

**Independent Auditor's Report on Standalone Financial Results of NINtec Systems Limited pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, as amended.**

To  
The Board of Directors,  
NINtec Systems Limited  
Ahmedabad

**Opinion**

1. We have audited the accompanying Statement of Standalone Financial Result of NINtec Systems Limited (the 'Company') for the year ended March 31, 2020 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- a. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- b. gives a true and fair view in conformity with applicable Indian accounting standards prescribed under section 133 of the Companies Act 2013 ("the Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India, of the net profit and total comprehensive income and other financial information of the Company for the year ended March 31, 2020.

**Basis for Opinion**

2. We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results 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 ethical requirements that are relevant to our audit of the Standalone Financial Results under the provisions of the Act and the Rules thereunder 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 obtained by us is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Results.



### **Emphasis of Matter**

3. As described in Note 5 to the Standalone Financial Results, the extent to which the COVID-19 pandemic will impact the company's operations and financial performance is dependent on future developments, which are highly uncertain.

Our opinion is not modified in respect of the above matters.

### **Management's Responsibilities for the Standalone Financial Results**

4. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related audited Standalone Financial Statements. The Company's Board of Directors are responsible for the preparation and presentation of the Standalone Financial Results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Company in accordance with Indian accounting standards prescribed under section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations, as amended.

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 Results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the Board of Directors are 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 the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the financial reporting process of the Company.

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

5. Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statement 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 Standards on Auditing 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 Results.

As part of an audit in accordance with Standards on Auditing, 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 Statement, 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 control 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 explaining 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 Statement 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 Statement, including the disclosures, and whether the Standalone Financial Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Standalone Financial Results of the Company to express an opinion on the Standalone Financial Results



Materiality is the magnitude of misstatements in the Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Results 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 Standalone Financial Results.

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.

#### Other Matters

6. The statement includes the results for six month ended March 31, 2020 being the balancing figure between audited figures in respect of the full financial year and the published unaudited year to date figures up to the six months of the current financial year which were subject to limited review by us.

Place: Ahmedabad  
Date: June 29, 2020



For, Samir M Shah & Associates  
Chartered Accountants  
Firm Registration No. 122377W

*Samir M Shah*  
Samir M Shah  
Partner

Membership No. 111052  
UDIN: 20111052AAAAIP1861

**Statement of Standalone Audited Financial Results for the year ended 31<sup>st</sup> March, 2020**

(Rs. in Lakhs)

Sr.No.	Particulars	Half-Year Ended			Year Ended	
		31.03.2020	30.09.2019	31.03.2019	31.03.2020	31.03.2019
		Audited	Unaudited	Audited	Audited	Audited
I	Revenue from Operations	405.49	368.03	431.23	773.52	783.44
II	Other Income	39.04	36.06	32.54	75.10	66.03
III	<b>Total Revenue (I + II)</b>	<b>444.53</b>	<b>404.09</b>	<b>463.77</b>	<b>848.62</b>	<b>849.47</b>
IV	<b>Expenses:</b>					
	Cost of Materials Consumed		-	-		
	Purchases of Stock in Trade	2.61	23.41	32.83	26.01	114.46
	Changes in Inventories of finished goods, work-in-progress and stock in trade		-	-		
	Employee benefits Expense	262.58	283.38	314.39	545.96	531.63
	Finance Costs	-0.44	0.26	0.12	-0.18	0.27
	Depreciation & amortisation expense	10.06	4.22	8.76	14.28	13.92
	Other Expenses	66.78	29.37	35.34	96.14	69.87
	<b>Total Expenses (IV)</b>	<b>341.58</b>	<b>340.63</b>	<b>391.44</b>	<b>682.21</b>	<b>730.15</b>
	<b>Profit / (loss) before exceptional and extraordinary items and tax (III-IV)</b>	<b>102.95</b>	<b>63.45</b>	<b>72.33</b>	<b>166.41</b>	<b>119.31</b>
V						
VI	Add / (Less): Exceptional Items		-	-	-	-
VII	<b>Profit / (loss) before extraordinary items and tax (V-VI)</b>	<b>102.95</b>	<b>63.45</b>	<b>72.33</b>	<b>166.41</b>	<b>119.31</b>
VIII	Extraordinary items		-	-	-	-
IX	<b>Profit before tax (VII-VIII)</b>	<b>102.95</b>	<b>63.45</b>	<b>72.33</b>	<b>166.41</b>	<b>119.31</b>
X	<b>Tax Expense:</b>					
	(1) Current tax	26.38	15.89	21.86	42.26	34.47
	(2) Deferred tax	-3.67	(0.12)	(0.24)	(3.78)	(0.81)
XI	<b>Profit (Loss) for the period from continuing operations (IX-X)</b>	<b>80.25</b>	<b>47.68</b>	<b>50.71</b>	<b>127.93</b>	<b>85.66</b>
XII	Profit/(loss) from discontinuing operations	-	-	-	-	-
XIII	Tax Expense of discontinuing operations	-	-	-	-	-
XIV	Profit/(loss) from Discontinuing operations (after tax )(XII-XIII)	-	-	-	-	-
XV	<b>Net Profit / (Loss) for the period (XI+XIV)</b>	<b>80.25</b>	<b>47.68</b>	<b>50.71</b>	<b>127.93</b>	<b>85.66</b>
XVI	Other Comprehensive Income (net of tax)	(0.67)	-	1.69	-0.67	1.69
XVII	<b>Total Comprehensive Income for the period</b>	<b>79.58</b>	<b>47.68</b>	<b>52.40</b>	<b>127.26</b>	<b>87.35</b>
XVIII	<b>Earnings per Share</b>					
	(1) Basic	1.17	0.69	0.74	1.86	1.25
	(2) Diluted	1.17	0.69	0.74	1.86	1.25

