



# ANNUAL REPORT 2018 - 2019

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## CORPORATE INFORMATION

### BOARD OF DIRECTORS

<b>Mr. Niraj Gemawat</b>	(DIN: 00030749)	Managing Director
<b>Mr. Indrajeet Mitra</b>	(DIN: 00030788)	Non-Executive Non-Independent Director
<b>Mr. Vipin Moharir</b>	(DIN: 02245355)	Non-Executive Non-Independent Director
<b>Mrs. Rachana Gemawat</b>	(DIN: 02029832)	Non-Executive Non-Independent Director
<b>Mr. Hursh Jani</b>	(DIN: 01356764)	Independent Director
<b>Mr. Vishal Shah</b>	(DIN: 01681950)	Independent Director
<b>Mr. Bhushan Saluja</b>	(DIN: 00312854)	Independent Director
<b>Mr. Somilkumar Mathur</b>	(DIN: 07471863)	Independent Director

### CHIEF FINANCIAL OFFICER

Mr. Bharat Thaker

### COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Sagar Sharma (appointed w.e.f. 10<sup>th</sup> January, 2019)

### STATUTORY AUDITOR

M/s. Samir M. Shah & Associates

### SECRETARIAL AUDITOR

M/s. Tushar Vora & Associates

### BANKERS

Kotak Mahindra Bank Ltd.

### REGISTERED OFFICE

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

Tel. /Fax: +91 79 40393909

Email: [cs@nintecsystems.com](mailto:cs@nintecsystems.com)

Web: [www.nintecsystems.com](http://www.nintecsystems.com)

### REGISTRAR & SHARE TRANSFER AGENTS

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



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### DISCLAIMER:

Except for the historical information contained herein, statements in this discussion which contain words or phrases such as will', 'would', 'indicating', 'expected to' etc., and similar expressions or variations of such expressions may constitute 'forward-looking statements'. These forward looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to, our ability to successfully implement our strategy, future business plans, our growth and expansion in business, the impact of any acquisitions, our financial capabilities, technological implementation and changes, the actual growth in demand for our products and services, cash flow projections, our exposure to market risks as well as other general risks applicable to the business or industry. The Company undertakes no obligation to update forward looking statements to reflect events or circumstances after the date thereof. These discussions and analysis should be read in conjunction with the Company's financial statements included herein and the notes thereto.

## NINTEC SYSTEMS LIMITED

CIN: L72900GJ2015PLC084063

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

Tel. /Fax: +91 79 40393909; Email: [cs@nintecsystems.com](mailto:cs@nintecsystems.com); Web: [www.nintecsystems.com](http://www.nintecsystems.com)

### NOTICE

NOTICE is hereby given that the **4<sup>th</sup> Annual General Meeting (AGM)** of the members of **NINtec Systems Limited** (NSL or the Company) will be held on Saturday, **28<sup>th</sup> day of September, 2019 at 11:00 A.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. Adoption of Standalone Audited Financial Statements and Reports thereon**

To receive, consider and adopt the Standalone Audited Financial Statements of the company for the financial year ended March 31, 2019 together with reports of Board of Directors and Auditors thereon.

**2. Appointment of Director in place of those retiring by rotation**

To appoint a director in place of Mr. Vipin Moharir (DIN: 02245355), 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. Vipin Moharir (DIN: 02245355), 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 Non-Executive Director of the company, liable to retire by rotation."

**"RESOLVED FURTHER THAT** the Board of Directors and the Company Secretary of the company be and are hereby severally authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

For and on behalf of the Board

**Date:** 2<sup>nd</sup> September, 2019

**Place:** Ahmedabad

**NIRAJ 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, 21<sup>st</sup> September, 2019 to Saturday, 28<sup>th</sup> September, 2019 (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, 2019 is uploaded on the Company's website [www.nintecsystems.com](http://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 2018-19 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, can send a request on [cs@nintecsystems.com](mailto:cs@nintecsystems.com) for availing physical copies of the Annual Report for 2018-19.
8. The Company proposes to continue sending 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.

For and on behalf of the Board

**Date:** 2<sup>nd</sup> September, 2019

**Place:** Ahmedabad

**NIRAJ GEMAWAT**

Chairman & Managing Director

DIN: 00030749

## 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)*

<b>Name of Director</b>	Mr. Vipin Moharir
<b>DIN</b>	02245355
<b>Date of Birth</b>	04/12/1970
<b>Brief Resume and Nature of Expertise in Functional Areas</b>	<p>Mr. Vipin Moharir is associated with the company since February 15, 2016.</p> <p>He has a Bachelor's Degree in Computer Sciences Engineering and a Master's in Business Administration. He holds a Bachelor degree of Engineering from University of Pune and Master of Business Administration (Information Technology and Management) from Maastricht School of Management, Netherlands. He has over 15 years of managerial &amp; consulting experience working across large IT-enabled business areas in India and abroad.</p>
<b>No. of Equity Shares held in the Company</b>	Nil
<b>List of Directorship/Committee Memberships in other Public companies as on 31<sup>st</sup> March, 2019</b>	<p>Other Directorship- NIL</p> <p>Other Committee Membership- NIL</p>
<b>Disclosure of Relationships between Directors inter-se</b>	No relationship.

For and on behalf of the Board

**Date:** 2<sup>nd</sup> September, 2019  
**Place:** Ahmedabad

**NIRAJ GEMAWAT**  
 Chairman & Managing Director  
 DIN: 00030749



## NINTEC SYSTEMS LIMITED

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### ATTENDANCE SLIP

<b>4<sup>th</sup> ANNUAL GENERAL MEETING</b>
Folio No.:
DP ID & Client ID:
Name:
Address:
No. of shares:

I /We hereby record my / our presence at 4<sup>th</sup> Annual General Meeting of the Company to be held on Saturday, 28<sup>th</sup> day of September, 2019 at 11:00 A.M. at the Registered Office of the company at B-11, Corporate House, S.G. Highway, Bodakdev, Ahmedabad - 380054, Gujarat, India.

-----  
 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 2018-19 and Notice of the 4<sup>th</sup> 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 are requested to carry this Attendance Slip.
3. Physical copy of the Annual Report for 2018-19 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 and who have requested for a hard copy.

## NINTEC SYSTEMS LIMITED

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### PROXY FORM

Form No. MGT-11

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

**4<sup>th</sup> Annual General Meeting- September 28, 2019**

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 Fourth Annual General Meeting of the company to be held on Saturday, 28<sup>th</sup> September, 2019 at 11.00 a.m. at the 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:

Sr. No.	Particulars	Vote	
		For	Against
	<b>ORDINARY BUSINESS</b>		
1.	Adoption of Financial Statements for the year ended 31st March, 2019		
2.	Re-appointment of Mr. Vipin Moharir as Non-Executive Director of the company		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019.

Affix  
Revenue  
Stamp

Signature of Shareholder \_\_\_\_\_ Signature of Proxy holder (s) \_\_\_\_\_

**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 FOR THE VENUE OF 4<sup>TH</sup> ANNUAL GENERAL MEETING

**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 Fourth Annual Report of your company together with the Audited Standalone Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2019.

### 1. FINANCIAL HIGHLIGHTS

<i>Particulars</i>	<i>Results for the Financial Year 2019</i>	<i>Results for the Financial Year 2018</i>
<i>Revenue from Operations</i>	78,344,014	3,61,87,221
<i>Other Income</i>	66,02,723	61,21,995
<i>Finance Cost</i>	27,117	96,958
<i>Depreciation &amp; Amortization</i>	13,92,110	7,31,909
<i>PROFIT BEFORE TAX</i>	1,19,31,408	76,13,873
<i>(i) Provision for Taxation (Current)</i>	3,44,601	24,52,199
<i>(ii) Provision for Taxation (Deferred)</i>	(1,05,836)	(27,926)
<i>(iii) Short Provision for earlier year</i>	25,576	-
<i>Total Tax</i>	33,65,340	24,24,272
<i>PROFIT AFTER TAX</i>	85,66,068	51,89,601
<i>Minority Interest</i>	-	-
<i>Re-measurement of Defined benefit liabilities/assets</i>	1,69,162	(1056257)
<i>Surplus Brought Forward from Previous Year</i>	-	-
<i>Balance available for appropriations</i>	87,35,230	41,33,344
<i>Transferred to General Reserve</i>	-	-
<i>Interim / Final Dividend on Equity Shares</i>	-	-
<i>Tax on Dividend on Equity Shares</i>	-	-
<i>Balance Carried to Balance Sheet</i>	87,35,230	41,33,344
<i>Earnings per share (Basic)</i>	1.25	0.75
<i>Earnings per share (Diluted)</i>	1.25	0.75

### 2. DIVIDEND

Your directors do not recommend any dividend for the Financial Year 2018-19 in lieu to conserve the resources for future growth plans.

