

## INDEPENDENT AUDITORS' REPORT

To,  
The Members of  
NINtec Systems Limited  
Ahmedabad.

### Report on the Financial Statements

We have audited the accompanying standalone financial statements of NINtec Systems Limited ('the Company'), which comprise the balance sheet as at 15<sup>th</sup> February, 2016, the statement of profit and loss and the cash flow statement for the period then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

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

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



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### **Opinion**

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

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 15<sup>th</sup> February, 2016;
- b) in the case of the Statement of Profit and Loss, of the Profit for the period ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the period ended on that date.

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

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the said order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
  - (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

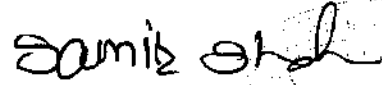
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- (e) on the basis of the written representations received from the directors as on 15th February, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 15th February, 2016 from being appointed as a director in terms of Section 164 (2) of the Act; and

Place : AHMEDABAD

Date : 15<sup>TH</sup> FEBRUARY, 2016

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



SAMIR M. SHAH  
(PARTNER)

MEMBERSHIP No.: 111052

B-516, Gopal Palace,

Nr. Shiromani Flats,

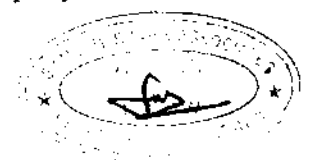
Opp. Ocean Park,

Satellite Road, Ahmedabad-380015

## ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the period ended 15<sup>th</sup> February, 2016, we report that:

- (i) Fixed assets :
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets. In accordance with this programme, certain fixed assets were verified during the period and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (ii) The Company does not have any inventory so this clause is not applicable.
- (iii) In respect of loans, secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (a) The Company has not granted loans to the companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). The Company has taken loan from the companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). There is only one party. The opening Balance was Rs. Nil/-. Total loans taken is Rs. 45,45,000/-. However, at the end of the period outstanding balance is Rs. Nil/-.
- (b) According to the information and explanations given to us, in our opinion, the rate of interest and other terms and conditions of above loans given or taken by the Company, secured or unsecured, are not prima facie prejudicial to the interest of the Company.
- (c) In respect of loans taken the company has taken reasonable steps for payments of principle and interest in respect of overdue amounts of more than Rupees one lakh each. There are no overdue amounts of more than Rupees one lakh each in respect of loan given.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to the purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, no major weakness has been noticed in the internal control.
- (v)
- (a) In our opinion and as per information and explanations given to us, transactions that need to be entered into a register in pursuance of section 189 of the Act, have been so entered.
- (b) In our opinion and as per information and explanations given to us, the transactions exceeding Rupees five lakh each have been made at prices, which are reasonable having regard to the prevailing market prices at the relevant time
- (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 of the Company, the company has been regular in depositing undisputed statutory dues, including Provident Fund, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Cess and other statutory dues with the appropriate authorities during the period and there were no undisputed demands payable in respect of Sales Tax, Income Tax, Custom Duty, Cess, Wealth tax, Excise Duty, Cess etc., where in arrears as at **15<sup>th</sup> February, 2016** 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 Sales Tax, Income Tax, Custom Duty, Cess, Wealth tax, Excise Duty, Cess etc., which have not been deposited on account of any dispute.

(c) There were no amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time as this clause not applicable to company.

(viii) The Company does not have accumulated losses exceeding fifty percent of its net worth at the end of the period. The Company has incurred cash losses during the current as well as preceding financial period.

(ix) Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to a financial institution or bank or debenture holders.

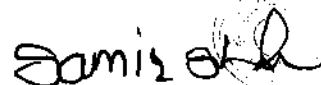
(x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.

(xi) In our opinion and according to the information and explanations given to us, on and overall basis, the term loans have been applied for the purposes for which they were raised.

(xii) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the period.

