

INFORMED TECHNOLOGIES INDIA LIMITED

59th ANNUAL REPORT 2016-2017

BOARD OF DIRECTORS

| | |
|------------------------|------------------------|
| Mr. Gautam Khandelwal | Non Executive Chairman |
| Mrs. Suelve Khandelwal | Executive Director |
| Mr. Ajay Kumar Swarup | Independent Director |
| Mr. Nimis Sheth | Independent Director |

CHIEF FINANCIAL OFFICER

Mrs. Roshan D'souza

COMPANY SECRETARY AND COMPLIANCE OFFICER

Ms. Reena Yadav

STATUTORY AUDITORS

M/s. M. V. Ghelani & Co.
Chartered Accountants, Mumbai

BANKERS

Bank of Baroda
The Hongkong and Shanghai Banking Corporation Ltd.
ICICI Bank Ltd.

LISTED AT

Bombay Stock Exchange Limited
ISIN : INE123E01014

REGISTERED OFFICE

Nirmal, 20th Floor, Nariman Point, Mumbai-400021.
Tel No. : 022-22023055/66 Fax No.: 022-22043162
Email id: itil_investor@informed-tech.com
Website : www.informed-tech.com
CIN: L99999MH1958PLC011001

SOFTWARE DEVELOPMENT CENTRE

Millenium Business Park, 302, 303, Bldg. No. 4,
Sector No. 3, TTC. MIDC, Mahape, Navi Mumbai-400710,
Maharashtra, India.

REGISTRAR & SHARE TRANSFER AGENTS

Link Intime India Private Limited

C 101, 247 Park,
L B S Marg, Vikhroli West,
Mumbai 400 083
Tel No: +91 22 49186000 Fax: +91 22 49186060
Email Id: rnt.helpdesk@linkintime.co.in

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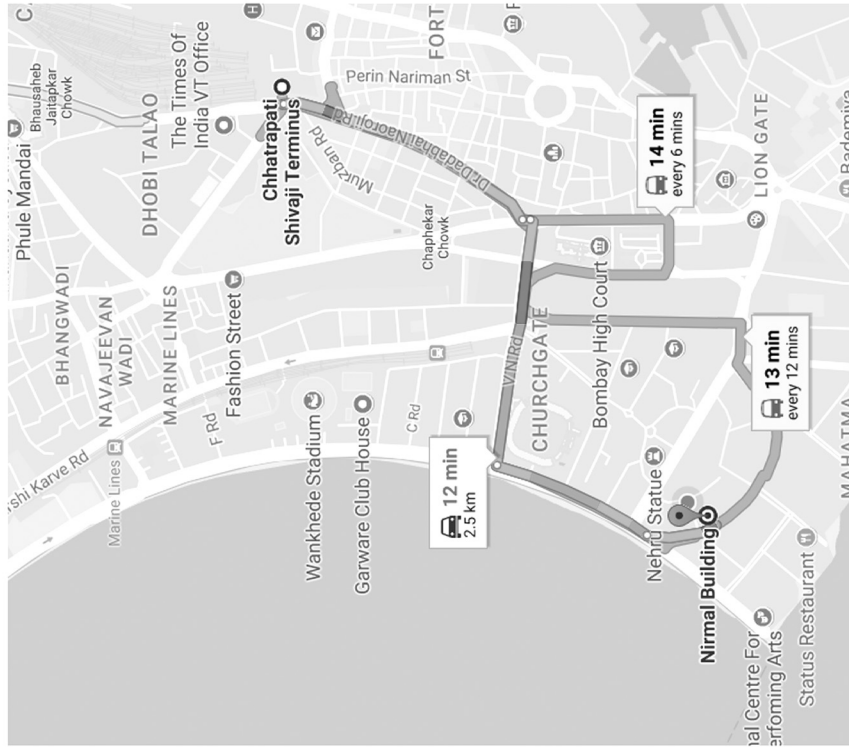
As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to kindly bring their copies to the meeting.

ROUTE MAP TO THE VENUE OF THE AGM

ROUTE MAP TO THE VENUE OF THE AGM : 20TH FLOOR, NIRMAL BUILDING NARIMAN POINT MUMBAI - 400 021



Route from Churchgate Railway Station



Route from CST Railway Station

NOTICE

NOTICE is hereby given that the Fifty-Ninth Annual General Meeting of the Members of **Informed Technologies India Limited** will be held **on Thursday, September 28, 2017 at 3:30 PM** at the Registered Office Address of the Company at **20th Floor, Nirmal Building, Nariman Point, Mumbai – 400 021** to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2017 together with the Directors' Report and Auditor's Report thereon; and the audited consolidated financial statement of the Company for the financial year ended March 31, 2017 together with the Auditor's Report thereon.
2. To appoint a Director in place of Mr. Gautam Khandelwal (DIN 00270717), who retires by rotation and, being eligible, offers himself for re-appointment.
3. **APPOINTMENT OF STATUTORY AUDITORS OF THE COMPANY, AND TO FIX THEIR REMUNERATION.**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and any other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and as recommended by the Audit Committee and the Board of Directors, M/s. Parekh Sharma and Associates, Chartered Accountants (Firm Registration No. 129301W) be and is hereby appointed as Statutory Auditors of the Company, in place of the retiring auditors M/s. M. V. Ghelani & Co., Chartered Accountants, (Firm Registration No. 119077W), to hold office from the conclusion of this Annual General Meeting till the conclusion of the Fifth consecutive Annual General Meeting of the Company to be held in the year 2022 (subject to ratification of their appointment at every AGM) at such remuneration plus taxes, out of pocket, traveling and living expenses, etc. as may be mutually agreed between the Board of Directors of the Company and the Auditors."

"RESOLVED FURTHER THAT the Board of Director (including any Committee thereof) be and are hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

SPECIAL BUSINESS

4. **ALTERATION/ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION OF COMPANY AS PER COMPANIES ACT, 2013.**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 5, 14 and any other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the new set of Articles of Association, be and are hereby approved, adopted and substituted in the place of existing Articles of Association of the Company."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to undertake all such acts, deeds, matters and things as may be deemed necessary, proper, desirable and expedient in its absolute discretion, to give effect to this resolution and to settle any question, difficulty or doubt that may arise in this regard and to delegate all or any of its powers herein conferred to any director(s) and/or officer(s) of the Company."