### 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. SHARE CAPITAL

The paid up capital of the company as on 31<sup>st</sup> March 2019 is Rs. 6,88,00,000/-. During the year under review, the company has not issued any shares.

### 5. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

During the year under review, your company has earned a net revenue from operations on a Standalone basis of Rs. 7,83,44,014/- for the financial year 2018-19. Further, your company has earned a Profit before tax (PBT) of Rs. 1,19,31,408/- and Profit after tax (PAT) of Rs. 87,35,230/-.



The company is working on the diversification of its operations which will give exponential growth in coming years.

#### **6. 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.

#### **7. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS**

Your Company has appointed Ms. Zalak Kaushikbhai Choksi as the Internal Auditor of the Company for the Financial Year 2018-19 to evaluate and manage the efficacy and adequacy of Internal Controls and to ensure the adequate systems which are place in the company are adhered with time to time checks and to ensure compliances procedures and policies are adhered. During the year, such controls were tested and no reportable material weaknesses in the operations of the company were observed.

#### **8. 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 wishes 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 2018-19 and the date of this report.

#### **9. CONSERVATION OF ENERGY, 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.

#### **10. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY**

The risk management process is followed by the company to ensure timely identification, categorization and prioritization of operational, financial and strategic business risks. Teams are authorised for managing such risks and updating it to the senior management.

The Board and Audit Committee review on regular basis the risk assessment in the company.

#### **11. SECRETARIAL STANDARDS**

The Company has complied with applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

#### **12. LISTING WITH STOCK EXCHANGE**

Pursuant to the provisions of listing agreement with stock exchanges, the equity shares of the Company are listed at Bombay Stock Exchange (BSE SME).

### **13. 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.

### **14. 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.

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

The Statutory Auditors and Secretarial Auditors have not raised any qualifications, reservations or remarks in their respective Audit Report for the financial year ended on 31st March 2019. The specific notes forming part of the accounts referred to in the Auditor's Report are self-explanatory.

### **16. 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](http://www.nintecsystems.com)

#### **B. PROTECTION OF WOMEN AGAINST SEXUAL HARASSMENT**

Your company believes in providing a healthy, 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.

## **17. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

### **A. BOARD OF DIRECTORS**

#### **(i) Composition:**

The Board composition is as per the Listing Regulations and provisions of the Companies Act, 2013. At March 31, 2019, the Board of the company comprised of 8 (Eight) Directors, out of which 4 (four) are independent Directors, three non-executive directors and one managing director.

During the year, Mr. Parminder Singh S. Chhabda resigned from the office of Independent Director w.e.f. July 31, 2018 and Mr. Somilkumar Ragvendr Nath Mathur (DIN: 07471863) was appointed as an Independent Director w.e.f 26<sup>th</sup> September, 2018, to fill up the vacancy caused by the Resignation of Mr. Parminder Singh Chhabda.

#### **(ii) Retirement by rotation:**

In accordance with section 152 of the Companies Act, 2013, Mr. Vipin Moharir, Non-Executive director of the company, would retire by rotation at the forthcoming 4<sup>th</sup> Annual General Meeting of the Company and is eligible for reappointment. Mr. Vipin Moharir has offered himself for re-appointment.

#### **(iii) Declaration of Independence**

All independent directors have given declarations 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. KEY MANAGERIAL PERSONNEL**

During the F.Y-2018-19, Mr. Mukesh Jiwnani, Company Secretary and Compliance Officer of the Company resigned from the office w.e.f 28<sup>th</sup> September, 2018 and the Board conveyed its sincere appreciation for the valuable contribution made by Mr. Mukesh Jiwnani to the Company as the Company Secretary and Compliance Officer of the Company

Mr. Sagar Sharma, Associate Company Secretary was then appointed as the Company Secretary and Compliance officer of the Company w.e.f 10<sup>th</sup> January, 2019.

### **C. MEETINGS OF THE BOARD**

During the year under review, Six 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.

### **D. 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.:

**(i) Audit Committee**

The Company has 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, 2019, 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, former Company Secretary acted as the Secretary of the Committee during his tenure and later Mr. Sagar Sharma, current Company Secretary acted as the Secretary of the Committee.

**(ii) 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, 2019, 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 (former Company Secretary) Mr. Sagar Sharma (current Company Secretary) acted as the Secretary of the Committee during their respective tenure in the Company.

**(a) Nomination and Remuneration Committee**

As on 31<sup>st</sup> March, 2019, 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, two Nomination and Remuneration Committee meetings were held. Mr. Mukesh Jiwnani (former Company Secretary) Mr. Sagar Sharma (current Company Secretary) acted as the Secretary of the Committee during their respective tenure in the Company.

#### **E. 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 judgement, governance issues etc.

#### **F. 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.

### **18. AUDITORS**

#### **A. STATUTORY AUDITORS**

M/s. Samir M. Shah & Associates, Chartered Accountants were appointed as the Statutory Auditors of the Company to hold office from the conclusion of 1<sup>st</sup> Annual General Meeting till the conclusion of 6<sup>th</sup> Annual General Meeting of the Company i.e. for a period of 5 years.

#### **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, 2019. Secretarial Audit Report issued by Mr. Tushar Vora, Practicing Company Secretary in Form MR – 3 (Annexure – F) forms part of this report.

## 19. 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, 2019 were Rs. 34,88,116/-. The company continues to focus on its working capital, receivables and other parameters were kept under check through continuous monitoring.

## 20. 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 31<sup>st</sup> March, 2019.

## 21. 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.

## 22. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

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

## 23. 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.

## 24. LITIGATIONS

There were no litigations outstanding as on March 31, 2019.

## 25. 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.

## 26. 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.

## **27. 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.

## **28. 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](http://www.nintecsystems.com)).

## **29. 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.

## **30. 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.

## **31. FRAUD REPORTING**

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

## **32. 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.

## **33. 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

**Date:** 2<sup>nd</sup> September, 2019  
**Place:** Ahmedabad

**NIRAJ 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 continuously seeks to adopt and promote clean energy methods to conserve clean energy and lesser consumption of electricity. The efforts to optimize the use of energy through improved operational method and other means will continue in the future.

#### B. TECHNOLOGY ABSORPTION:

Your company is committed to use smarter technologies for improved productivity and lesser consumption of resources which will eventually result in savings for your company. Teams have been formed and synchronised in a manner in different industry verticals to optimize the best use of resources. These methods enable teams to explore, learn and adapt smarter practices, smarter procedures which results in time efficient resolutions.

#### C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

(Amt. in Rs.)		
Sr. No.	Particulars	Year ended 31 <sup>st</sup> March, 2019
1.	Total Foreign Exchange used	NIL
2.	Total Foreign Exchange earned	3,61,87,221/-

For and on behalf of the Board

**Date:** 2<sup>nd</sup> September, 2019

**Place:** Ahmedabad

**NIRAJ 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:

### A. 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	

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

i.	Name (s) of the Related Party and nature of Relationship	DiIX B.V. (formerly, 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. 3,82,65,341/-
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	30.05.2018
vii.	Amount paid as Advances, if any	Nil

For and on behalf of the Board

**Date:** 2<sup>nd</sup> September, 2019  
**Place:** Ahmedabad

**Niraj Gemawat**  
Chairman & Managing Director  
DIN: 00030749

## ANNEXURE-C

### EXTRACT OF ANNUAL RETURN

Form No. MGT-9

As on Financial Year ended on March 31, 2019

[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

<b>I</b>	CIN	L72900GJ2015PLC084063
<b>II</b>	Registration Date	04 <sup>th</sup> August, 2015
<b>III</b>	Name of the Company	NINtec Systems Limited
<b>IV</b>	Category/Sub-Category of the Company	Public Company Company limited by Share Capital
<b>V</b>	Address of the Registered Office and contact details	B-11, Corporate House, S.G. Highway, Bodakdev, Ahmedabad-380054, Gujarat, India
<b>VI</b>	Whether listed company	Yes – BSE (SME)
<b>VII</b>	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 - <a href="mailto:bssahd@bigshareonline.com">bssahd@bigshareonline.com</a> Website - <a href="http://www.bigshareonline.com">www.bigshareonline.com</a>  Bigshare Services Pvt. Ltd., 1 <sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, VIII, Marol, Andheri(East), Mumbai-400059 Maharashtra Tel - 022 - 62638200 Email - <a href="mailto:bssahd@bigshareonline.com">bssahd@bigshareonline.com</a>