Place : AHMEDABAD  
Date : 15<sup>TH</sup> FEBRUARY, 2016

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



SAMIR M. SHAH  
(PARTNER)

MEMBERSHIP No.: 111052  
B-516, Gopal Palace,  
Nr. Shiromani Flats,  
Opp. Ocean Park,  
Satellite Road, Ahmedabad-380015

**NINtec Systems Limited**

**BALANCE SHEET AS AT 15<sup>th</sup> February , 2016**

(Amount in ₹)

Particulars	Note No.	As at 15th February, 2016
<b>A. EQUITY AND LIABILITIES</b>		
<b>1. Shareholders' Funds</b>		
(a) Share Capital	2	50,000,000
(b) Reserves and Surplus	3	1,326,874
		<b>51,326,874</b>
<b>2. Share Application Money Pending Allotment</b>		-
<b>3. Non-Current Liabilities</b>		
(a) Long-Term Provisions	4	15,880
		<b>15,880</b>
<b>4. Current Liabilities</b>		
(a) Trade Payables	5	2,353,249
(b) Other Current Liabilities	6	69,051
(c) Short-Term Provisions	7	3,500,177
		<b>5,922,477</b>
<b>TOTAL</b>		<b>57,265,231</b>
<b>B. ASSETS</b>		
<b>1. Non-current assets</b>		
(a) Fixed Assets	8	
(i) Tangible Assets		2,024,659
(ii) Intangible Assets		-
		2,024,659
(b) Non-Current Investments		-
(c) Deferred Tax Assets (Net)	9	53,879
(d) Other Non-Current Assets	10	1,116,000
		<b>3,194,538</b>
<b>2. Current Assets</b>		
(a) Current Investments	11	45,000,000
(b) Trade Receivables	12	3,981,072
(c) Cash and Cash Equivalents	13	2,874,265
(d) Short-Term Loans and Advances	14	2,215,356
		<b>54,070,693</b>
<b>TOTAL</b>		<b>57,265,231</b>
<i>Summary of significant accounting policies</i>	1 to 29	

See accompanying notes forming part of the financial statements

In terms of our report attached

**For Samir M. Shah & Associates**

Chartered Accountants

Firm Reg. No.-122377W

*Samir M. Shah*

Samir M. Shah  
(Partner)

Memb. No. 111052



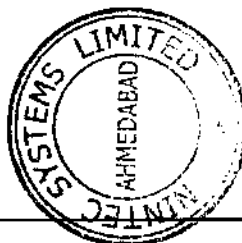
For and on behalf of the Board of Directors,

*N. C. Gemawat*

(N)ra) C.Gemawat)  
Managing Director

*Indrajeet A. Mitra*

(Indrajeet A.Mitra)  
Director



*B. Thaker*

(B)harat B. Thaker)  
Chief Finance Officer

*Mukesh P. Jiwnani*

(Mukesh P. Jiwnani)  
Company Secretary

Place : Ahmedabad

Date : 15th February, 2016

Place : Ahmedabad

Date : 15th February, 2016

**NINtec Systems Limited**

**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 15th February , 2016**

(Amount in ₹)

Particulars	Note No.	Year ended 15th February, 2016
<b>1. Revenue from Services</b>	15	7,986,325
<b>2. Other Income</b>	16	42,540
<b>3. Total Revenue</b> (1+2)		<b>8,028,865</b>
<b>4. Expenses:</b>		
(a) Purchase Cost		-
(b) Employee Benefits Expense	17	2,430,848
(c) Finance Costs	18	6,759
(d) Depreciation and Amortization	8	12,161
(e) Operating and Other Expenses	19	3,800,617
<b>Total Expenses</b> (4)		<b>6,250,385</b>
<b>5. Profit / (Loss) before tax (3-4)</b>		<b>1,778,480</b>
<b>6. Tax Expense</b>		
(a) Current tax expense for current year		505,485
(b) (Less): MAT credit		-
(c) Current tax expense relating to prior years		-
(d) Net current tax expense (a-b+c)		505,485
(e) Deferred tax		(53,879)
		451,606
<b>7. Profit / (Loss) for the Year (5 -6)</b>		<b>1,326,874</b>
<b>8. Earnings per share (of ₹ 10/- each):</b>	21	
(a) Basic		7.50
(b) Diluted		7.50


See accompanying notes forming part of the financial statements


In terms of our report attached  
For Samir M. Shah & Associates  
Chartered Accountants  
Firm Reg. No.-122377W

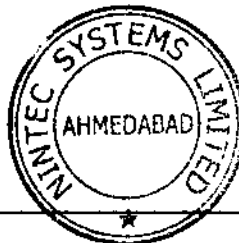
  
Samir M. Shah  
(Partner)  
Memb. No. 111052





For and on behalf of the Board of Directors,

  
Niraj C. Gemawat  
Managing Director

  
(Indrajeet A. Mitra)  
Director



  
(Bhazat B. Thaker)  
Chief Finance Officer

  
(Mukesh P. JIwnani)  
Company Secretary

Place : Ahmedabad  
Date : 15th February, 2016

Place : Ahmedabad  
Date : 15th February, 2016

**NINtec Systems Limited**

**Notes forming part of the Balance Sheet and Statement of Profit and Loss**

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS FOR THE PERIOD ENDED FEBRUARY, 2016.**

**1 SIGNIFICANT ACCOUNTING POLICIES:**

**a. Basis of Preparation of Financial Statements:**

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

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

**b. Revenue Recognition:**

Revenue is recognized on accrual basis.