5. CHANGE IN PLACE OF KEEPING AND INSPECTION OF REGISTER AND INDEX OF MEMBERS, RETURNS, ETC.

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to Section 94 of the Companies Act, 2013 ('the Act') read with Sections 88 and 92 and any other applicable provisions, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and in supersession of the Special Resolution passed at the 58th Annual General Meeting of the Company held on September 27, 2016, the Company hereby approves that the Register of Members, Indices of Members, copies of all Annual Returns prepared by the Company together with copies of Certificates and Documents required to be annexed thereto and other related books have, with effect from February 27, 2017, been kept and maintained at the office of the Company's Registrars & Share Transfer Agents ("RTA"), M/s. Link Intime India Private Limited, at C-101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai 400 083 and/or at such places within Mumbai where the RTA may have their office from time to time and/or at the Registered Office of the Company at 20th Floor, Nirmal Building, Nariman Point, Mumbai – 400 021.”

“**RESOLVED FURTHER THAT** the Registers, Indices, Returns, Books, Certificates and Documents of the Company required to be maintained and kept open for inspection by the Members and/or any person entitled thereto under the Act, be kept open for inspection, at the place where they are kept, to the extent, in the manner and on payment of the fees, if any, specified in the Act between the hours of 11:00 AM and 1:00 PM on any working day (excluding Saturday) and except when the registers and books are closed under the provisions of the Act or the Articles of Association of the Company.”

For and on behalf of the Board

Gautam Khandelwal

Chairman

DIN (00270717)

Place: Mumbai

Date: August 30, 2017

Registered Office:

"Nirmal", 20th Floor, Nariman Point, Mumbai 400021

CIN: L99999MH1958PLC011001 | Website: www.informed-tech.com

NOTES

1. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The proxies to be effective should be deposited at the Registered Office of the Company **not less than 48 (Forty Eight) hours before the commencement of the meeting.** Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 (fifty) and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. A proxy form for the AGM is enclosed.
3. Corporate Members/Societies etc. intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution / Authority Letter etc. as applicable, authorizing their representatives to attend and vote at the AGM.
4. The Register of Members and Share Transfer Books of the Company will remain closed from **Friday, September 22, 2017 to Thursday, September 28, 2017** (both days inclusive).
5. In terms of Section 123 of the Companies Act, 2013 and Sections 205A, 205C of the Companies Act, 1956 the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF). **Accordingly, in the year 2017-18, the Company would be transferring the unclaimed or unpaid final dividend for the year ended March 31, 2010 to IEPF on or before October 23, 2017. No claim shall lie from a Member once the transfer is made to the said Fund. The Members who have not encashed their dividend warrants are requested to encash the same before the said transfer in their own interest.**
6. **As per the provisions of Investor Education and Protection Fund (Uploading of Information regarding Unpaid and Unclaimed amounts lying with Companies) Rules, 2012, the Company has placed on its website (www.informed-tech.com), the information on dividend which remains unclaimed with the Company as on Tuesday, September 27, 2016 i.e. date of the previous AGM. The information is also available on the website of the Ministry of Corporate Affairs (www.mca.gov.in).**
7. The Company's equity shares are listed at Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001 and the Company has paid the Annual Listing Fees to the Stock Exchanges for the Financial Year 2017-18.
8. **In terms of Section 72 of the Companies Act, 2013, and Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, every share holder of the Company may, at any time, nominate, in the prescribed manner, a person to whom his/her shares in the Company shall vest in the event of his/her death. Members, who wish to avail this facility, may fill the prescribed Form No. SH-13 (which will be made available on request) and forward the same to the Registrar and Transfer Agent, M/s. Link Intime India Private Limited.**
9. Members seeking any information with regards to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.
10. For the convenience of the Members, attendance slip is enclosed in the Annual Report. Members/Proxy Holders/ Authorized Representatives are requested to fill in and affix their signatures at the space provided therein and surrender the same at the venue of the AGM. Proxy/Authorized Representatives of a member should state on the attendance slip

as 'Proxy or Authorized Representative' as the case may be.

11. The Directors' Report, Auditor's Report and Audited Financial Statements (Standalone and Consolidated) as at March 31, 2017 are enclosed.
12. Inspection of Documents - Copies of the Memorandum and Articles of Association of the Company and all other documents relevant for the resolution contained in the notice will be available for inspection at the Registered Office of the Company from 11:00 AM to 1:00 PM on all working days (excluding Saturday) up to the date of the Annual General Meeting.
13. In accordance with the Companies Act, 2013 read with the Rules, the Annual Reports are sent by electronic mode to those members whose email ids are registered with the Company/Depositories, unless any member has requested for a physical copy for the same. For members who have not registered their email ID, physical copies are being sent by the permitted mode.
14. The members are requested to intimate any change in their address with PIN Code, immediately and quote Folio Number in all correspondence. They are also requested to bring their copy of Annual Report while coming to the meeting.
15. Members who hold shares in dematerialized form are requested to bring their client ID and DP ID Numbers for easy identification of attendance at the meeting.
16. ***The Name of the Company has been changed from Khandelwal Ferro Alloys Limited to KFA Corporation Limited and later from KFA Corporation Limited to Informed Technologies India Limited w.e.f. August 06, 2001.***
17. **THOSE MEMBERS WHO HAVE NOT SURRENDERED THEIR OLD CERTIFICATES FOR EXCHANGE TO OBTAIN THEIR NEW SHARE CERTIFICATES ARE REQUESTED TO SURRENDER THE SAME AT THE REGISTERED OFFICE ADDRESS OF THE COMPANY/RTA AT MUMBAI.**
18. **MEMBERS HOLDING SHARES IN PHYSICAL FORM ARE REQUESTED TO CONSIDER CONVERTING THEIR HOLDING TO DEMATERIALIZED FORM TO ELIMINATE ALL RISKS ASSOCIATED WITH PHYSICAL SHARES AND FOR EASE IN PORTFOLIO MANAGEMENT. MEMBERS CAN CONTACT THE COMPANY OR M/S. LINK INTIME INDIA PRIVATE LIMITED FOR ASSISTANCE IN THIS REGARD.**
19. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to the M/s. Link Intime India Private Limited, Registrar and Share Transfer Agents, C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083, Maharashtra.
20. ***To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with M/s. Link Intime India Private Limited /Depositories or send a request to the Company for the same.***
21. **Process and manner for members opting for Remote e-voting are as under:**

In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company has engaged the services of CDSL to provide the facility of electronic voting ('e-voting') in respect of the Resolutions proposed at this AGM.