#### 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)

##### A. Category-wise Share Holding

Category of Shareholders	No. of shares held at the beginning of the year, i.e. on April 01, 2018				No. of shares held at the end of the year, i.e. on March 31, 2019				% Change during the year
	Demat	Physical	Total	%	Demat	Physical	Total	%	
<b>A. Promoters</b>									
<b>1) Indian</b>									
a) Individual/ HUF	2577500	-	2577500	37.46	2577500	-	2577500	37.46	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt. (s)	-	-	-	-	-	-	-	-	--
d) Bodies Corp	672500	-	672500	9.77	672500	-	672500	9.77	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A) (1)</b>	<b>3250000</b>	<b>-</b>	<b>3250000</b>	<b>47.24</b>	<b>3250000</b>	<b>-</b>	<b>3250000</b>	<b>47.24</b>	<b>0.00</b>
<b>2) Foreign</b>									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FIs	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Shareholding of Promoter (A) = (A) (1) + (A) (2)</b>	<b>3250000</b>	<b>-</b>	<b>3250000</b>	<b>47.24</b>	<b>3250000</b>	<b>-</b>	<b>3250000</b>	<b>47.24</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
<b>1) Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FIs	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt. (s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B) (1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>2) Non-Institutions</b>									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i. Indian	485000	-	485000	7.04	340000	-	340000	4.94	1.3
ii. Overseas	1750000	-	1750000	25.44	1750000	-	1750000	25.44	0.0
b) Individuals									
i. Individual shareholders holding nominal share capital upto Rs. 2 lakh	475000	-	425000	6.90	360000	-	360000	5.23	0.94
ii. Individual shareholders holding nominal share capital in excess of Rs 2 lakh	785000	-	785000	11.41	1040000	-	1040000	15.12	(1.1)
c) Others – Clearing Members	5000	-	5000	0.072	10000	-	10000	0.14	(0.068)
d) Others – (NRI)	130000	-	130000	1.89	130000	-	130000	1.89	0.00
<b>Sub-Total (B) (2)</b>	<b>3630000</b>	<b>-</b>	<b>3630000</b>	<b>52.76</b>	<b>3630000</b>	<b>-</b>	<b>3630000</b>	<b>52.76</b>	<b>0.00</b>
<b>Total Public Shareholding (B) = (B) (1) + (B) (2)</b>	<b>3630000</b>	<b>-</b>	<b>3630000</b>	<b>52.76</b>	<b>3630000</b>	<b>-</b>	<b>3630000</b>	<b>52.76</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	
<b>Grand Total (A+B+C)</b>	<b>6880000</b>	<b>-</b>	<b>6880000</b>	<b>100</b>	<b>6880000</b>		<b>6880000</b>	<b>100</b>	<b>0.00</b>

#### B. Shareholding of Promoter and Promoter Group

Sr. No	Shareholder's Name	Shareholding at the beginning of the year, i.e. on April 01, 2018			Shareholding at the end of the year, i.e. on March 31, 2019			% 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	0.29	-		20000	0.29	0
2.	Niraj Gemawat	1250000	18.17	-		1250000	18.17	0
3.	Chhaganraj Gemawat	20000	0.29	-		20000	0.29	0
4.	Rachana Gemawat	945000	13.74	-		945000	13.74	0
5.	Indrajeet Mitra	322500	4.69	-		322500	4.69	0
6.	Ketki Mitra	20000	0.29	-		20000	0.29	0
7.	VIN ITSolutions LLP	672500	9.77	-		672500	9.77	0
<b>TOTAL</b>		<b>3250000</b>	<b>47.23</b>	<b>-</b>		<b>3250000</b>	<b>47.23</b>	<b>0</b>



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

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
<b>At the beginning of the year</b>	3250000	47.23%	3250000	47.23%
Increase/Decrease in promoters shareholding during the year	-	-	-	-
<b>At the end of the year</b>	3250000	47.23%	3250000	47.23%

**(i) 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	25.44%	17,50,000	25.44%
2.	INFINIUM MOTORS (GUJARAT) PVT LTD	35000	0.5087	1,15,000	1.67
3.	INFINIUM NATURAL RESOURCES INVESTMENTS PRIVATE LIMITED	-	-	1,15,000	1.67
4.	GOODNESS CONSULTANCY LLP	1,00,000	1.45%	95,000	1.38%
5.	JYOTI SANJAY TIWARI	10,000	0.15%	80,000	1.16%
6.	PANKAJ KRISHNAVADAN MASHRUWALA	60,000	0.87%	80,000	1.16%
7.	ARUN S BHAT	70,000	1.01	70,000	1.01
8.	SONAL AJAY SAVAI	70,000	1.01	70,000	1.01
9.	ANURADHA JOSHI	70,000	1.01	70,000	1.01
10.	DEBARATI MITRA	-	-	65,000	0.9448

**(ii) 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	<b>18.17%</b>	12,50,000	<b>18.17%</b>
Mrs. Rachana Gemawat	9,45,000	<b>13.74%</b>	9,45,000	<b>13.74%</b>
Mr. Indrajeet Mitra	3,22,500	<b>4.69%</b>	3,22,500	<b>4.69%</b>
<u>Non-Executive Director-</u> Mr. Vipin Moharir <u>Independent Directors-</u> Mr. Vishal Shah Mr. Bhushan Saluja & Mr. Hursh Jani	<b>None of these Directors hold shares in the company</b>			
<u>Chief Financial Officer-</u> Mr. Bharat Thaker	-	-	40,000	0.58%
<u>Company Secretary-</u> *Mr. Sagar Sharma	-	-	-	-

\*Mr. Sagar Sharma was appointed as the Company Secretary and the Compliance Officer of the Company w.e.f 10<sup>th</sup> January, 2019

## INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the Financial Year</b>				
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
<b>Total(i + ii + iii)</b>	NIL	NIL	NIL	NIL
<b>Change in Indebtedness during the Financial Year</b>				
i. Addition	NIL	NIL	NIL	NIL
ii. Reduction	NIL	NIL	NIL	NIL
<b>Indebtedness at the end of the Financial Year</b>				
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
<b>Total (i + ii + iii)</b>	NIL	NIL	NIL	NIL

## V. 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

## B. Remuneration to other Directors

Sr. No.	Particulars of Remuneration	Names of Other Directors				Total Amount
		Mr. Vishal Shah	Mr. Bhushan Saluja	Mr. Hursh Jani	Mr. Somilkumar Mathur*	
Independent Directors						
1.	Gross Salary					
	a) Salary as per provisions contained in section17(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 section17(3) Income- Tax Act, 1961	-	-	-	-	
2.	Stock Option	-	-	-	-	
3.	Sweat Equity	-	-	-	-	
4.	Commission- As % of Profit, Others- Specify	-	-	-	-	
5.	Others, please specify	-	-	-	-	
	Total(A)	-			-	

\*Mr. Somilkumar Mathur was appointed w.e.f. 26.09.18

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

Sr. 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 section17(1) of the Income-tax Act, 1961	Rs. 6.32/- Lacs	Rs. 12.46/- Lacs	Rs. 18.78/- Lacs
	B. Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	C. Profits in lieu of salary undersection17(3)Income-Tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission- As % of Profit, Others- Specify	-	-	-
5.	Others, please specify	-	-	-
	Total	Rs. 6.32/- Lacs	Rs. 12.46/- Lacs	Rs. 18.78/- Lacs
*Includes remuneration paid to CS Mukesh Jiwnani (resigned) and CS Sagar Sharma(appointed)				

### VI. 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

**Date:** 2<sup>nd</sup> September, 2019  
**Place:** Ahmedabad

**Niraj Gemawat**  
 Chairman & Managing Director  
 DIN: 00030749

## ANNEXURE-D

### MANAGEMENT DISCUSSION AND ANALYSIS

#### Industry Structure & Overview

Information Technology industry is going through a disruptive phase and is expected to diversify in terms of growth in cyber offerings. Indian IT companies are also looking to capitalise and bank on offerings in field of cyber products and services to maintain the competitive edge globally. The business environment across the globe today is undergoing a massive transformation with increase in use of technology and business friendly products. These changes have resulted in increased use of analytics and digital technologies for business which has evolved as an opportunity for IT industry in addition to cyber offerings.

In the recent years, the industry has seen demand in digital technologies, cloud-based applications, big data & analytics, mobile systems, social media and cyber security. The rate of change and the level of disruption driven by modern technology are exponential. Companies across the entire IT space are changing how they deliver their offerings with added service of analytics, artificial intelligence which is generating new revenue opportunities.