**c. Expenditure :**

Expenditure is recognized on accrual basis.

**d. Fixed Assets:**

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

**e. Earning Per Share:**

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

**f. Foreign Currency Transaction:**

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

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

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

**g. Depreciation:**

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

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

**h. Income Tax:**

(1) Provision for Current Tax is made as per the provisions of the Income Tax Act, 1961.

(2) Deferred Tax resulting from " timing differences that are temporary in nature" between accounting and taxable profit is accounted for, using the tax rates and laws that have been enacted as on the Balance Sheet date. The deferred tax assets is recognized and carried forward only to the extent that there is a reasonable or virtual certainty, as the case may be, that the assets will be realized in future.





(3) Minimum Alternative Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability is considered as an asset if there is convincing evidence that the Company will pay normal tax. Accordingly, it is recognized as an asset in the Balance Sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

(4) Tax on distributed profits payable in accordance with the provisions of the Income-Tax Act, 1961 is disclosed in accordance with the Guidance Note on Accounting for Corporate Dividend Tax issued by the ICAI.

**i. Employee Retirement Benefits:**

**i) Gratuity:**

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

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

**ii) Leave Encashment:**

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

**j. Investments**

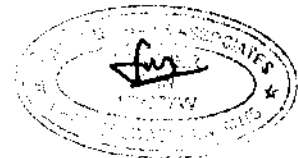
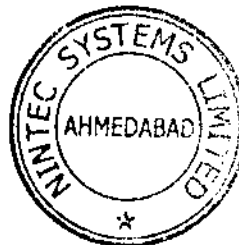
Long Term Investments are valued at cost as per the Accounting Standard 13 of Indian GAAP.

**k. Inventories**

The Company is not having any Inventory.

**l. Preliminary Expenses**

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



## 2. SHARE CAPITAL

(Amount in ₹)

PARTICULARS	As at 15th February, 2016
AUTHORISED SHARE CAPITAL	
75,00,000 Equity Shares ( P.Y. -75,00,000 ) of Rs. 10/- Each	75,00,000
ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL	
50,00,000 Equity Shares of Rs.10/- each fully paid up	50,00,000
Total	50,00,000
Notes :	
(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year :	
Outstanding at the beginning of the year	-
Add : Issued During the year (50,000 shares on 04.08.2015 and 49,50,000 shares on 10.02.2016)	5,00,000
Outstanding at the end of the year	5,00,000
Outstanding Amount at the beginning of the year	-
Add : Issued During the year	50,00,000
Outstanding Amount at the end of the year	50,00,000

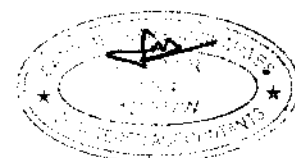
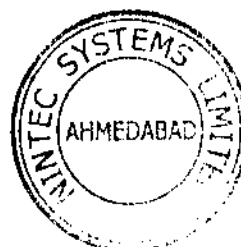
## (ii) Details of Shareholders holding more than 5 per cent equity shares:

Particulars	As at 15th February, 2016
Niraj C Gemawat	Nos. 1,250,000
	% Holding 25.00%
Rachana N. Gemawat	Nos. 945,000
	% Holding 18.90%
Indrajeet A Mitra	Nos. 322,500
	% Holding 6.45%
M/S. Tecthink B.V.	Nos. 1,750,000
	% Holding 35.00%
M/S. VIN IT Solutions LLP	Nos. 630,000
	% Holding 12.60%

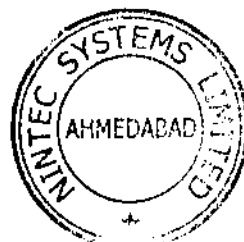
iii) The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/-. Each holder of equity shares is entitled to one vote per share.

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 share holders.

iv) Aggregate Numbers and class of shares allotted as fully paid up pursuant to contract without payment being received in cash.



