :		
a. Audit Fees	14,000	10,000
b. For Other Services	3,57,000	15,000
Total	3,71,000	25,000

22) EARNINGS PER SHARE (EPS)

(Amount in Rs.)

BASIC EPS		Year ended 31st March, 2017	Year ended 31st March, 2016
Profit after tax attributable to equity shareholders	Amt. in INR Rs.	44,02,435	13,06,048
Nominal Value of equity share	INR Rs.	10	10
Weighted average number of ordinary equity shares for Basic EPS	Nos.	67,92,438	10,81,250
Basic EPS	INR Rs.	0.65	1.21

(Amount in Rs.)

DILUTED EPS		Year ended 31st March, 2017	Year ended 31st March, 2016
Profit after tax attributable to equity shareholders	Amt. in INR Rs.	44,02,435	13,06,048
Add : Interest on dilutive potential equity shares which have been deducted in arriving at the Profit after Tax	Amt. in INR Rs.	-	-
Adjusted Net Profit	Amt. in INR Rs.	44,02,435	13,06,048
Nominal Value of equity share	INR Rs.	10	10
Weighted average number of ordinary equity shares	Nos.	67,92,438	10,81,250
Total Potential Weighted average number of ordinary equity shares	Nos.	67,92,438	10,81,250
Diluted EPS	INR Rs.	0.65	1.21

23) EARNING IN FOREIGN CURRENCY

(Amount in Rs.)

PARTICULARS	Year ended 31st March, 2017	Year ended 31st March, 2016
Income from Services	304,59,757	119,16,354

24) EXPENDITURE IN FOREIGN CURRENCY

(Amount in Rs.)

PARTICULARS	Year ended 31st March, 2017	Year ended 31st March, 2016
a) Foreign Travelling Expenses	5,54,669	23,612
b) Remittance in foreign currency on account of dividends to Non-Resident shareholders	-	-

25) DISCLOSURE ON SPECIFIED BANK NOTES

During the year, Company had Specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308 (E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and

transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below:

(Amount in Rs.)			
PARTICULARS	SBNs	Other Denomination Notes	Total
Closing cash in hand as on November 8, 2016	1,57,500	8,340	1,65,840
(+) Permitted Receipts	-	3,50,000	3,50,000
(-) Permitted Payments	-	(11,644)	(11,644)
(-) Amount deposited in Banks	(1,57,500)	-	(1,57,500)
Closing Cash in hand as on December 30, 2016	-	3,46,696	3,46,696

- 26)** All sundry debit and credit balances standing as debtors, creditors and other balances are subject to confirmation.
- 27)** Paisa are rounded up to nearest rupees.
- 28)** In the opinion of the Board, Current Assets, Loans and Advances are approximately of the value stated if, realized in the ordinary course of the business.
- 29)** The Company has not received information from the Suppliers regarding their status under The Micro, Small & Medium Enterprises Development Act, 2006. Hence, disclosures, if any relating to amounts unpaid as at balance sheet date together with interest paid or payable as per the requirement under the said Act, have not been made.
- 30)** Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

31) RELATED PARTY TRANSACTIONS

The company has entered into related party transactions as under:

A. Names of related parties and description of relationship:

i. Associate Enterprise:

1. M/s. VIN ITSolutions LLP
2. M/s. Yemo Connect & Interact BV
3. M/s. TecThink B.V.

ii. Relatives of Key Management Personnel :

1. Chhaganraj B Gemawat
2. Sumanlata C Gemawat
3. Rachana N Gemawat
4. Krishna Mitra
5. Ketki I Mitra

iii. Key Management Personnel:

1. Niraj C Gemawat
2. Indrajeet A Mitra
3. Bharat B Thaker
4. Mukesh Jiwnani

B. Related Party Transactions:

(Amt. in Rs.)