A. The instructions for Shareholders voting electronically are as under:-

- (i) The remote e-voting period begins on Monday, September 25, 2017 (9:00 AM) and ends on Wednesday, September 27, 2017 (5:00 PM). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Thursday, September 21, 2017, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The Shareholders should Log on to the e-voting website www.evotingindia.com
- (iv) Click on "Shareholders" tab.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID;
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID;
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

| | |
|---|--|
| PAN | <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. |
| Dividend Bank Details OR Date of Birth (DOB) | <p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. Please enter the DOB or Dividend Bank Details in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or Company please enter the member id/ folio number in the Dividend Bank details field as mentioned in instruction (v). |

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'PASSWORD CREATION' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <**INFORMED TECHNOLOGIES INDIA LIMITED**> on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Note for Non-individual Shareholders & Custodians:**
- Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xxi) Shareholders can also cast their vote using CDSL's mobile app "CDSL m-Voting" available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- B. The voting rights of the members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of Thursday, September 21, 2017.
- C. Mr. Sanam Umbargikar, Partner of M/s. DSM and Associates, Practising Company Secretary (Membership No. 26141, COP No. 9394), has been appointed as Scrutinizer for scrutinizing the remote e-voting procedure in a fair and transparent manner.
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- D. The Scrutinizer shall after the conclusion of voting at the general meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- E. The declared Results, alongwith the Scrutinizer's Report, will be available on the Company's corporate website www.informed-tech.com under the section 'Investor' and on the website of CDSL; such Results will also be forwarded to the Stock Exchange where the Company's shares are listed.
- F. The Facility for voting through poll shall be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their voting right at the meeting.
- G. The members who have casted their votes by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

Details of the Directors seeking appointment / re-appointment in the forthcoming Annual General Meeting

| | |
|---|---|
| NAME OF DIRECTOR | MR. GAUTAM KHANDELWAL |
| Date of Birth | 01.04.1962 |
| Nationality | Indian |
| Date of Appointment | 09.03.1988 |
| Qualifications | He holds a BA (Economics) from the University of Mumbai and studied Economics from London School of Economics. |
| Expertise in specific functional areas | He is having about 28 years of business experience across various industries. |
| Directorships held in other companies (excluding foreign companies) | <ol style="list-style-type: none"> 1. Nagpur Power and Industries Limited 2. The Motwane Manufacturing Company Private Limited 3. Varroc Polymers Private Limited 4. Varroc Engineering Private Limited 5. Gras Education And Training Services Private Limited 6. Zeppelin Investments Private Limited 7. Entecres Labs Private Limited |
| Committee position held in other companies | <p>AUDIT COMMITTEE Nagpur Power And Industries Limited</p> <p>STAKEHOLDERS RELATIONSHIP COMMITTEE Nagpur Power And Industries Limited</p> <p>NOMINATION AND REMUNERATION COMMITTEE Nagpur Power And Industries Limited</p> |
| No. of shares held in the Company | 110,751 Equity Shares |
| Inter-se relationship between Directors | Spouse of Mrs. Suelve Gautam Khandelwal |

EXPLANATORY STATEMENT

(PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013)

Item No. 3

This Statement is provided though strictly not required as per Section 102 of the Act.

APPOINTMENT OF STATUTORY AUDITOR

M. V. Ghelani & Co., Chartered Accountants (Firm Registration No. 119077W) was appointed as the statutory auditor of the Company at the Annual General Meeting ('AGM') of the Company held on September 15, 2014, for a period of three years from the conclusion of the 56th AGM till the conclusion of the third consecutive AGM of the Company to be held in the year 2017, subject to ratification of their appointment at every AGM.

As per the provisions of Section 139 of the Act, no listed company can appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years. Section 139 of the Act has also provided a period of three years from the date of commencement of the Act to comply with this requirement.

In view of the above, M/s. M. V. Ghelani & Co., Chartered Accountants (Firm Registration No. 119077W) term as Statutory Auditors of the Company is up to the conclusion of the forthcoming Annual General Meeting ('AGM') having completed their term as per the provisions of Section 139 of the Act.

The Board of Directors has, on the recommendation of the Audit Committee, proposed the appointment of M/s. Parekh Sharma and Associates, Chartered Accountants (Firm Registration No. 129301W) as the Statutory Auditors of the Company for a period of 5 years, to hold office from the conclusion of this Annual General Meeting till the conclusion of the Fifth consecutive Annual General Meeting of the Company to be held in the year 2022, subject to ratification of their appointment at every AGM, as required under the Act.

Brief Profile of M/s. Parekh Sharma and Associates, Chartered Accountants (Firm Registration No. 129301W):

M/s. Parekh Sharma & Associates ('the firm') was constituted on February 23, 2009 (Firm Registration No. as 129301W). The registered office of the firm is at 228, 2nd Floor, Hubtown Solaries, N. S. Phadke Marg, Andheri (E), Mumbai – 400 069. The firm have 5 Practising Chartered Accountants out of them 3 are FCA. One of the partners of the firm is CPA from Canada and other 2 partner are FCA partners and DISA Qualified.

M/s. Parekh Sharma & Associates have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.

The Board of Directors recommends the resolution set out at **Item No. 3** of the accompanying Notice for the approval of the members of the Company by way of an Ordinary Resolution.

None of the Directors, Key Managerial Personnel of Company and their relatives are concerned or interested, financially or otherwise in the said resolution.

Item No. 4**ALTERATION/ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION OF COMPANY AS PER COMPANIES ACT, 2013**

The existing Articles of Association are in line with the erstwhile Companies Act 1956, which are no longer in full conformity with the Companies Act, 2013 ("New Act"). The New Act is now largely in force and substantive sections of the Act which deal with the general working of companies stand notified. With the coming into force of the Act several articles of the existing Articles of Association of the Company require alteration / deletions. Given this position, it is considered expedient to wholly replace the existing Articles of Association by a new set of Articles.

It is thus expedient to adopt the new set of Articles of Association in place of existing Articles of Association of the Company, to be consistent with the provisions of Section 5, 14 of the Companies Act, 2013 including Rules made thereunder. Hence

the Board of Directors proposed to adopt new set of Articles in place of existing Articles of Association of the Company and seek shareholders' approval for the same.

A copy of the proposed set of new Articles of Association of the Company would be available for inspection for the Members at the Registered Office of the Company during the office hours on all working days (excluding Saturday), between 11:00 AM to 1:00 PM upto the conclusion of the Annual General Meeting.

The Board of Directors recommends the Resolutions at **Item No. 4** of the accompanying Notice for the approval of the Members of the Company as Special Resolution.

None of the Directors, Key Managerial Personnel of Company and their relatives are concerned or interested, financially or otherwise in the said resolution.

Item No. 5

CHANGE IN PLACE OF KEEPING AND INSPECTION OF REGISTER AND INDEX OF MEMBERS, RETURNS, ETC.