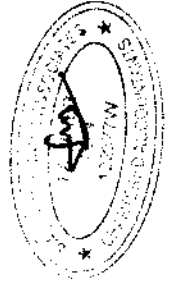
<b>3. RESERVES &amp; SURPLUS</b>		(Amount in ₹)
PARTICULARS	As at 15th February, 2016	
<b>GENERAL RESERVE</b>		
Balance as per last Financial Year		-
Add: Transfer from Statement of Profit and Loss		-
		-
<b>SECURITIES PREMIUM RESERVE</b>		
Balance as per last Financial Year		-
		-
<b>SURPLUS / (DEFICIT) IN STATEMENT OF PROFIT AND LOSS</b>		
Balance as per last Financial Year		-
Add: Profit for the year		1,326,874
Available for Appropriations		1,326,874
Less: Appropriations		
Interim Dividend on Equity Shares		-
Tax on Distributed Profits		-
Transfer to General Reserve		-
Closing Balance		1,326,874
<b>Total</b>		<b>1,326,874</b>
<b>4. LONG TERM PROVISIONS</b>		
		(Amount in ₹)
PARTICULARS	As at 15th February, 2016	
Provision for Employee Benefits		
Provision for Gratuity		15,880
<b>Total</b>		<b>15,880</b>
<b>5. TRADE PAYABLES</b>		
		(Amount in ₹)
PARTICULARS	As at 15th February, 2016	
Trade Payables		2,353,249
<b>Total</b>		<b>2,353,249</b>
<b>6. OTHER CURRENT LIABILITIES</b>		
		(Amount in ₹)
PARTICULARS	As at 15th February, 2016	
Statutory Liabilities		69,051
<b>Total</b>		<b>69,051</b>
<b>7. SHORT TERM PROVISIONS</b>		
		(Amount in ₹)
PARTICULARS	As at 15th February, 2016	
Expenses :		
- Provision for Expenses		2,994,692
- Provision for Income Tax		505,485
<b>Total</b>		<b>3,500,177</b>



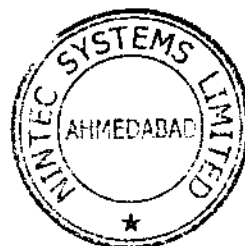
**NINTEC Systems Limited**

**8. FIXED ASSETS**

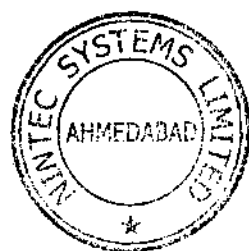
PARTICULARS	GROSS BLOCK (At Cost)						DEPRECIATION			NET BLOCK	
	AS AT 01-04-2015	Additions During the year	Deductions / Adjustments During the year	AS AT 15-02-2016	AS AT 01-04-2015	For the Year	Deductions For the year	UPTO 15-02-2016	AS AT 15-02-2016	AS AT 31-03-2015	
		year				Year					
<b>a) TANGIBLE ASSETS</b>											
Building & Office	-	501,938	-	501,938	-	784	-	784	501,154	-	
Furniture & Fixtures	-	718,094	-	718,094	-	4,065	-	4,065	714,029	-	
Computer Hardware	-	242,721	-	242,721	-	2,520	-	2,520	240,201	-	
Office Equipment	-	325,000	-	325,000	-	2,408	-	2,408	322,592	-	
Electric Installation	-	249,067	-	249,067	-	2,384	-	2,384	246,683	-	
<b>Total of Tangible Assets</b>	-	<b>2,036,820</b>	-	<b>2,036,820</b>	-	<b>12,161</b>	-	<b>12,161</b>	<b>2,024,659</b>	-	
<b>b) INTANGIBLE ASSETS</b>											
Computer Software	-	-	-	-	-	-	-	-	-	-	
Trade Mark & Patent	-	-	-	-	-	-	-	-	-	-	
<b>Total of Intangible Assets</b>	-	-	-	-	-	-	-	-	-	-	
<b>TOTAL (a+b)</b>	-	<b>2,036,820</b>	-	<b>2,036,820</b>	-	<b>12,161</b>	-	<b>12,161</b>	<b>2,024,659</b>	-	
Previous Year	-	-	-	-	-	-	-	-	-	-	