#### Business Overview

Your company is well established in delivering software development services and solutions globally. Your company is in phase of expanding its product base in cyber products and services. After 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 is looking at growing exponentially with new offerings in cyber space.

#### Future Outlook

India has remain the top most 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 especially in identifying offerings in new arenas i.e. cyber space which is really useful in the competitive environment. 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 with out of box solutions to deliver client 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

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. and with increase in use of artificial intelligence Over the coming years, the industry will see huge demand in cyber products and services as global threats have increased leading to demand in cyber space & analytics etc. The IT Industry has the powerful opportunity to deliver results in cyber space. The company's business model is such that it will help in evolving to meet the pace of change in its offerings to seize the existing growth opportunities.

The IT space faces currency risks where operating results are impacted by fluctuations in the exchange rate between the Indian Rupee and other foreign currencies. Further, the cyber risk has



emerged as a top risk across industries now. Moreover, 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. 7,83,44,014/- and Profit after tax for the year stood at Rs. 85,66,068/- as compared to the previous Financial Year 2017-18 where the Revenue from Operations was Rs. 33,61,87,221/- and Profit after tax was Rs. 51,89,601/-. The Basic and Diluted Earnings per share of the company as on 31st March, 2019 is Rs. 1.25 on a standalone basis.

### Foreign Currency Risks

Volatility in global economies have become the new common in recent times 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. However, the company has a defined policy for managing its foreign exchange exposure minimising the currency risk which results in stable earnings.

### Human Resources

Your company is focused in balance work life approach which promotes employee innovation, excellence and mutual trust between all the personnel and the company. The company also focuses on systematic training programmes and developing the technical and behavioural skills of the personnel's at each level of organisation to upgrade and innovate the work culture. Your Directors acknowledge and thank employees for their constant support.

### Cautionary Statement

Statements made in this Management Discussions and Analysis describing company's objectives and predictions may be "forward-looking Statements" involving future plans of the company within the meaning of applicable laws and regulations. Actual results may differ from those expressed herein. The company is dependent on factors that can impact the operations i.e. Government regulations, tax regimes, and economic developments within India and other countries. 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

**Date:** 2<sup>nd</sup> September, 2019  
**Place:** Ahmedabad

**Niraj 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 31<sup>st</sup> March, 2019:-

- 1) Ratio of Mr. Niraj Gemawat, Managing Director's remuneration to the median remuneration of employees of the company is 1.06:1.
- 2) Percentage increase in remuneration of Mr. Niraj Gemawat, Managing Director is 0 %. Mr. Mukesh Jiwnani, Company Secretary resigned on 28.09.18. Percentage increase in remuneration of Mr. Sagar Sharma (Current Company Secretary & Compliance Officer) is 0 % and Mr. Bharat Thaker, CFO is 0 % in the financial year.
- 3) Percentage increase in the median remuneration of employees- 9-10% (approx.)
- 4) Number of permanent employees on the rolls of company-79 Employees.
- 5) The average increase in the salaries of employees other than managerial personnel in the financial year was 10-12% 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

**Date:** 2<sup>nd</sup> September, 2019  
**Place:** Ahmedabad

**Niraj Gemawat**  
Chairman & Managing Director  
DIN: 00030749

# SECRETARIAL AUDITORS' REPORT



## ANNEXURE-F

### FORM NO. MR-3

#### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2019

[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, 2019, complied with, , in general, 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, 2019 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 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, no major events took place under the Companies Act, 2013 having bearing on the Company's affairs.

2<sup>nd</sup> September, 2019  
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.

2<sup>nd</sup> September, 2019  
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 Standalone Financial Statements**

### **Opinion**

We have audited the accompanying standalone financial statements of Nintec Systems Limited ('the Company'), which comprise the balance sheet as at 31st March, 2019, the statement of profit and loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### **Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. 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.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. However, we have no such matters to be reported under this para.

### **Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS 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 March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone 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.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

Place : AHMEDABAD

Date : 21<sup>st</sup> MAY, 2019

**For SAMIR M. SHAH & ASSOCIATES**

**CHARTERED ACCOUNTANTS**

**FIRM REG. No.: 122377W**

**SAMIR M. SHAH**

**(PARTNER)**

**MEMBERSHIP No.: 111052**

Heaven, 8, Western Park Society,

Nr. Inductotherm, Bopal,

Ahmedabad-380058



## INDEPENDENT AUDITOR'S REPORT-ANNEXURE A

Report on the Internal Financial Controls Over Financial Reporting 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 2019 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company 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. 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 respective 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.

### **Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, 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, 2019, 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 : 21<sup>st</sup> MAY, 2019

**For SAMIR M. SHAH & ASSOCIATES**

**CHARTERED ACCOUNTANTS**

**FIRM REG. No.: 122377W**

**SAMIR M. SHAH**

**(PARTNER)**

**MEMBERSHIP No.: 111052**

Heaven, 8, Western Park Society,

Nr. Inductotherm,

Bopal, Ahmedabad-380058

## INDEPENDENT AUDITOR'S REPORT-ANNEXURE B

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the period ended **31<sup>st</sup> March, 2019**, we report that:

- i Fixed assets :
  - d) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - e) 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.
  - f) According to the information and explanations given to us, the company does not have any immoveable property so this clause is not applicable.
- 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 31<sup>st</sup> March, 2019 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 any 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 not raised moneys by way of initial public offer ~~or further public offer (including debt instruments)~~ and also has no term loan during the period so this clause is not applicable.
- 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 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 : 21<sup>st</sup> MAY, 2019**

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

**SAMIR M. SHAH**  
**(PARTNER)**  
**MEMBERSHIP No.: 111052**  
Heaven, 8, Western Park Society,  
Nr. Inductotherm,  
Bopal, Ahmedabad-380058

# BALANCE SHEET



## BALANCE SHEET AS AT 31<sup>st</sup> MARCH 2019

(Amount in Rs.)				
Sr. No.	Particulars	Note No.	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
	<b>ASSETS</b>			
1	<b>Non-current Assets</b>			
	a) Property, Plant and Equipment	2	27,71,338	36,02,816
	b) Capital work-in-progress			0
	c) Investment Property			0
	d) Other Intangible Assets			0
	e) Intangible Assets under development			0
	f) Financial Assets			
	(i) Investments			0
	(ii) Loans			0
	(iii) Other Financial Assets	5	2,47,81,342	23,300,409
	g) Deferred Tax Assets (Net)	9	1,34,149	93,512
	h) Other Non-Current Assets	6		0
	<b>Total Non-Current Assets</b>		<b>2,76,86,829</b>	<b>26,996,737</b>
2	<b>Current Assets</b>			
	a) Inventories			0
	b) Financial Assets			
	(i) Investments	3	2,79,73,914	5,22,13,157
	(ii) Trade Receivables	4	3,62,58,701	4,96,700
	(iii) Cash & Cash Equivalents	7	34,88,116	16,95,779
	(iv) Bank Balances other than (iii) above			0
	(v) Loans			0
	(vi) Other Financial Assets	5	53,438	52,926
	c) Current Tax Assets (Net)	9	35,10,308	26,71,028
	d) Other Current Assets	6	20,02,811	11,35,013
	e) Asset held for sale			0
	<b>Total Current Assets</b>		<b>7,32,87,288</b>	<b>58,264,602</b>
	<b>TOTAL ASSETS</b>		<b>10,09,74,117</b>	<b>85,261,339</b>
	<b>EQUITY AND LIABILITIES</b>			
1	<b>Equity</b>			
	a) Equity Share Capital	18	6,88,00,000	6,88,00,000
	b) Retained Earnings			0
	c) Other Equity		1,85,75,602	98,40,372
	<b>Total Equity</b>		<b>8,73,75,602</b>	<b>78,640,372</b>
	<b>LIABILITIES</b>			
2	<b>Non-Current Liabilities</b>			
	a) Financial Liabilities			
	(i) Borrowings			0
	(ii) Other Financial Liabilities			0
	b) Provisions	10	14,83,901	11,95,339
	c) Deferred Tax Liabilities (Net)	9	0	0
	d) Government Grants			0
	<b>Total Non-Current Liabilities</b>		<b>14,83,901</b>	<b>11,95,339</b>
3	<b>Current Liabilities</b>			
	a) Financial Liabilities			
	(i) Borrowings			0
	(ii) Trade Payables	8	74,83,918	23,98,731
	(iii) Other Financial Liabilities (other than those specified in Provisions)		0	0
	b) Other Current Liabilities (Net)	11	8,05,579	3,63,579
	c) Provisions	10	3,78,516	1,98,369
	d) Current Tax Liabilities (Net)	9	34,46,601	24,64,949
	<b>Total Current Liabilities</b>		<b>1,21,14,614</b>	<b>54,25,628</b>
	<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>10,09,74,117</b>	<b>85,261,339</b>