Informed Technologies India Limited had appointed M/s. Link Intime India Private Limited as the Registrars & Share Transfer Agents ("RTA") of the Company in place of M/s. Sharepro Services (India) Private Limited. The Members passed a Special Resolution at the Company's 58th Annual General Meeting for maintaining Registers of Members, Indices of Members, copies of all Annual Returns prepared by the Company under Section 88 and 92 of the Companies Act, 2013 ("the Act") together with copies of Certificates and Documents required to be annexed or any one or more of them and other related books at the office of its new Registrar and Share Transfer Agents ("RTA").

In February 2017, M/s. Link Intime India Private Limited shifted its Registered Office from C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400 078 to C-101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai 400 083. Therefore, it is proposed that the Registers of Members, Indices of Members, copies of all Annual Returns prepared by the Company under Section 88 and 92 of the Companies Act, 2013 ("the Act") together with copies of Certificates and Documents required to be annexed or any one or more of them and other related books, effective February 27, 2017, be kept and maintained at the new Registered Office of the Company's RTA, M/s. Link Intime India Private Limited at C-101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai 400 083 and/or at such places within Mumbai where the RTA may have their office from time to time and/or at the Registered Office of the Company at 20th Floor, Nirmal Building, Nariman Point, Mumbai – 400 021.

The approval of shareholders by a Special Resolution is sought to the above arrangement under Section 94 of the Act. The Special Resolution also specifies the time of inspection of the books and documents of the Company by its Members, namely, between the hours 11:00 AM and 1:00 PM on any working days (excluding Saturday) and except when the registers and the books are closed under the provisions of the Act or Articles of Association of the Company.

The Board of Directors recommends the Resolutions at **Item No. 5** of the accompanying Notice for the approval of the Members of the Company as Special Resolution.

None of the Directors, Key Managerial Personnel of Company and their relatives are concerned or interested, financially or otherwise in the said resolution.

For and on behalf of the Board

Gautam Khandelwal
Chairman
DIN (00270717)

Place: Mumbai
Date: August 30, 2017

Registered Office:

"Nirmal", 20th Floor, Nariman Point, Mumbai 400021
CIN: L99999MH1958PLC011001 | Website: www.informed-tech.com

Directors' Report, Management Discussion and Analysis Report

To the Members,

Your Directors have pleasure in presenting their Fifty Ninth Annual Report together with the Audited Financial Statements of your Company for the Financial Year ended March 31, 2017. The Management Discussion and Analysis are also included in this Report.

Financial Highlights

The performance of your Company for the financial year under review is summarized below: (Rs. in Lakhs)

| Particulars | 2016-17 | 2015-16 |
|---|---------|---------|
| Revenue from Operations & Other Income | 564.32 | 483.05 |
| Profit before exceptional and extraordinary items and tax | 152.99 | 140.85 |
| Less: Exceptional Items | - | - |
| Profit before extraordinary items and tax | 152.99 | 140.85 |
| Less: Extraordinary items | - | - |
| Profit before Tax | 152.99 | 140.85 |
| Less: Tax expense (Net) | 5.66 | 45.66 |
| Profit for the period | 147.33 | 95.19 |
| Proposed Dividend (including Dividend Distribution Tax) | - | 50.18 |

Dividend and Reserves

In order to conserve capital for future investments plan, therefore the Board did not recommend any dividend for the year ended March 31, 2017. During the year under review, no amount was required to be transferred to General Reserve.

Share Capital

During the year, the Company has not issued shares with differential voting rights, nor has granted any stock options or sweats equity, no bonus shares were issued by the Company. There was no provision made by the Company for purchase of its own shares by employee or by the trustee. As on March 31, 2017, none of the Directors of the Company hold instruments convertible into equity shares of the Company. During the year, there was no change in the Share Capital of the Company. As on March 31, 2017, the issued, subscribed and paid up share capital of your Company stood at Rs. 41,691,000/-, comprising 4,169,100 Equity shares of Rs. 10/- each.

Directors and Key Managerial Personnel

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Gautam Khandelwal, Director retires by rotation at the ensuing Annual General meeting and being eligible offers himself for re-appointment. Mr. Gautam Khandelwal aged 55 years holds Bachelor's Degree in Economics from the University of Mumbai and has studied Economics from London School of Economics. He is having around 28 years of business experience across various industries. He is also on Board of Nagpur Power And Industries Limited, Zeppelin Investments Private Limited, The Motwane Manufacturing Company Private Limited, Varroc Polymers Private Limited, Varroc Engineering Private Limited, Entecres Labs Private

Limited and Khandelwals Limited, London. He is spouse of Mrs. Suelve Gautam Khandelwal, Whole Time Director of the Company. The board recommends his re-appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting.

The Company has following persons as Key Managerial personnel:

| Sr. No. | Name of the person | Designation | Date of Appointment |
|---------|-------------------------------|--|---------------------|
| 1. | Mrs. Suelve Gautam Khandelwal | Executive Director | 01.04.2015 |
| 2. | Mrs. Roshan D'Souza | Chief Financial Officer | 30.09.2014 |
| 3. | Ms. Reena Yadav | Company Secretary & Compliance Officer | 13.08.2014 |

Details of Board meetings

During the year, the Board of Directors met 5 (Five) times, details of which are as follows:

| Date of Meetings | No. of Directors attended the Meeting |
|-------------------|---------------------------------------|
| May 27, 2016 | 3 |
| July 22, 2016 | 3 |
| August 10, 2016 | 3 |
| November 07, 2016 | 4 |
| February 10, 2017 | 4 |

Notes:

- Mr. Gautam Khandelwal, Mrs. Suelve Gautam Khandelwal and Mr. Nimis Sheth attended all the meetings during the year; and
- Mr. Ajay Kumar Swarup attended 2 Meetings out of 5 during the year.

Committees of the Board and attendance at last AGM

The details of the various committees of the board and their composition and number of meetings attended as on March 31, 2017 are as under:

| Name of Director(s) | Audit Committee | | Stakeholders Relationship Committee | | Nomination and Remuneration Committee | | Attendance at last AGM |
|-------------------------------|------------------|-------------------------|-------------------------------------|-------------------------|---------------------------------------|-------------------------|------------------------|
| | Chairman/ Member | No. of Meeting attended | Chairman/ Member | No. of Meeting attended | Chairman/ Member | No. of Meeting attended | |
| Mr. Nimis Seth | Chairman | 4 | Chairman | 4 | Chairman | 2 | Yes |
| Mr. Gautam Khandelwal | Member | 4 | Member | 4 | Member | 2 | Yes |
| Mr. Ajay Kumar Swarup | Member | 2 | - | - | Member | 1 | No |
| Mrs. Suelve Gautam Khandelwal | - | - | Member | 4 | - | - | No |

Notes:

- The Audit Committee met 4 (Four) times during the year i.e. on May 27, 2016, August 10, 2016, November 07, 2016 and February 10, 2017.
- The Stakeholders Relationship Committee met 4 (Four) times during the year i.e. on May 27, 2016, August 10, 2016, November 07, 2016 and February 10, 2017.
- Nomination and Remuneration Committee met 2 (Two) times during the year i.e. on May 27, 2016 and February 10, 2017.
- The Risk Management Committee was dissolved by the Company w.e.f. May 27, 2016.