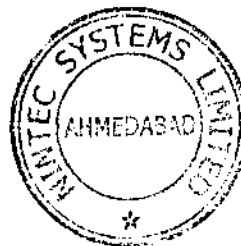
9. DEFERRED TAX ASSETS / LIABILITIES (NET)		(Amount in ₹)
PARTICULARS		As at 15th February, 2016
<b>Deferred Tax Liability</b>		
Timing difference between book and tax depreciation		48,972
<b>Gross Deferred Tax Liability</b>		48,972
<b>Deferred Tax Assets</b>		
On Disallowances under the Income Tax Act, 1961.- Gratuity		4,907
<b>Gross Deferred Tax Assets</b>		4,907
<b>Net deferred Tax Assets</b>		53,879
10. OTHER NON-CURRENT ASSETS		(Amount in ₹)
PARTICULARS		As at 15th February, 2016
<b>Preliminary Expenses</b>		
Balance as per last Financial Year		1,395,000
Less : Written off During the Year		279,000
<b>Total</b>		1,116,000
11. CURRENT INVESTMENTS		(Amount in ₹)
PARTICULARS		As at 15th February, 2016
<b>Investment in Mutual Funds : (Unquoted)</b>		
Franklin India Ultra Short Bond Fund		25,000,000
FDR with Kotak Bank - Lien Marked with Kotak Bank for Forex Hedging		20,000,000
<b>Total</b>		45,000,000
12. TRADE RECEIVABLES		(Amount in ₹)
PARTICULARS		As at 15th February, 2016
Debts outstanding for a period exceeding six months from the date they were due for payment		
Unsecured - Considered good		
Other Debts		-
Unsecured - Considered good		3,981,072
<b>Total</b>		3,981,072
13. CASH AND CASH EQUIVALENTS		(Amount in ₹)
PARTICULARS		As at 15th February, 2016
Cash on Hand		15,140
Currency on Hand		-
<b>Balances with Scheduled Banks in:</b>		
Current Accounts		2,859,125
<b>Total</b>		2,874,265



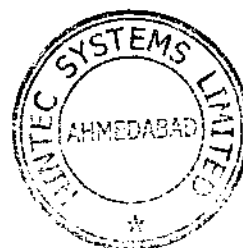
14. SHORT-TERM LOANS AND ADVANCES (Unsecured, Considered good)		(Amount in ₹)
PARTICULARS		As at 15th February, 2016
Sundry Deposits		165,000
Balance with Central Excise		198,426
Balance with State Sales Tax Department		36,412
Income Accrued but not due		1,796,518
Advances to Staff		4,000
Advance to Suppliers		15,000
	<b>Total</b>	<b>2,215,356</b>
15. REVENUE FROM OPERATIONS		(Amount in ₹)
PARTICULARS		Year ended 15th February, 2016
Software Export income		7,986,325
	<b>Total</b>	<b>7,986,325</b>
16. OTHER INCOME		(Amount in ₹)
PARTICULARS		Year ended 15th February, 2016
Kasar Vatav		0
Foreign Fluctuation A/c.		42,540
	<b>Total</b>	<b>42,540</b>
17. EMPLOYEE BENEFIT EXPENSES		(Amount in ₹)
PARTICULARS		Year ended 15th February, 2016
Staff Welfare Expenses		65,720
Salary & Allowances		2,349,248
Gratuity Expense		15,880
Staff Incentive Expense		-
	<b>Total</b>	<b>2,430,848</b>
<p>Details of employee benefit as required by the Accounting Standard 15 (Revised) - Employee Benefits are as under:</p> <p>a) Defined Contribution Plan Amount recognized as an expense in the Statement of Profit and Loss for the period ended February 15, 2016 in respect of defined contribution plan is Rs. 15880.</p> <p>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:</p>		



		(Amount in ₹)
PARTICULARS		Year ended 15th February, 2016
Opening defined benefit obligation beginning of the year		-
Service Cost		15,880
Interest Cost		-
Actuarial losses (gains)		-
Benefits Paid		-
Projected benefit obligation, at the end of the year		15,880
Components of expenses recognized in the Statement of Profit and Loss for the period ended February 15, 2016:		
		(Amount in ₹)
PARTICULARS		Year ended 15th February, 2016
Service Cost		15,880
Interest Cost		-
Actuarial losses (gains)		-
Total		15,880
<b>Principal Actuarial Assumptions</b>		
PARTICULARS		Year ended 15th February, 2016
Mortality		Indian Assured Lives Mortality (2006-08)
Rate of Interest		8.00%
Salary Growth		6.50%
Expected Rate of Return		NA
Withdrawal rates		5.00%
Retirement age		60 Years
<p>The gratuity is payable on death whilst in service or withdrawal from service due to resignation, termination or early retirement and on retirement from service at normal retirement age. The above assumptions regarding probabilities of death and withdrawal are combined with retirement age to construct a multiple decrement service table. Since gratuity is payable at the time of death, withdrawal or retirement based on the salary at that time, salary growth rate has been used to project the salaries at the time when gratuity is assumed to be payable.</p>		
<b>18. FINANCE COSTS</b>		
		(Amount in ₹)
PARTICULARS		Year ended 15th February, 2016
Bank Charges		573
Swachh Bharat Cess		6,187
Total		6,759