See accompanying notes forming part of the Financial Statements, in terms of report attached

For Samir M. Shah & Associates  
Chartered Accountants

Firm Reg. No.-122377W

Samir M. Shah  
(Partner)  
Memb. No. 111052  
Place: Ahmedabad  
Date: 21<sup>st</sup> May, 2019

For and on behalf of the Board of Directors,

Niraj Gemawat  
Managing Director  
DIN: 00030749

Bharat Thaker  
Chief Financial Officer

Place: Ahmedabad  
Date: 21<sup>st</sup> May, 2019

Indrajeet Mitra  
Director  
DIN: 00030788

Sagar Sharma  
Company Secretary



# STATEMENT OF PROFIT & LOSS



## STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED 31<sup>st</sup> MARCH, 2019

(Amount in Rs.)			
Particulars	Note No.	Year Ended 31 <sup>st</sup> March, 2019	Year Ended 31 <sup>st</sup> March, 2018
<b>Income</b>			
a) Revenue from Operations	12	7,83,44,014	3,61,87,221
b) Other income	13	66,02,723	6,12,1995
<b>Total Income</b>		<b>8,49,46,737</b>	<b>42,309,216</b>
<b>Expenses</b>			
Cost of Materials Consumed		0	0
Purchases of Stock in Trade	14	1,14,46,059	0
Changes in Inventories of finished goods, work-in-progress and stock in trade		0	0
Employee benefits Expense	15	5,31,62,595	2,34,79,216
Finance Costs	16	27,117	96,958
Depreciation & amortisation expense	2	13,92,110	7,31,909
Other Expenses	17	69,87,448	1,03,87,260
<b>Total Expenses</b>		<b>7,30,15,329</b>	<b>3,46,95,343</b>
<b>Profit / (loss) before exceptional and extraordinary items and tax</b>		<b>1,19,31,408</b>	<b>76,13,873</b>
Add / (Less): Exceptional Items		0	0
<b>Profit / (loss) before extraordinary items and tax</b>		<b>1,19,31,408</b>	<b>76,13,873</b>
Extraordinary Items		0	0
Profit before tax		1,19,31,408	76,13,873
Tax Expense			
a) Current Tax	9	34,46,601	24,52,199
b) Deferred Tax	9	(1,05,836)	(27,926)
c) Short provision for earlier year		24,576	-
Profit (Loss) for the period from continuing operations		33,65,340	24,24,272
Profit (Loss) from discontinuing operations		0	0
Tax Expense of discontinuing operations		0	0
Profit (Loss) from Discontinuing operations (after tax)		0	0
<b>Net Profit/ (Loss) for the period</b>		<b>85,56,068</b>	<b>51,89,601</b>
Other Comprehensive Income (net of tax)		1,69,162	(10,56,257)
Total Comprehensive Income for the period		87,35,230	41,33,344
Earnings per Share			
a) Basic	18	1.25	0.75
b) Diluted	18	1.25	0.75
Weighted average equity shares used in computing earnings per equity share			
a) Basic	18	68,80,000	68,80,000
b) Diluted	18	68,80,000	68,80,000

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: 21<sup>st</sup> May, 2019

For and on behalf of the Board of Directors,

**Niraj Gemawat**  
**Managing Director**  
**DIN: 00030749**

**Bharat Thaker**  
**Chief Financial Officer**

Place: Ahmedabad  
 Date: 21<sup>st</sup> May, 2019

**Indrajeet Mitra**  
**Director**  
**DIN: 00030788**

**Sagar Sharma**  
**Company Secretary**

**a. EQUITY SHARE CAPITAL**  
**Issued and Paid up Equity Share Capital**

(Amount in Rs.)

PARTICULARS	Note	Number of Shares	Equity share capital
As at April 1, 2018	19	68,80,000	688,00,000
Changes in equity share capital during the year		-	-
Balance at March 31, 2019		68,80,000	688,00,000
Changes in equity share capital during the year		-	-
Balance at March 31, 2019		68,80,000	688,00,000

**b. OTHER EQUITY**

PARTICULARS	Reserves and Surplus	Items of other comprehensive income		Total
	Retained earnings	Actuarial Gain / (Loss)	Other items of other comprehensive income (specify nature)	
Balance as of April 1, 2017	57,07,028	-	-	57,07,028
Changes in accounting policy/ prior period errors	-	-	-	-
Restated balance as at April 1, 2017	57,07,028	-	-	57,07,028
Remeasurement of net defined benefit liability/asset, net of Tax		(10,56,257)		(10,56,257)
Transfer to retained earnings	51,89,601	-	-	51,89,601
Balance as at March 31, 2018	1,08,96,629	(10,56,257)	-	98,40,372

PARTICULARS	Reserves and Surplus	Items of other comprehensive income		Total
	Retained earnings	Actuarial Gain / (Loss)	Other items of other comprehensive income (specify nature)	
Balance as of April 1, 2018	9840372	-	-	9840372
Changes in accounting policy/ prior period errors	-	-	-	-
Restated balance as at April 1, 2018	9840372	-	-	9840372
Remeasurement of net defined benefit liability/asset		1,69,162		1,69,162
Transfer to retained earnings	85,66,068	-	-	85,66,068
Balance as at March 31, 2019	184,06,440	1,69,162	-	185,75,602

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: 21<sup>st</sup> May, 2019

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

Sagar Sharma  
Company Secretary

Place: Ahmedabad  
Date: 21<sup>st</sup> May, 2019

# CASH FLOW STATEMENT



## CASH FLOW STATEMENT FOR THE PERIOD ENDED 31<sup>st</sup> MARCH, 2019

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
	₹	₹
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax for the year	119,31,408	76,13,873
<u>Adjustments for:</u>		
Depreciation and amortisation	13,92,110	7,31,909
Finance costs recognised in profit or loss	27,117	96,958
Investment income recognised in profit or loss	(16,46,050)	(14,95,629)
Other Adjustments	2,34,361	(10,56,257)
Net (gain)/loss arising on financial assets mandatorily measured at fair value through profit or loss	(47,77,757)	(36,29,973)
	71,61,190	22,60,882
<u>Movements in working capital:</u>		
Increase in trade and other receivables	(357,62,001)	(2,26,660)
(Increase)/decrease in Financial and other Financial assets	227,57,798	(5,004,039)
(Increase)/decrease in other assets	(17,07,079)	11,92,787
Decrease in trade and other payables	50,85,187	(62,433)
Increase/(decrease) in provisions	4,68,709	11,40,654
(Decrease)/increase in other liabilities	4,42,000	(38,257)
	(87,15,386)	(29,97,947)
Cash generated from operations	(15,54,196)	(7,37,066)
Income taxes paid	(24,89,525)	(20,99,760)
<b>Net cash generated by operating activities</b>	<b>(40,43,721)</b>	<b>(28,36,826)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Proceeds on sale of financial assets	47,77,757	36,29,973
Interest received	16,46,050	14,95,629
Payments for property, plant and equipment	(5,60,632)	(24,54,895)
<b>Net cash (used in)/generated by investing activities</b>	<b>58,63,175</b>	<b>26,70,707</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of equity instruments of the Company	-	-
Interest paid	(27,117)	(96,958)
<b>Net cash used in financing activities</b>	<b>(27,117)</b>	<b>(96,958)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>17,92,337</b>	<b>(2,63,077)</b>
Cash and cash equivalents at the beginning of the year	16,95,779	19,58,857
<b>Cash and cash equivalents at the end of the year</b>	<b>34,88,116</b>	<b>16,95,779</b>

For Samir M. Shah & Associates  
Chartered Accountants

Firm Reg. No.-122377W

Samir M. Shah  
(Partner)  
Memb. No. 111052  
Place: Ahmedabad  
Date: 21<sup>st</sup> May, 2019

For and on behalf of the Board of Directors,

Niraj Gemawat  
Managing Director  
DIN: 00030749

Bharat Thaker  
Chief Financial Officer  
Place: Ahmedabad  
Date: 21<sup>st</sup> May, 2019

Indrajeet Mitra  
Director  
DIN: 00030788

Sagar Sharma  
Company Secretary

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

### COMPANY OVERVIEW & SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS FOR THE PERIOD ENDED 31st MARCH, 2019

#### 1.1. COMPANY OVERVIEW

NINtec Systems Limited (The Company) is a leading provider of software development services and solutions across the globe specialising in diverse industry verticals like Automotive, Print Media & Publishing, Banking, Financial Services & Insurance (BFSI), Transportation and Logistics.