Declaration by Independent Directors (IDs)

Mr. Nimis Sheth and Mr. Ajay Kumar Swarup are Independent Directors of the Company. The Company has received a declaration from them confirming that they meet the criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013.

During the year, the Independent Director meeting was held on November 07, 2016.

Nomination And Remuneration Policy

The policy of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes and independence of a director and other matters provided under sub-section (3) of Section 178 of the Companies Act, 2013 is adopted by the Board and may be accessed on the Company's website at the link: <http://informed-tech.com/investors/corporate-governance/>. We affirm that the remuneration paid to the directors is as per the terms laid out in the nomination and remuneration policy of the Company. Further, the Nomination and Remuneration Committee devises the policy on Board diversity to provide for having a broad experience and diversity on the Board.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and applicable provision of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a structured questionnaire was prepared as per the requirement of the act which included various aspects of Boards and Committees functioning, Composition of the Board and its Committees, functioning of the Individual directors, board diversity. The aspects covered in the evaluation included the contribution to and monitoring of corporate governance practices and the fulfillment of Directors' obligations and fiduciary responsibilities, including but not limited to, active participation at the Board and Committee meetings.

Further, the Independent Directors at their meeting, reviewed the performance of Board, Chairman of the Board and of Non - Executive Directors.

The Board expressed their satisfaction with the evaluation process.

Significant and material orders passed by the regulators or courts or tribunals

There were no significant material orders passed by the regulators or courts or tribunals which may impact the going Concern status and Company's operations.

Internal financial controls

The details in respect of internal financial control and their advocacy are included in the management discussion and analysis which forms part of this Annual Report.

Deposits

During the year, your Company has not accepted any deposits under the provisions of Chapter V of the Companies Act, 2013 and the rules made there under.

Subsidiary/Joint Ventures/Associate Companies:

The Company does not have any Subsidiary/Joint Ventures companies. During the year under review Entecres Labs Private Limited become an Associate of your Company.

Loans, guarantees or investments

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in this Annual Report.

Management Discussion and Analysis**a) Industry Review and future outlook:**

The Indian IT industry has now matured and is internationally recognized for its technical skills & trained manpower. The need for greater transparency in governance of companies in international financial markets is continuing to drive businesses in which the Company is associated as a service provider. The Indian companies are now emphasizing on improving technology and offering higher value added services. The digital transformation of businesses provides opportunities for IT Services industry in providing a range of new services.

The Company is principally engaged in the business of Business Process Outsourcing which is only reportable segment.

The Company is actively looking for expansion opportunities in various sectors which are technology enabled in order to drive growth for the Company.

b) Business Review & Development and Overview of Financial Performance & Operations:

Your Company is operating as IT enabled service provider and is a leading content provider to the securities and financial research industry. Company's Data Management techniques enable organizations to leverage their operations and help them reduce costs and turnaround time.

Your Company has also developed insight into the market segment of financial content and has developed relationships with its customers, which are well known and respected American Corporations. Further, the strengthening of the US dollar has benefited your Company in terms of actual revenue realizations. During the year, the total revenue from operational activities has reduced to Rs. 287.20 Lakhs as compared to Rs. 308.93 Lakhs in previous year. Your Company is also exploring new business opportunities in other areas in information technology services and is in the process of developing software application solutions for proprietary products. The total income of the Company has increased to Rs. 564.32 Lakhs compared to Rs. 483.05 Lakhs in previous year.

c) Internal Control Systems:

The Company has adequate internal control systems in place with reference to the financial statements. The Audit Committee of the Board periodically reviews the internal control systems with the management, Internal Auditors and Statutory Auditors and the adequacy of internal audit function, significant internal audit findings and follow-ups thereon.

The Company has also implemented Quality Management System (QMS) and has got itself registered under ISO 9001:2008 Standard.

d) Risks, Concerns & Threats:

This section lists forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these statements as results of certain factors. Our Risks, Concerns & Threats are as follows:

- We may not be able to sustain our previous profit margins or levels of profitability.
- Our revenues are dependent on clients primarily located in the United States and Austria, as well as on clients concentrated in specific sectors. An economic slowdown or other factors that affect the economic health of the United States and Austria or those sectors, or any other impact on the growth of such sectors, may affect our business.
- Currency fluctuations may affect the revenue generation from our operations.
- Intense competition in the market could affect our pricing, which could reduce our share of business from clients and decrease our revenues.
- A large part of our revenues is dependent on our top clients and the loss of any one of our major clients could significantly impact our business.
- Our client contracts can typically be terminated without cause and with little or no notice or penalty, which could negatively impact our revenues and profitability.
- We may be liable to our clients for damages caused by the disclosure of confidential information, system failures, errors or unsatisfactory performance of services.
- We may engage in acquisitions, strategic investments, strategic partnerships or alliances or other ventures that may or may not be successful.
- Anti-outsourcing legislation in certain countries in which we operate i.e. Unites States and Austria, may restrict companies in those countries from outsourcing work to us, or may limit our ability to send our employees to certain client sites.
- In the event that the Government of India or the government of another country changes its tax policies in a manner that is adverse to us our tax expense may materially increase, reducing our profitability.
- If the Government of India modifies dividend distribution tax rates or introduces new forms of taxes on the distribution of profits, or changes the basis of application of these taxes, the same could materially affect the returns to our shareholders.

e) Associate Company and Consolidated Statements

During the year, Your Company invested in Entecres Labs Private Limited (“ELPL”) and acquired 27.96% of equity shares with voting rights making it an Associate of your Company. During the year, revenue of the ELPL has increased to Rs. 271.80 Lakhs from Rs. 113.55 Lakhs in the previous year and its net profit has increased to Rs. 21.75 Lakhs from Rs. 5.35 Lakhs in the previous year.

The Consolidated Financial Statement of your Company for the financial year 2016-17, are prepared in compliance with applicable provisions of the Companies Act, 2013, Accounting Standard and SEBI (LODR) Regulations, 2015 as prescribed by the Securities and Exchange Board of India (SEBI). The Consolidated Financial Statements have been prepared on the basis of audited financial statements of the Company, its associates, as approved by their respective Board of Directors.