19. OTHER EXPENSES		(Amount in ₹)
PARTICULARS		Year ended 15th February, 2016
<b>19.1 Administrative Expenses</b>		
Computer Consumable Expense		513,631
Consultancy Charges		2,258,199
Electricity Expenses		118,160
Legal & Filing Charges		26,973
Internet Charges		26,201
Printing & Stationery Expenses		300
Rent		300,000
Computers		33,750
Building		18,000
Furniture, Fixtures & Electric Fittings		36,580
Depository Charges		22,500
Preliminary Expenses Written off		279,000
Prof Tax for Company		2,060
Audit Fee		10,000
Property Tax/Municipal Tax		60,524
Commission On Sales		85,248
<b>19.2 Selling And Distribution Expenses</b>		
Foreign Tours & Traveling Expense		9,491
<b>Total</b>		<b>3,800,617</b>
<b>20. Payment to Auditors :</b>		(Amount in ₹)
Particulars		Year ended 15th February, 2016
Auditors' remuneration includes the following amounts paid or adjusted as paid to them during the year :		
(a) Audit Fees		10,000
(b) For Other Services		-
		10,000
<b>21. EARNINGS PER SHARE (EPS) :</b>		(Amount in ₹)
<b>Basic EPS</b>		<b>Year ended 15th February, 2016</b>
Profit after tax attributable to equity shareholders	Amt. in INR Rs.	1,326,874
Nominal Value of equity share	INR Rs.	10
Weighted average number of ordinary equity shares for Basic EPS	Nos.	5,000,000
Basic EPS	INR Rs.	7.50
<b>Diluted EPS</b>		<b>Year ended 15th February, 2016</b>
Profit after tax attributable to equity shareholders	Amt. in INR Rs.	1,326,874
Add : Interest on dilutive potential equity shares which have been deducted in arriving at the Profit after Tax	Amt. in INR Rs.	-
Adjusted Net Profit	Amt. in INR Rs.	1,326,874
Nominal Value of equity share	INR Rs.	10
Weighted average number of ordinary equity shares	Nos.	176,923
Total Potential Weighted average number of ordinary equity shares	Nos.	176,923
Diluted EPS	INR Rs.	7.50





<b>22. Earning in Foreign Currency :</b>		(Amount in ₹)
<b>Particulars</b>	<b>Year ended 15th February, 2016</b>	
Income from Services	7,986,325	

<b>23. Expenditure In Foreign Currency</b>		(Amount in ₹)
<b>Particulars</b>	<b>Year ended 15th February, 2016</b>	
(a) Foreign Travelling Expenses (b) Remittance in foreign currency on account of dividends to Non-Resident shareholders		

24. All sundry debit and credit balances standing as debtors, creditors and other balances are subject to confirmation.

25. Paise are rounded up to nearest rupees.

26. In the opinion of the Board, Current Assets, Loans and Advances are approximately of the value stated if, realized in the ordinary course of the business.

27. The Company has not received information from the Suppliers regarding their status under The Micro, Small & Medium Enterprises Development Act, 2006. Hence, disclosures, if any relating to amounts unpaid as at balance sheet date together with interest paid or payable as per the requirement under the said Act, have not been made.