The Company is a public limited Company incorporated and domiciled in India and has registered office in Ahmedabad, Gujarat, India. The Company is listed on the BSE -SME.

The financial statements are approved for issue by Company's Board of Directors on May 21, 2019.

#### 1.2. SIGNIFICANT ACCOUNTING POLICIES:

##### A. Basis of Preparation of Financial Statements:

The financial statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 under the historical cost convention on the accrual basis. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

##### i. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the functional currency

##### ii. Basis of Measurement

The financial statements have been prepared on the historical cost basis.

##### iii. Use of Estimates and Judgements:

In preparing these financial statements, management has made judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, incomes and expenses. Actual results may differ from these estimates

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognized prospectively.

##### - Judgements:

There are no significant judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements.

##### - Assumptions and estimation uncertainties:

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year, if any are included in the respective note.

- Measurement of fair value

The Company has established policies with respect to the measurement of fair values. The Company regularly reviews significant valuation adjustments. Significant valuation issues are reported to the Company's Board of Directors.

B. Financial instruments

2) Financial Assets:

i) Classification

The Company classifies its financial assets in the following measurement categories:

- Those measured at 'Amortized cost' and

- Those to be measured subsequently at either 'Fair value through other comprehensive income' (FVTOCI) or 'Fair value through profit or loss' (FVTPL).

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

- A financial asset is measured at amortized cost if it meets both following conditions and is not designated as at FVTPL:

a. the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

b. the contractual terms of a financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- A debt investment is measured at FVTOCI if it meets both following conditions and is not designated as at FVTPL:

a. the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

b. the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- Financial assets are not reclassified after their initial recognition except if and in the period the Company changes its business model for managing financial assets.

ii) Measurement

At initial recognition, the company measures a financial asset when it becomes a party to the contractual provisions of the instruments and measures at its fair value except trade receivables which are initially measured at transaction price. Transaction costs are incremental costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. A regular way purchase and sale of financial assets are accounted for at trade date.

iii) Subsequent measurement and gains and losses

Financial assets at FVTPL: "These assets are subsequently measured at fair value. Net gains including any interest or dividend income, are recognized in profit or loss."

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest rate method



The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on de-recognition is recognized in profit or loss.

#### iv) De-recognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset is transferred or in which the Company neither transfers nor retains substantially all the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all the risks and rewards of the transferred assets, the transferred assets are not derecognized.

### 2. Financial liabilities:

#### i) Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on de-recognition is also recognized in profit or loss.

#### ii) De-recognition

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired.

The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in the profit or loss.

### 3. Offsetting

Financial assets and financial liabilities are off set and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

### C. Property, Plant and Equipments:

#### (i) Recognition and measurement:

Property, Plant and Equipments are stated at its cost less accumulated depreciation. Cost comprise of purchase price and attributable cost, if any. The Company depreciates property, plant and equipment over the estimated useful lives using the Written Down Value Method. The estimated useful lives of assets are as follows:

Buildings - Leasehold	30 Years
Computer Equipment	3 Years

Office Equipment	5 Years
Furniture and Fixtures	10 Years
Vehicles – Freehold	8 Years
Electric Instruments & Installation	10 Years

"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."

#### (ii) Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

### D. Impairment of assets

#### 1. Impairment of financial assets

The Company recognizes loss allowances for financial assets measured at amortized cost using expected credit loss model.

At each reporting date, the Company assesses whether financial assets carried at amortized cost is credit- impaired. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset, have occurred.

For trade receivables, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

For all other financial assets, the Company measures loss allowances at an amount equal to twelve months expected credit losses unless there has been a significant increase in credit risk from initial recognition in which those are measured at life time expected credit risk.

Life time expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial asset. Twelve months expected credit losses are the portion of lifetime expected credit losses that represent the expected credit losses that result from default events on a financial instrument that are possible within the twelve months after the reporting date (or a shorter period if the expected life of the instrument is less than twelve months)

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 360 days past due. The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Company in full.

#### Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

#### Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

#### Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

## 2. Impairment of non-financial assets

The Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss.

In respect of assets for which impairment loss has been recognized in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

#### E. 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 derivative 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 settlement of the contract.

#### F. 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.

G. 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. Revenue is recognized in the accounting periods in which the services are rendered.

H. Expenditure :

Expenditure is recognized on accrual basis.

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.

The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as as an asset or liability. Gains and losses through remeasurement of the net defined benefit liability / (asset) are recognised in other comprehensive income. The effect of any plan amendments are recognized in the Statement of Profit & Loss

ii) Provident Fund:

The eligible employees of the Company are entitled to receive the benefits of Provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (Currently at 12% of Maximum Base Pay of Rs.15000/- p.m.), which are charged to the Statement of Profit and Loss on accrual basis. The provident fund contributions are paid to the Regional Provident Fund Commissioner by the Company.

The Company has no further obligations other than its monthly contributions.

iii) Leave Encashment:

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

J. Inventories

The Company is not having any Inventory.

K. Preliminary Expenses

Preliminary and Pre- Operating expenses are written off entirely during the year on adoption of Ind AS.

#### 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.

#### L. Cash Flow Statement

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

#### M. Segment Reporting

The company has only one reportable business segment. Hence, Segment Reporting as defined in IND AS-108 is not applicable.

## 2. TANGIBLE ASSETS

The changes in the carrying value of property, plant and equipment for the year ended 31<sup>st</sup> March, 2019 are as follows:

(Amount in Rs.)

Description of Assets	Buildings - Leasehold	Computer Equipment	Office Equipment	Furniture and Fixtures	Vehicles-Freehold	Electric Instruments & Installation	Total
I. Gross Block							
Balance as at 1 April, 2018	6,04,894	13,55,190	1,60,005	7,01,913	24,54,895	2,50,351	55,27,248
Additions	-	4,52,759	62,110	45,763	-	-	5,60,632
Disposals	-	-	-	-	-	-	-
Balance as at 31 March, 2019	6,04,894	18,07,949	2,22,115	7,47,676	24,54,895	2,50,351	60,87,880
II. Accumulated depreciation and impairment for the year 2017-18							
Balance as at 1 April, 2018	1,16,046	11,42,657	1,14,171	3,30,356	1,02,736	1,18,466	19,24,432
Depreciation / amortisation expense for the year	46,441	4,20,198	48,650	1,08,044	7,34,579	34,198	13,92,110
Balance as at 31 March, 2019	1,62,487	15,62,855	1,62,821	4,38,400	8,37,315	1,52,664	33,16,542
Net block (I-II)							
Balance as on 31 <sup>st</sup> March 2019	4,42,407	2,45,094	59,294	3,09,276	16,17,580	97,687	27,71,338
Balance as on 31 <sup>st</sup> March 2018	4,88,848	2,12,533	45,834	3,71,557	23,52,159	1,31,885	36,02,816

The changes in the carrying value of property, plant and equipment for the year ended 31<sup>st</sup> March, 2018 are as follows:

(Amount in Rs.)

Description of Assets	Buildings - Leasehold	Computer Equipment	Office Equipment	Furniture and Fixtures	Vehicles-Freehold	Electric Instruments & Installation	Total
I. Gross Block							
Balance as at 1 April, 2017	6,04,894	13,55,190	1,60,005	7,01,913	-	2,50,351	30,72,353
Additions	-	-	-	-	24,54,895	-	24,54,895
Disposals	-	-	-	-	-	-	-
Balance as at 31 March, 2018	6,04,894	13,55,190	1,60,005	7,01,913	24,54,895	2,50,351	55,27,248
II. Accumulated depreciation and impairment for the year 2016-17							
Balance as at 1 April, 2017	64,731	7,78,282	76,564	2,00,554	-	72,392	11,92,523
Depreciation / amortisation expense for the year	51,315	3,64,375	37,607	1,29,802	1,02,736	46,074	7,31,909
Balance as at 31 March, 2018	1,16,046	11,42,657	1,14,171	3,30,356	1,02,736	1,18,466	19,24,432
Net block (I-II)							
Balance as on 31 <sup>st</sup> March 2018	4,88,848	2,12,533	45,834	3,71,557	23,52,159	1,31,885	36,02,816
Balance as on 31 <sup>st</sup> March 2017	5,40,163	5,76,908	83,441	5,01,359	-	1,77,959	18,79,830

### 3. INVESTMENT

(Amount in Rs.)