Sr. No.	Particulars	Subsidiaries/ Associate Enterprise		Relatives of Key Management Personnel		Key Management Personnel	
		Year ended 31-03-2017	Year ended 31-03-2016	Year ended 31-03-2017	Year ended 31-03-2016	Year ended 31-03-2017	Year ended 31-03-2016
(a)	Volume of Transactions:						
	<u>Income from Services</u>						
	Yemo Connect & Interact BV	77,29,603	20,98,195				
	<u>Loan Taken/Loan Repaid</u>						
	Niraj C Gemawat- Loan Taken					3,00,000	35,00,000
	Niraj C Gemawat- Loan Repaid					3,00,000	35,00,000
	<u>Other Receipts/Payments (u/s 160 of Companies Act, 2013)</u>						
	Niraj Gemawat - Amount received					1,00,000	-
	Niraj Gemawat - Amount repaid					1,00,000	-
	Indrajeet Mitra - Amount received					1,00,000	-
	Indrajeet Mitra - Amount repaid					1,00,000	-
	<u>Share Application Money</u>						
	Niraj C Gemawat						125,00,000
	Indrajeet A Mitra						32,00,000
	Chhaganraj B Gemawat				2,00,000		
	Sumanlata C Gemawat				2,00,000		
	Rachana N Gemawat				94,50,000		
	Krishna Mitra				25,000		
	Ketki I Mitra				2,00,000		
	M/s VIN ITSolutions LLP		63,00,000				
	M/s TecThink B.V.		175,00,000				
	<u>Reimbursement of Expenses</u>						
	Niraj C Gemawat						11,23,592
	Indrajeet Mitra					21,480	-
	Mukesh Jiwnani					6,912	28,961
	<u>Salary Paid</u>						
	Niraj C Gemawat					6,00,000	1,00,000
	Bharat B Thaker					13,20,000	3,20,481
	Mukesh Jiwnani					5,52,000	88,394
(b)	Balances at the year end	Balance as at 31-03-2017	Balance as at 31-03-2016	Balance as at 31-03-2017	Balance as at 31-03-2016	Balance as at 31-03-2017	Balance as at 31-03-2016
	<u>Due from</u>						
	Yemo Connect & Interact BV	-	11,39,450				
	<u>Due to</u>						
	Niraj C Gemawat					49,800	49,800
	Bharat B Thaker					96,268	1,06,627
	Mukesh Jiwnani					42,617	43,997

For Samir M. Shah & Associates
Chartered Accountants

Firm Reg. No.-122377W

Samir M. Shah
(Partner)
Memb. No. 111052
Place: Ahmedabad
Date: 19th May, 2017

For and on behalf of the Board of Directors,

Niraj Gemawat
Managing Director
(DIN: 00030749)

Indrajeet Mitra
Director
(DIN: 00030788)

Bharat Thaker
Chief Financial Officer

Mukesh Jiwnani
Company Secretary

Place: Ahmedabad
Date: 19th May, 2017

GENERAL INFORMATION

a) 02nd Annual General Meeting

Date & Time 23rd September, 2017, Saturday, 01.00 p.m.

Venue B-11, Corporate House, S.G. Highway, Bodakdev, Ahmedabad-380054, Gujarat

b) Financial Year

The financial year of the Company starts from April 1 of every year to March 31 of the next year.

c) Listing on Stock Exchange

The equity shares of the company were listed on BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 on 18th April, 2016. (Scrip Code: 539843).

d) Registrar and Share Transfer Agents

Name and Address : Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road, Andheri East, Mumbai - 400 059

Bigshare Services Private Limited, A/802, Samudra Complex,
Near Klassic Gold Hotel, Off C.G. Road, Ahmedabad – 380009

Tel. No. : +91 22 62638200

Fax No. : +91 22 62638299

Website : www.bigshareonline.com

E-mail address : ipo@bigshareonline.com

e) Compliance Officer

Mr. Mukesh Jiwnani
Company Secretary & Compliance Officer
NINtec Systems Limited
B-11, Corporate House, S.G. Highway,
Bodakdev, Ahmedabad-380054, Gujarat
Ph. No- 079-40393909
E-mail id- cs@nintecsystems.com

f) Address for Correspondence

NINtec Systems Limited
B-11, Corporate House,
S.G. Highway, Bodakdev,
Ahmedabad-380054, Gujarat

This image shows a full page of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page, providing a template for writing. There are no margins, text, or other markings present.



☎ +91 79 40393909 ✉ nintec@nintecsystems.com

📍 B-11 Corporate House, SG Highway, Bodakdev, Ahmedabad - 54.

www.nintecsystems.com