For NINtec Systems Limited


**Niraj Gemawat**  
 Managing Director  
 DIN: 00030749

 Place : Ahmedabad  
 Date : 29.06.2020

**Statement of Assets & Liabilities (Standalone) for NINtec Systems Limited**

(Rs. in Lakhs)

Sr. No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
		Audited	Audited
	<b>ASSETS</b>		
<b>1</b>	<b>Non-current assets</b>		
	(a) Property, Plant and Equipment	63.92	27.71
	(b) Capital work-in-progress	-	-
	(c) Investment Property	-	-
	(d) Other Intangible Assets	-	-
	(e) Intangible Assets under development	-	-
	(f) Financial Assets	-	-
	(i) Investments	-	-
	(ii) Loans	-	-
	(iii) Other Financial Assets	261.23	247.81
	(g) Deferred Tax Assets (Net)	6.22	1.34
	(h) Other Non-Current Assets	-	-
	<b>Sub-Total - Non-Current Assets</b>	<b>331.37</b>	<b>276.87</b>
<b>2</b>	<b>Current Assets</b>		
	(a) Inventories	-	-
	(b) Financial Assets		
	(i) Investments	557.78	279.74
	(ii) Trade Receivables	128.62	362.59
	(iii) Cash & Cash Equivalents	20.63	34.88
	(iv) Bank Balances other than (iii) above	-	-
	(v) Loans	-	-
	(vi) Other Financial Assets	3.60	0.53
	(c) Current Tax Assets (Net)	42.38	35.10
	(d) Other Current Assets	28.19	20.03
	(e) Asset held for sale	-	-
	<b>Sub-Total - Current Assets</b>	<b>781.21</b>	<b>732.87</b>
	<b>Total Assets</b>	<b>1,112.58</b>	<b>1,009.74</b>
	<b>EQUITY AND LIABILITIES</b>		
<b>1</b>	<b>Equity</b>		
	(a) Equity Share Capital	688.00	688.00
	(b) Retained Earnings	-	-
	(c) Other Equity	313.01	185.76
	<b>Sub-Total - Equity</b>	<b>1001.01</b>	<b>873.76</b>
	<b>Liabilities</b>		
<b>2</b>	<b>Non-Current Liabilities</b>		
	(a) Financial Liabilities		
	(i) Borrowings	-	-
	(ii) Other Financial Liabilities	-	-
	(b) Provisions	21.45	14.84
	(c) Deferred Tax Liabilities (Net)	-	-
	(d) Government Grants	-	-
	<b>Sub-Total - Non-Current Liabilities</b>	<b>21.45</b>	<b>14.84</b>
<b>3</b>	<b>Current Liabilities</b>		
	(a) Financial Liabilities		
	(i) Borrowings	-	-
	(ii) Trade Payables	37.42	74.84
	(iii) Other Financial Liabilities (other than those specified in	-	-
	(b) Other Current Liabilities	7.12	8.06
	(c) Provisions	3.32	3.79
	(d) Current Tax Liabilities (Net)	42.26	34.47
	<b>Sub-Total - Current Liabilities</b>	<b>90.12</b>	<b>121.15</b>
	<b>Total Equity And Liabilities</b>	<b>1112.58</b>	<b>1009.74</b>