PARTICULARS	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>Current Investments</b>		
Liquid Mutual Fund (Refer Note 3.1)	279,73,914	522,13,157
<b>Total</b>	<b>279,73,914</b>	<b>522,13,157</b>

*Note 3.1 Details Investment in Liquid Mutual Fund*

(Amount in Rs.)

PARTICULARS	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>Investments carried at fair value through profit or loss</b>		
Liquid Mutual Fund		
Reliance Liquid Fund	15,68,000	-
Franklin India Liquid Fund	122,13,037	-
Franklin India Ultra Short Bond Fund	141,92,877	522,13,157
	<b>279,73,914</b>	<b>522,13,157</b>

### 4. TRADE RECEIVABLES

(Amount in Rs.)

PARTICULARS	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>Current</b>		
<b>Unsecured</b>		
(a) Unsecured, considered good		4,96,700
(b) Doubtful	-	-
Less: Allowance for Credit Losses	-	-
<b>Total</b>	<b>362,58,701</b>	<b>4,96,700</b>

### 5. OTHER FINANCIAL ASSETS

(Amount in Rs.)

PARTICULARS	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>Non-Current</b>		
<b>Financial Assets carried at Amortised cost</b>		
Security Deposits	1,88,000	1,88,000
Rental Deposits	1,20,000	1,20,000
Fixed Deposits with Bank	244,73,342	229,92,409
	247,81,342	233,00,409
<b>Current</b>		
<b>Financial Assets carried at Amortised cost</b>		
Security Deposits	45,000	45,000
Interest accrued on FDR	8,438	7,926
	53,438	52,926
<b>Total</b>	<b>248,34,780</b>	<b>233,53,335</b>



## 6. OTHER ASSETS

(Amount in Rs.)

PARTICULARS	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>Current</b>		
<b>Others</b>		
Balance with Govt. Authorities	13,07,966	10,89,757
Advance to Staff - for Onsite Tours	5,28,136	-
Prepaid Expenses	1,66,709	45,256
<b>Total</b>	<b>20,02,811</b>	<b>11,35,013</b>

## 7. CASH AND BANK BALANCES

Cash and cash equivalents include cash/currency in hand and in banks:

(Amount in Rs.)

PARTICULARS	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b><u>Balance with Banks</u></b>		
In Current Accounts	31,16,451	13,87,839
<b><u>Cash in hand</u></b>		
Cash on hand	2,80,793	2,85,187
Currency on hand	90,872	22,753
<b>Total</b>	<b>34,88,116</b>	<b>16,95,779</b>

## 8. TRADE PAYABLES

(Amount in Rs.)

PARTICULARS	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Trade payable	74,83,918	23,98,731
<b>Total</b>	<b>74,83,918</b>	<b>23,98,731</b>

## 9. INCOME TAX AND DEFERRED TAX

Income Tax expense in the Statement of Profit &amp; Loss comprised

(Amount in Rs.)

PARTICULARS	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Current Tax	34,46,601	24,52,199
Deferred Tax Liability / (Asset)	<b>1,05,836</b>	<b>(27,926)</b>

Income Tax Asset / Income Tax Liabilities recognised in the Balance Sheet

(Amount in Rs.)

PARTICULARS	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Current Income Tax Asset	35,10,308	26,71,028
Current Income Tax Liability	34,46,601	24,64,949
<b>Net Current Income Tax assets / (liability) at the end</b>	<b>63,708</b>	<b>2,06,079</b>

Entire Deferred Income Tax Asset for the year ended March 31, 2019 and March 31, 2018 relates to origination and reversal of temporary difference.

## Deferred Tax Assets / Liabilities (Net)

(Amount in Rs.)

PARTICULARS	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>Deferred Tax Liability</b>		
Timing difference between book and tax depreciation	-	-
<b>Gross Deferred Tax Liability</b>	-	-
<b>Deferred Tax Asset</b>		
On Disallowances under the Income Tax Act, 1961.- Gratuity	81,611	51,271
Timing difference between book and tax depreciation	2,43,270	42,242
Timing difference - preliminary expenses written off	(1,90,732)	-
<b>Gross Deferred Tax Assets</b>	1,34,149	93,512
<b>Net Deferred Tax Assets</b>	<b>1,34,149</b>	<b>93,512</b>

## 10. PROVISIONS

(Amount in Rs.)

PARTICULARS	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>Non-Current</b>		
<u>Provision for employee benefits</u>		
Gratuity Provision (as per actuarial report)	14,83,901	11,95,339
	14,83,901	11,95,339
<b>Current</b>		
<u>Provision for employee benefits</u>		
Gratuity Provision (as per actuarial report)		
Provident Fund Payable	70,467	65,674
	2,65,296	1,15,528
<u>Other Provisions</u>		
Expenses Payable	42,753	17,167
	<b>3,78,516</b>	<b>1,98,369</b>
<b>Total</b>	<b>18,62,417</b>	<b>13,93,708</b>

## 11. OTHER LIABILITIES

(Amount in Rs.)

PARTICULARS	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>Current</b>		
<u>Statutory Dues</u>		
TDS Payable	7,87,379	3,55,429
Professional Tax payable	18,200	8,150
<b>Total</b>	<b>8,05,579</b>	<b>3,63,579</b>

## 12. REVENUE FROM OPERATIONS

(Amount in Rs.)

PARTICULARS	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Revenue from rendering of services		
Software Export Income	645,19,399	361,87,221
Domestic Sales	138,24,615	-
<b>Total</b>	<b>783,44,014</b>	<b>361,87,221</b>

### 13. OTHER INCOME

(Amount in Rs.)

PARTICULARS	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Interest Income on Financial Assets carried at Amortised Cost	16,46,050	14,95,629
Net Gain / (Loss) on Investments carried at fair value through Profit & Loss		
Mutual Fund	47,77,757	36,29,973
Forex gain/loss	1,78,916	9,96,245
Miscellaneous Income, net	-	148
<b>Total</b>	<b>66,02,723</b>	<b>61,21,995</b>

### 14. EMPLOYEE BENEFITS EXPENSES

(Amount in Rs.)

PARTICULARS	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Salaries and wages, including bonus	510,40,774	226,22,183
Contribution to provident and other funds	14,34,171	5,97,839
Gratuity Expenses	5,27,716	1,78,805
Staff welfare expenses	1,57,090	79,219
Labour Welfare Expenses	2,844	1,170
<b>Total</b>	<b>531,62,595</b>	<b>234,79,216</b>

Details of employee benefit as required by the Ind AS 19 - 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, 2019 in respect of defined contribution plan is Rs. 5,27,716 (March 31, 2018 : Rs. 1,78,805).

(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 follow:

(Amount in Rs.)

PARTICULARS	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Present value of unfunded defined benefit obligation at the beginning of the year	12,61,013	1,62,393
Expenses Recognised in Profit and Loss Account		
- Current Service Cost	4,34,375	1,67,129
- Interest Cost	93,341	11,676
Recognised in Other Comprehensive Income		
Re-measurement gains / (losses)		
- Actuarial Gain (Loss) arising from:		
i. Demographic Assumptions	-	-
ii. Financial Assumptions	(28,289)	(58,858)
iii. Experience Adjustments	(2,06,072)	11,15,115
Benefit payments	-	(1,36,442)
Present value of defined benefit obligation at the end of the year	15,54,368	12,61,013

Components of amount recognized in the Statement of Profit and Loss under Employee Benefit Expenses for the period ended March 31, 2019 and March 31, 2018:

(Amount in Rs.)

PARTICULARS	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Service Cost	4,34,375	1,67,129
Interest Expense	93,341	11,676
<b>Total</b>	<b>5,27,716</b>	<b>1,78,805</b>

Components of amount recognized in the Statement of Comprehensive Income for the period ended March 31, 2019 and March 31, 2018:

(Amount in Rs.)

PARTICULARS	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Re-measurement on the net defined benefit liability / (assets)		
Actuarial gains and loss arising from changes in financial assumptions	(28,289)	(58,858)
Actuarial gains and loss arising from experience adjustments	(2,06,072)	11,15,115
<b>Total</b>	<b>(2,34,361)</b>	<b>10,56,257</b>

#### Principal Actuarial Assumptions

(Amount in Rs.)

PARTICULARS	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Mortality	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Salary Growth	6.50%	6.50%
Discount Rate	7.75%	7.60%
Expected Rate of Return	NA	NA
Withdrawal rates	5.00%	5.00%
Retirement age	58 Years	58 Years

#### Sensitivity Analysis

##### Sensitivity to Key Assumptions

(Amount in Rs.)