28. This is the first year of operation, hence, comparative figures for previous years are not available.

**29. RELATED PARTY TRANSACTIONS :**

The company has entered into related party transaction as under :

**i) Key Management Personnel :**

1. Niraj C Gemawat
2. Bharat B. Thaker

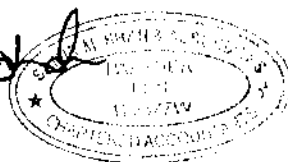
**ii) Associate Enterprise :**

1. Yemo Connect & Interact BV

Particulars	Subsidiaries / Associate Enterprise	Key Management Personnel
	Year ended 15-02-2016	Year ended 15-02-2016
<b>(a) Volume of Transactions :</b>		
<b>Income from Services</b> Yemo Connect & Interact BV	944,055	
<b>Unsecured Loan from Directors</b> Niraj C Gemawat (4545000/- received & Paid during the year)		
<b>Salary Paid</b> Bharat B Thaker		162,082
Niraj C Gemawat		25,862
<b>(b) Balances at the year end</b>	<b>Balance as at 15th February, 2016</b>	<b>Balance as at 15th February, 2016</b>
<b>Due from</b> Yemo Connect & Interact BV	123,930	
<b>Due To</b> Bharat B Thaker		55,255
Niraj C Gemawat		25,862

In terms of our report attached  
For Samir M. Shah & Associates  
Chartered Accountants  
Firm Reg. No.-122377W

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



For and on behalf of the Board of Directors,

**Niraj C. Gemawat**  
(Niraj C. Gemawat)  
Managing Director

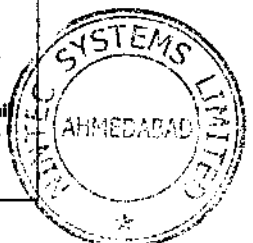
**Indrajeet M. Mitra**  
(Indrajeet M. Mitra)  
Director

**Bharat B. Thaker**  
(Bharat B. Thaker)  
Chief Finance Officer

**Mukesh P. Jivnani**  
(Mukesh P. Jivnani)  
Company Secretary

Place : Ahmedabad  
Date : 15th February, 2016

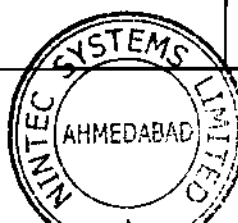
Place : Ahmedabad  
Date : 15th February, 2016



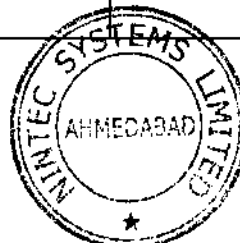
**NIIntec Systems Limited**

**Cash Flow Statement for the period ended 15<sup>th</sup> February, 2016**

Particulars	For the year ended 15 <sup>th</sup> February, 2016	
	₹	₹
<b>A. Cash flow from operating activities</b>		
Net Profit / (Loss) before extraordinary items and tax		1,778,480
<u>Adjustments for:</u>		
Depreciation and amortisation	12,161	
Provision for impairment of fixed assets and intangibles		
Amortisation of share issue expenses and discount on shares	279,000	
(Profit) / loss on sale / write off of assets		
Expense on employee stock option scheme		
Finance costs	6,759	
Interest income & Other Income	-	
Dividend income		
Net (gain) / loss on sale of investments		
Rental income from investment properties		
Rental income from operating leases		
Share of profit from partnership firms		
Share of profit from AOPs		
Share of profit from LLPs		
Liabilities / provisions no longer required written back		
Adjustments to the carrying amount of investments		
Provision for losses of subsidiary companies		
Provision for doubtful trade and other receivables, loans and advances		
Provision for estimated loss on derivatives		
Provision for warranty		
Provision for estimated losses on onerous contracts		
Provision for contingencies		
Other non-cash charges (specify)		
Net unrealised exchange (gain) / loss		
		297,920
Operating profit / (loss) before working capital changes		2,076,400
<u>Changes in working capital:</u>		
<u>Adjustments for (increase) / decrease in operating assets:</u>		
Inventories		
Trade receivables	(3,981,072)	
Short-term loans and advances	(2,215,356)	
Long-term loans and advances		
Other current assets		
Other non-current assets	(1,395,000)	
<u>Adjustments for increase / (decrease) in operating liabilities:</u>		
Trade payables	2,353,249	
Other current liabilities	69,051	
Other long-term liabilities		
Short-term provisions	2,994,692	
Long-term provisions	15,880	
		(2,158,556)
		(82,156)
Cash flow from extraordinary items		-
Cash generated from operations		(82,156)
Net income tax (paid) / refunds		
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>(82,156)</b>