Pursuant to sub-section (3) of section 129 of the Act, the statement containing the salient features of the financial statement of Company's associate is given as AOC -1. Brief particulars about the business of the Associate company is given thereunder:-

Entecres Labs Private Limited (“ELPL”) is the brainchild of a group of research engineers along with some professors and educationalists. The company's core business is to promote STEM education (STEM stand for Science, Technology, Engineering, and Mathematics) among students at an earlier age. It has presence in five countries including Malaysia, Sri Lanka and Singapore, etc. The investment has allowed your Company to enter the education sector and explore new opportunities for growth in education and technology sector.

f) Material developments in human resources / industrial relations, including number of people employed

The human resource plays a vital role in the growth and success of an organization. The Company has maintained cordial and harmonious relations with employees.

During the year under review, various training and development workshops were conducted to improve the competency level of employee with an objective to improve the operational performance of individuals. The Company has built a competent team to handle challenging assignments and projects.

The Company has 28 permanent employees as on March 31, 2017.

Risk Management

The Company is aware of the risks associated with the business. The Senior Managements regularly analyses and takes corrective actions for managing / mitigating the same. In terms of the requirement of the Act, the Company has authorized Senior Management to manage, monitor and report on the principal risks and uncertainties that can impact the ability to achieve the Company's strategic objectives. The Senior Management periodically informs the board on various issues along with its recommendations and comments for Board's review and necessary action.

Statutory Auditors, their Report and Notes to Financial Statements

As per the provisions of Section 139 of the Act, read with the Companies (Audit and Auditors) Rules, 2014, the term of office of M/s. M.V. Ghelani & Co., Chartered Accountants (ICAI Registration No. 119077W), as the Statutory Auditors of the Company

will conclude from the close of the forthcoming AGM of the Company. The Board of Directors places on record its appreciation for the services rendered by them as the Statutory Auditors of the Company. Subject to approval of the Members, the Board of Directors of the Company has recommended the appointment of M/s. Parekh Sharma and Associates, Chartered accountants (Firm Registration No. 129301W), as the Statutory Auditors of the Company pursuant to Section 139 of the Act.

As required under the provisions of section 139(1) of the Companies Act, 2013, the Company has received a written consent from M/s. Parekh Sharma And Associates, Chartered Accountants in respect to their appointment and a Certificate, to the effect that their appointment, if made, would be in accordance with the Companies Act, 2013 and the Rules framed thereunder and that they satisfy the criteria provided in section 141 of the Companies Act, 2013.

The Board of Directors has, on the recommendation of the Audit Committee, proposed the appointment of M/s. Parekh Sharma and Associates, Chartered Accountants (Firm Registration No. 129301W) as the Statutory Auditors of the Company for a period of 5 years, to hold office from the conclusion of this Annual General Meeting till the conclusion of the Fifth consecutive Annual General Meeting of the Company to be held in the year 2022 (subject to ratification of their appointment at every AGM) if so required under the Act.

The Notes on financial statement referred to in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditor's Report does not contain any qualification, reservation or adverse remark.

Secretarial Auditor

In terms of Section 204 of the Act and Rules made there under, M/s. DSM & Associates, Practicing Company Secretary (COP No.: 9394) have been appointed Secretarial Auditors of the Company. The report of the Secretarial Auditor is enclosed as **Annexure I** to this report. The report is self-explanatory and do not call for any further comments.

Internal Auditors

During the year under review, M/s. Parekh Sharma And Associates, Chartered Accountants, had carried out the internal audit exercise and submitted their reports periodically.

Related Party Transactions

There have been no materially significant related party transactions between the Company and the Directors, the management, the key managerial personnel or their relatives except for those disclosed in the financial statements.

Accordingly, particulars of contracts or arrangements with related parties referred to in Section 188(1) along with the justification for entering into such contract or arrangement in Form AOC-2 does not form part of the report.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website and can be accessed at the Web link: <http://informed-tech.com/investors/corporate-governance/>

Extract of the Annual Return

Pursuant to the provisions of section 92 (3) of Companies Act, 2013, the extract of the annual return in Form No. MGT – 9 is enclosed with the report as **Annexure II**.

Disclosures pursuant to The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A) Details of the ratio of the remuneration of each director to the median employee's remuneration and other details as required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

| Sr. No. | Name of Director/ KMP and Designation | Remuneration of Director /KMP for financial year 2016-17 (Rs. In Lacs) | % increase in Remuneration in the financial year 2016-17 | Ratio of remuneration of each Director/ to median remuneration of employees | Comparison of the Remuneration of the KMP against the performance of the Company |
|---------|--|--|---|--|---|
| 1. | Mr. Gautam Khandelwal Non Executive Chairman | NIL | Not Applicable | Not Applicable | Not Applicable |
| 2. | Mr. Nimis Sheth Independent Director | NIL | Not Applicable | Not Applicable | Not Applicable |
| 3. | Mr. Ajay Kumar Swarup Independent Director | NIL | Not Applicable | Not Applicable | Not Applicable |
| 4. | Mrs. Suelve Khandelwal Executive Director | 48.00 | No Change | 22.42:01 | Profit After Tax increased by 54.76% during the financial year 2016-17 |
| 5. | Mrs. Roshan Dsouza Chief Financial Officer | 6.00 | 25.02% | Not Applicable | |
| 6. | Ms. Reena Yadav Company Secretary and Compliance Officer | 5.07 | 30.47% | Not Applicable | |

* The Company has not paid any sitting fees to any directors during the year.

Notes

- i) The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17: As per table given above.
- ii) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2016-17: As per table given above.
- iii) The percentage increase in the median remuneration of employees in the financial year 2016-17: In the financial year, there was a increase of 20.86% in the median remuneration.
- iv) There were 28 confirmed employees on the rolls of the Company as on March 31, 2017.
- v) Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out of there are any exceptional circumstances for increase in the managerial remuneration: As per table given above.
- vi) Affirmation that the remuneration is as per remuneration policy of the Company- Yes

- B) Particulars of employee’s remuneration, as required under section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016:

During the year under consideration, none of the employees of the Company were in receipt of remuneration in excess of limits prescribed section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 hence particulars as required under section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 are not given.

Conservation of Energy, Technology Absorption, Foreign Exchange Earning and Outgo

- A. Conservation of Energy: Not Applicable

- B. Technology Absorption:

- a. Research and Development (R & D):

The Company has not undertaken any R&D activity in the current year.

- b. Technology Absorption, Adaptation and Innovation:

The Company has not imported any technology during the year.

- C. Foreign Exchange earnings and outgo:

During the year, the foreign Exchange outgo was Rs. 16.62 Lakhs (Previous year – Rs. 14.15 Lakhs). The Foreign Exchange earning was Rs. 287.20 Lakhs (Previous year Rs. 308.93 Lakhs).