PARTICULARS	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b><u>Discount rate Sensitivity</u></b>		
Increase by 0.5%	14,65,335	11,92,864
(% change)	-5.73%	-5.40%
Decrease by 0.5%	16,51,684	13,35,229
(% change)	6.26%	5.89%
<b><u>Salary Growth Rate Sensitivity</u></b>		
Increase by 0.5%	16,52,398	13,35,662
(% change)	6.31%	5.92%
Decrease by 0.5%	14,63,930	11,91,800
(% change)	-5.82%	-5.48%
<b><u>Withdrawal rate (W.R.) Sensitivity</u></b>		
W.R. x 110%	15,56,497	12,65,469
(% change)	0.14%	0.35%
W.R. x 90%	15,51,498	12,56,100
(% change)	-0.18%	-0.39%

**Description of methods used for sensitivity analysis and its Limitations:**

- Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged.
- Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously
- The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

**15. FINANCE COST**

PARTICULARS	Amount in Rs.)	
	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Interest expense	435	64,020
Bank Charges	26,682	32,938
<b>Total</b>	<b>27,117</b>	<b>96,958</b>

**16. OTHER EXPENSES**

PARTICULARS	(Amount in Rs.)	
	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>A. ESTABLISHMENT EXPENSES</b>		
Rent	5,33,966	5,13,344
Rates and taxes	88,845	57,072
Repairs and maintenance - Buildings	57,900	77,100
Repairs and maintenance - Others	1,14,313	1,26,199
Electricity Expenses	3,41,906	2,92,097
Insurance charges	65,538	20,384
<b>Sub-Total</b>	<b>12,02,468</b>	<b>10,86,196</b>
<b>B. SELLING &amp; DISTRIBUTION EXPENSES</b>		
Tours & Travelling Expenses	26,02,020	12,93,471
Commission on Sales	-	6,00,488
Sales Promotion Expenses	3,01,348	-
<b>Sub-Total</b>	<b>29,03,368</b>	<b>18,93,959</b>
<b>C. OTHER EXPENSES</b>		
Legal and other professional costs	22,660	16,075
<u>Auditor's Remuneration</u>		
<i>Statutory Audit Fees</i>	12,000	12,000
Computer Consumable Expenses	-	23,999
Conveyance & Travelling Expenses	2,07,877	97,602
Bad Debts		-
Mobile, Internet and Telephone Expenses	126,626	2,28,973
Other General Expenses	24,0012	2,68,870
Preliminary Expenses W/off	-	24,28,472
Domain Registration Charges	2,970	
Listing Fees	25,000	25,000
R & T Charges	27,500	30,000
STPI Charges	1,10,000	1,10,000
<b>Sub-Total</b>	<b>7,74,645</b>	<b>32,40,990</b>
<b>Total</b>	<b>48,80,481</b>	<b>62,21,146</b>

**17. EARNINGS PER SHARE (EPS)**

BASIC EPS	(Amount in Rs.)	
	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Profit after tax attributable to equity shareholders	85,66,068	51,89,601
Nominal Value of equity share	10	10
Weighted average number of ordinary equity shares for Basic EPS	68,80,000	68,80,000
<b>Total</b>	<b>1.25</b>	<b>0.75</b>

(Amount in Rs.)

<b>DILUTED EPS</b>	<b>As at 31<sup>st</sup> March, 2019</b>	<b>As at 31<sup>st</sup> March, 2018</b>
Profit after tax attributable to equity shareholders	85,66,068	51,89,601
Add : Interest on dilutive potential equity shares which have been deducted in arriving at the Profit after Tax	-	-
Adjusted Net Profit	85,66,068	51,89,601
Nominal Value of equity share	10	10
Weighted average number of ordinary equity shares	68,80,000	68,80,000
Total Potential Weighted average number of ordinary equity shares	68,80,000	68,80,000
<b>Diluted EPS</b>	<b>1.25</b>	<b>0.75</b>

## 18. EQUITY SHARE CAPITAL

<b>PARTICULARS</b>	<b>As at 31<sup>st</sup> March, 2019</b>		<b>As at 31<sup>st</sup> March, 2018</b>	
	<b>No. of Shares</b>	<b>Amount</b>	<b>No. of Shares</b>	<b>Amount</b>
<b>Authorised:</b>				
Equity shares of Rs. 10/- each with voting rights	75,00,000	750,00,000	75,00,000	750,00,000
<b>Issued, Subscribed and Fully Paid:</b>				
Equity shares of Rs. 10/- each with voting rights	68,80,000	688,00,000	68,80,000	688,00,000
<b>Total</b>	<b>68,80,000</b>	<b>688,00,000</b>	<b>68,80,000</b>	<b>688,00,000</b>

- The Company has only one class of shares referred to as equity shares having par value of Rs. 10/- each. Each holder of equity share is entitled to one vote per share.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive 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.
- Aggregate Numbers and class of shares allotted as fully paid up pursuant to contract without payment being received in cash.
- The Reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2019 and as at March 31, 2018 is as follows :

### Equity shares with Voting Rights

<b>PARTICULARS</b>	<b>As at 31<sup>st</sup> March, 2019</b>		<b>As at 31<sup>st</sup> March, 2018</b>	
	<b>No. of Shares</b>	<b>Amount</b>	<b>No. of Shares</b>	<b>Amount</b>
At the beginning of the period	68,80,000	688,00,000	68,80,000	688,00,000
Add: Fresh Issue	-	-	-	-
At the end of period	<b>68,80,000</b>	<b>688,00,000</b>	<b>68,80,000</b>	<b>688,00,000</b>



v. The details of shares held by each shareholder holding more than 5% shares are as follows:

CLASS OF SHARES/NAME OF SHAREHOLDER	As at 31 <sup>st</sup> March, 2019		As at 31 <sup>st</sup> March, 2018	
	No. of Shares	Amount	No. of Shares	Amount
<u>Equity shares with voting rights</u>				
Niraj C Gemawat	12,50,000	18.17%	12,50,000	18.17%
Rachana N. Gemawat	9,45,000	13.74%	9,45,000	13.74%
Indrajeet A Mitra	3,22,500	4.69%	3,22,500	4.69%
M/S. Tecthink B.V.	17,50,000	25.44%	17,50,000	25.44%
M/S. VIN IT Solutions LLP	6,72,500	9.77%	6,72,500	9.77%

19. RELATED PARTY TRANSACTIONS

The company has entered into related party transactions as under:

A. Names of related parties and description of relationship:

**Associate Enterprise**

M/s. DiLx B.V. (formerly Yemo Connect & Interact BV)

**Key Management Personnel**

Whole Time Directors

Niraj C Gemawat

Indrajeet A Mitra

**Executive Officer**

Bharat B Thaker (Chief Financial Officer)

**Company Secretary**

Sagar Sharma (appointed w.e.f. 10<sup>th</sup> January, 2019)

Mukesh Jiwnani (resigned w.e.f. 28<sup>th</sup> September, 2018)

The details of related -party transactions entered into by the Company for the year ended March 31, 2019 and March 31, 2018 are as follows:

Particulars	Associate Enterprise		Key Management Personnel	
	Year ended 31-03-2019	Year ended 31-03-2018	Year ended 31-03-2019	Year ended 31-03-2018
<b>Revenue Transactions:</b>				
<u>Sale of Services</u>				
DiLx B.V. (formerly Yemo Connect & Interact BV)	382,65,341	129,58,306		
<u>Reimbursement of Expenses</u>				
Sagar Sharma			379	-
Mukesh Jiwnani			-	287

The details of amounts due to or due from related parties as at March 31, 2019 and March 31, 2018 are as follows:

Particulars	Balance as at 31-03-2019	Balance as at 31-03-2018
DiLx B.V. (formerly Yemo Connect & Interact BV)	282,76,854	-

**Transactions with Key Managerial Personnel**

The remuneration of directors and other members of key managerial personnel during the year was as follows:

Particulars	Year ended 31-03-2019	Year ended 31-03-2018
Salaries and Other employee benefits to Directors, Executive Officer and Company Secretary	24,79,167	25,51,672

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## GENERAL INFORMATION

### ❖ 04<sup>th</sup> Annual General Meeting

**Date & Time** 28<sup>th</sup> September, 2019, Saturday, 11.00 a.m.

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

### ❖ Financial Year

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

### ❖ Listing on Stock Exchange

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

### ❖ Registrar and Share Transfer Agents

**Name and Address** : Bigshare Services Private Limited  
 1<sup>st</sup> 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](http://www.bigshareonline.com)

**E-mail address** : [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com)

### ❖ Compliance Officer

Mr. Sagar Sharma  
 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](mailto:cs@nintecsystems.com)

### ❖ Address for Correspondence

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

## Notes

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