For NINtec Systems Limited




 Niraj Gemawat  
 Managing Director  
 DIN : 00030749

 Place : Ahmedabad  
 Date : 29.06.2020

**CASH FLOW STATEMENT - INDIRECT METHOD**

Particulars	(Rs. in Lakhs)	
	Year ended March 31, 2020	Year ended March 31, 2019
<b>Cash flows from operating activities</b>		
Profit before tax for the year	166.41	119.31
Adjustments for:		
· Depreciation and amortisation	14.28	13.92
· Finance costs recognised in profit or loss	(0.18)	0.27
· Investment income recognised in profit or loss	(18.32)	(16.46)
· Other Adjustments	(1.77)	2.34
Net (gain)/loss arising on financial assets mandatorily measured at fair value through profit or loss	(30.50)	(47.78)
	129.92	71.61
Movements in working capital:		
Increase in trade and other receivables	233.97	(357.62)
(Increase)/decrease in Financial and other Financial assets	(294.53)	227.58
(Increase)/decrease in other assets	(15.44)	(17.07)
Decrease in trade and other payables	(37.42)	50.85
Increase/(decrease) in provisions	6.14	4.69
(Decrease)/increase in other liabilities	(0.94)	4.42
	(108.22)	(87.15)
Cash generated from operations	21.70	(15.54)
Income taxes paid	(34.47)	(24.90)
Net cash generated by operating activities	(12.77)	(40.44)
<b>Cash flows from investing activities</b>		
Proceeds on sale of financial assets	30.50	47.78
Interest received	18.32	16.46
Payments for property, plant and equipment	(50.48)	(5.61)
Net cash (used in)/generated by investing activities	(1.66)	58.63
<b>Cash flows from financing activities</b>		
Proceeds from issue of equity instruments of the Company	-	-
Interest paid	0.18	(0.27)
Net cash used in financing activities	0.18	(0.27)
<b>Net decrease in cash and cash equivalents</b>	(14.25)	17.92
Cash and cash equivalents at the beginning of the year	34.88	16.96
<b>Cash and cash equivalents at the end of the year</b>	20.63	34.88

For NINtec Systems Limited

Place: Ahmedabad

Date: 29.06.2020

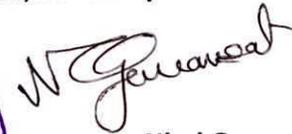



 Niraj Gemawat  
 Managing Director  
 DIN : 00030749

## Notes:

1. The company adopted Indian Accounting Standards ("IND AS") with effect from 01st April, 2017 (transition date being 01st April, 2016) and accordingly the financial results have been prepared as per Companies (Indian Accounting Standards) Rules, 2015 under the historical cost convention on the accrual basis and section 133 of the Companies Act 2013 read with relevant rules issued thereunder.
2. The above audited Financial Results of the company for the half-year and year ended March 31, 2020 as reviewed by the Audit Committee have been approved by Board of Directors at meeting held on June 29, 2020.
3. Figures for half year ended on 31st March, 2020 and 31st March, 2019 are the balancing figures between the audited figures in respect of the full financial year and unaudited figures of first half year of the Financial Year.
4. The company is operating only in "software" services segment. Hence, separate information for segment-wise disclosure is not required as per Indian Accounting Standard (IND AS) 108.
5. Due to outbreak of COVID-19 globally and in India, the company's management has made initial assessment of likely adverse impact on business and financial risks, and believes that the impact is likely to be short term in nature. The management does not see any medium to long term risks in the company's ability to continue as a going concern and meeting its liabilities as and when they fall due. The Management based on current estimates expects that the carrying amounts of Receivables, Inventories & Advances will be recovered, net of provisions made. The extent to which the COVID-19 pandemic will impact the company's financial performance is dependent on future developments, which are highly uncertain including among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government mandated or elected by the Company. Given the uncertainty over the potential macro-economic conditions the impact of COVID-19 pandemic may be different from that estimated as at the date of approval of these financial statements and the company will continue to closely monitor any material changes to future economic conditions, which will be given effect to in the respective future period.
6. The Company has decided to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation laws (Amendment) Ordinance, 2019 from the current financial year. Accordingly, the provision for income tax and deferred tax balances have been recorded/remeasured using the new tax rate and the resultant impact is recognised during the year.
7. Previous period/year figures have been regrouped or reclassified wherever necessary.

For, NINtec Systems Limited

**Niraj Gemawat**  
Managing Director  
DIN: 00030749Place: Ahmedabad  
Date: 29.06.2020