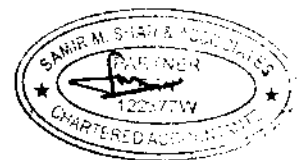
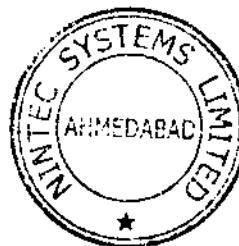
Particulars	For the year ended 15th February, 2016	
	₹	₹
<b>B. Cash flow from investing activities</b>		
Capital expenditure on fixed assets, including capital advances	(2,036,820)	
Proceeds from sale of fixed assets		
Inter-corporate deposits (net)		
Bank balances not considered as Cash and cash equivalents		
- Placed		
- Matured		
Current investments not considered as Cash and cash equivalents		
- Purchased		
- Proceeds from sale		
Purchase of long-term investments		
- Subsidiaries		
- Associates		
- Joint ventures		
- Business units		
- Others		
Proceeds from sale of long-term investments		
- Subsidiaries		
- Associates		
- Joint ventures		
- Business units		
- Others		
Loans given		
- Subsidiaries		
- Associates		
- Joint ventures		
- Others		
Loans realised		
- Subsidiaries		
- Associates		
- Joint ventures		
- Others		
Interest received		
- Subsidiaries		
- Associates		
- Joint ventures		
- Others		
Dividend received		
- Subsidiaries		
- Associates		
- Joint ventures		
- Others		
Other Income Received		
Rental income from investment properties		
Rental income from operating leases		
Amounts received from partnership firms		
Amounts received from AOPs		
Amounts received from LLPs		
		(2,036,820)
Cash flow from extraordinary items		
		(2,036,820)
Net income tax (paid) / refunds		
		(2,036,820)
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>(2,036,820)</b>



**NINtec Systems Limited**

**Cash Flow Statement for the period ended 15th February, 2016 (Contd.)**

Particulars	For the year ended 15th February, 2016	
	₹	₹
<b>C. Cash flow from financing activities</b>		
Proceeds from issue of equity shares	50,000,000	
Proceeds from issue of preference shares		
Redemption / buy back of preference / equity shares		
Proceeds from issue of share warrants		
Share application money received / (refunded)		
Proceeds from long-term borrowings	-	
Repayment of long-term borrowings		
Net increase / (decrease) in working capital borrowings		
Proceeds from other short-term borrowings		
Repayment of other short-term borrowings		
Finance cost	(6,759)	
Dividends paid		
Tax on dividend		
		49,993,241
Cash flow from extraordinary items		
<b>Net cash flow from / (used in) financing activities (C)</b>		<b>49,993,241</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		<b>47,874,265</b>
Cash and cash equivalents at the beginning of the year		-
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents		
		47,874,265
<b>Cash and cash equivalents at the end of the year</b>		<b>47,874,265</b>
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>		
Cash and cash equivalents as per Balance Sheet (Refer Note 9)		47,874,265
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements (give details)		-
Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) included in Note 9		47,874,265
Add: Current investments considered as part of Cash and cash equivalents (as defined in AS 3 Cash Flow Statements)		-
<b>Cash and cash equivalents at the end of the year *</b>		<b>47,874,265</b>
* Comprises:		
(a) Cash on hand		15,140
(b) Cheques, drafts on hand		
(c) Balances with banks		
(i) In current accounts		
(ii) In EEFC accounts		
(iii) In deposit accounts with original maturity of less than 3 months		
(iv) In earmarked accounts (give details) (Refer Note (ii) below)		2,859,125
(d) Others (specify nature)		



Particulars	For the year ended 15th February, 2016	
	₹	₹
(e) Current investments considered as part of Cash and cash equivalents (Refer Note (ii) to Note 16 Current investments)		45,000,000
		47,874,265

**See accompanying notes forming part of the financial statements**

In terms of our report attached

For Samir M. Shah & Associates

Chartered Accountants

Firm Reg. No.-122377W

*Samir Shah*

Samir M. Shah

(Partner)

Memb. No. 111052



For and on behalf of the Board of Directors,

*(Nira) C. Gemawat*

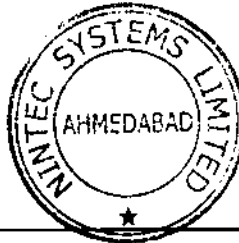
(Nira) C. Gemawat

Managing Director

*(Indrajeet A. Mitra)*

(Indrajeet A. Mitra)

Director



*(Bharat B. Thaker)*

(Bharat B. Thaker)

Chief Finance Officer

*(Mukesh P. Jiwnani)*

(Mukesh P. Jiwnani)

Company Secretary

Place : Ahmedabad

Date : 15th February, 2016

Place : Ahmedabad

Date : 15th February, 2016