Corporate Social Responsibility (CSR)

Since the CSR norms are not applicable to the Company hence, the disclosures as per Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is not required to be made.

Vigil Mechanism and Whistle Blower Policy

The Company has adopted a Vigil Mechanism and Whistle Blower Policy to provide a mechanism for the directors and employees to report genuine concerns about any unethical behavior, actual or suspected fraud or violations of the Company’s code of conduct. The provisions of this policy are in line with the provisions of Section 177 (9) of the Act. The policy can be accessed on the Company’s website at following link <http://informed-tech.com/investors/corporate-governance/>

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women in the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contract, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the financial year ended March 31, 2017.

| Sr. No. | No. of Complaint received | No. of Complaints disposed off |
|---------|---------------------------|--------------------------------|
| 1 | Nil | N.A. |

Material Changes

There were no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year of the Company to which this report relates and the date of the report except as otherwise mentioned in this director report, if any.

There had been no changes in the nature of Company's business. To the best of information and assessment there has been no material changes occurred during the financial year, generally in the classes of business in which the Company has an interest except as otherwise mentioned in this director report, if any.

Directors' Responsibility Statement

Pursuant to Section 134 (3) (c) and 134 (5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
- ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that year;
- iii) they have taken proper and sufficient care to the best of their knowledge and ability, for the 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 fraud and other irregularities;
- iv) the annual accounts have been prepared on a going concern basis;
- v) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively; and
- vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Corporate Governance

As per regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provisions as specified in regulation 27 shall not apply to your Company. As such there is no requirement to attach the corporate governance report.

Acknowledgements

Your Board of Directors wishes to place on record their appreciation for the whole-hearted cooperation received by the Company from the Shareholders, various Government departments, Business Associates, Company's Bankers and all the employees during the year.

For and on behalf of the Board

Place: Mumbai
Date: August 30, 2017

Gautam Khandelwal
Chairman
DIN (00270717)

ANNEXURE I**SECRETARIAL AUDIT REPORT****For the Financial Year ended 31st March, 2017**

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

To,**The Members of****Informed Technologies India Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Informed Technologies India Limited** (hereinafter called "The Company"). We have conducted Secretarial Audit 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, the Company has, during the audit period covering the financial year ended on 31st March, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extend, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under
- (iii) The Depositories Act, 1996 and the regulations and bye laws framed there under
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Director Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act)
 - a) SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) SEBI (Prohibition of Insider Trading) Regulations, 2015;
 - c) SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) 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;
- (vi) Other specifically applicable laws to the Company during the period under review;
 - (i) Income Tax Act, 1961;
 - (ii) Chapter V of the Finance Act, 1994 (Service Tax);

- (iii) Public Liability Insurance Act, 1991;
- (iv) Registration Act, 1908;
- (v) Indian Stamp Act, 1899;
- (vi) Indian Contract Act, 1872;
- (vii) Negotiable Instrument Act, 1881;
- (viii) Information Technology Act, 2000;
- (ix) Prevention of Money Laundering Act, 2002;
- (x) Consumer Protection Act, 1986;

We have also examined compliance with the applicable clause of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) The Listing Agreement entered into by the Company with The Bombay Stock Exchange or Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review, if any, were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views were captured and recorded 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 applicable laws, rules, regulations and guidelines.

***For DSM & Associates,
Company Secretaries***

***CS Sanam Umbargikar
Partner***

***M. No.26141.
COP No.9394.***

Date: 12th July, 2017.

Place: Mumbai.

To,

The Board of Directors

Informed Technologies India Limited

Dear Sirs,

Subject: Secretarial Audit Report for financial year ended 31st March, 2017.

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

1. Maintenance of Secretarial Records 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 processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test check basis to 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. We have not verified the correctness appropriateness of financial records and books of accounts of the Company.
4. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards etc. is the responsibility of the management. Our examination was limited to the verification of procedures on test check basis.
5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

***For DSM & Associates,
Company Secretaries***

***CS Sanam Umbargikar
Partner***

***M.No.26141.
COP No.9394.***

Date: 12th July, 2017.

Place: Mumbai.

**Annexure II
FORM NO. MGT 9**

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

| | | |
|----|--|---|
| 1. | CIN | L99999MH1958PLC011001 |
| 2. | Registration Date | 07.01.1958 |
| 3. | Name of the Company | Informed Technologies India Limited |
| 4. | Category/Sub-category of the Company | Company Limited by Shares/ Indian Non-Government Company |
| 5. | Address of the Registered office & contact details | Nirmal, 20 th Floor, Nariman Point, Mumbai – 400021 Tel: 91-22-22023055, Fax: 91-22-22043162 Email: cs@informed-tech.com |
| 6. | Whether listed company | Listed on BSE Ltd. (BSE) |
| 7. | Name, Address & contact details of the Registrar & Transfer Agent, if any. | Link Intime India Private Limited C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083 Tel No: +91 22 49186000/49186270 Fax: +91 22 49186060 e-mail id: rnt.helpdesk@linkintime.co.in |

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. | Data Processing | 63111 | 50.89% |

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 |
|---------|---|-----------------------|--------------------------------|------------------|--------------------|
| 1. | Khandelwals Limited 10, Orange Street, London, UK , WC2H7DQ | Foreign Company | Holding Company | 64.24% | 2 (46) |
| 2. | Entecres Labs Private Limited House No Rz D - 30 B, Dabri Extension East, New Delhi- 110045 | U73100DL2012PTC230786 | Associate Company | 27.96% | 2 (6) |

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

i) Category-wise Share Holding:

| Category of Shareholders | No. of Shares held at the beginning of the year [As on 31-March-2016] | | | | No. of Shares held at the end of the year [As on 31-March-2017] | | | | % Change during the year |
|---|--|-------------|----------------|-------------------|--|-------------|----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoter's | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/ HUF | 448061 | 0 | 448061 | 10.75 | 448061 | 0 | 448061 | 10.75 | 0 |
| b) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) Bodies Corp. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f) Any other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (A) (1) | 448061 | 0 | 448061 | 10.75 | 448061 | 0 | 448061 | 10.75 | 0 |
| (2) Foreign | | | | | | | | | |
| a) NRI/ Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Other – Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) Bodies Corporate | 2678220 | 0 | 2678220 | 64.24 | 2678220 | 0 | 2678220 | 64.24 | 0 |
| d) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Any Other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (A) (2) | 2678220 | 0 | 2678220 | 64.24 | 2678220 | 0 | 2678220 | 64.24 | 0 |
| Total Share holdings of Promoter | | | | | | | | | |
| (A) = (A) (1) + (A) (2) | 3126281 | 0 | 3126281 | 74.99 | 3126281 | 0 | 3126281 | 74.99 | 0 |
| B. Public Shareholding | | | | | | | | | |
| (1) Institutions | | | | | | | | | |
| a) Mutual Funds | 0 | 60 | 60 | 0 | 0 | 60 | 60 | 0 | 0 |
| b) Banks / FI | 10 | 1080 | 1090 | 0.03 | 10 | 1080 | 1090 | 0.03 | 0 |
| c) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f) Insurance Companies | 385380 | 0 | 385380 | 9.24 | 385380 | 0 | 385380 | 9.24 | 0 |
| g) FIs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| h) Foreign Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| i) Others (specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (B)(1) | 385390 | 1140 | 386530 | 9.27 | 385390 | 1140 | 386530 | 9.27 | 0 |
| (2) Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | | | | | | | | | |
| i) Indian | 7931 | 3850 | 11781 | 0.28 | 9735 | 0 | 9735 | 0.23 | (0.05) |
| ii) Overseas | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders | | | | | | | | | |

| Category of Shareholders | No. of Shares held at the beginning of the year [As on 31-March-2016] | | | | No. of Shares held at the end of the year [As on 31-March-2017] | | | | % Change during the year |
|--|--|---------------|----------------|-------------------|--|---------------|----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| holding nominal share capital upto Rs. 1 lakh | 166753 | 363920 | 530673 | 12.73 | 168691 | 364530 | 533221 | 12.79 | 0.06 |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 98352 | 10550 | 108902 | 2.61 | 99953 | 10550 | 110503 | 2.65 | 0.04 |
| c) Others (specify) | | | | | | | | | |
| Non Resident Individuals (rep) | 1833 | 300 | 2133 | 0.05 | 100 | 300 | 400 | 0.01 | (0.04) |
| Non Resident Indians (non rep) | 1000 | 1800 | 2800 | 0.07 | 630 | 1800 | 2430 | 0.06 | (0.01) |
| Sub-total (B) (2) | 275869 | 380420 | 656289 | 15.74 | 279109 | 377180 | 656289 | 15.74 | 0 |
| Total Public Share holdings (B) = (B) (1) + (B) (2) | 661259 | 381560 | 1042819 | 25.01 | 664499 | 378320 | 1042819 | 25.01 | 0 |
| C. Shares held by Custodian for GDRs & ADRs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total (A+B+C) | 3787540 | 381560 | 4169100 | 100 | 3790780 | 378320 | 4169100 | 100 | 0 |

ii) Shareholding of Promoter:

| Sr. No. | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % Change in shareholding 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 | Gautam Khandelwal | 110751 | 2.66 | 0 | 110751 | 2.66 | 0 | 0 |
| 2 | Suelve Khandelwal | 101580 | 2.44 | 0 | 101580 | 2.44 | 0 | 0 |
| 3 | Geeta Khandelwal | 115040 | 2.76 | 0 | 115040 | 2.76 | 0 | 0 |
| 4 | Sia Khandelwal | 40250 | 0.97 | 0 | 40250 | 0.97 | 0 | 0 |
| 5 | Tara Khandelwal | 40190 | 0.96 | 0 | 40190 | 0.96 | 0 | 0 |
| 6 | Uday Siddharth Khandelwal | 40250 | 0.97 | 0 | 40250 | 0.97 | 0 | 0 |
| 7 | Khandelwals Limited | 2678220 | 64.24 | 0 | 2678220 | 64.24 | 0 | 0 |
| | Total | 3126281 | 74.99 | 0 | 3126281 | 74.99 | 0 | 0 |

iii) 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 |
| At the beginning of the year | 3126281 | 74.99 | 3126281 | 74.99 |
| Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.) | * | * | * | * |
| At the end of the year | 3126281 | 74.99 | 3126281 | 74.99 |

* There is no change in the total shareholding of promoters between 01.04.2016 and 31.03.2017.

iv) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs)

| Sr. No. | For Each of the Top 10 Shareholders * | Shareholding at the beginning of the year (01.04.2016) | | Shareholding at the end of the year (31.03.2017) | |
|---------|---------------------------------------|--|----------------------------------|--|----------------------------------|
| | | No. of Shares | % of total shares of the Company | No. of Shares | % of total shares of the Company |
| 1 | Life Insurance Corporation Of India | 384750 | 9.2286 | 384750 | 9.2286 |
| 2 | Gulab Nihalchand Jain | 13098 | 0.3142 | 14699 | 0.3526 |
| 3 | Bhagwat Devidayal | 12414 | 0.2978 | 12414 | 0.2978 |
| 4 | Uday Acharya | 10550 | 0.2531 | 10550 | 0.2531 |
| 5 | Chandraprakash Kabra | 8643 | 0.2073 | 8643 | 0.2073 |
| 6 | Devendra Khanduri | 6550 | 0.1571 | 6550 | 0.1571 |
| 7 | Samta Engineer | 5130 | 0.1230 | 5130 | 0.1230 |
| 8 | Thakker Bhupendra | 4817 | 0.1155 | 4817 | 0.1155 |
| 9 | Ashalata Gupta | 4510 | 0.1082 | 4510 | 0.1082 |
| 10 | Yogesh Harkishanlal Mandalia | 4495 | 0.1078 | 4495 | 0.1078 |

* The shares of the Company are traded on a daily basis and hence the date wise increase / decrease in Shareholding is not indicated.

v) Shareholding of Directors and Key Managerial Personnel:

| Sr. No. | 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 |
| A | DIRECTORS | | | | |
| | Gautam Khandelwal (Non –Executive Chairman) | 110751 | 2.66 | 110751 | 2.66 |
| | Suelve Khandelwal (Executive Director) | 101580 | 2.44 | 101580 | 2.44 |
| | Ajay Kumar Swarup (Independent Director) | 72840 | 1.75 | 72840 | 1.75 |
| | Nimis Sheth (Independent Director) | 1000 | 0.02 | 1000 | 0.02 |
| B | Key Managerial Personnel | | | | |
| | Suelve Khandelwal (Executive Director) | 101580 | 2.44 | 101580 | 2.44 |
| | Roshan D'Souza (CFO) | 10 | 0.00 | 10 | 0.00 |
| | Reena Yadav (Company Secretary And Compliance Officer) | Nil | Nil | Nil | Nil |

V. INDEBTEDNESS

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

(Rs. In Lakhs)

| Particulars | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 23.30 | 0 | 0 | 23.30 |
| ii) Interest due but not paid | 0 | 0 | 0 | 0 |
| iii) Interest accrued but not due | 0 | 0 | 0 | 0 |
| Total (i+ii+iii) | 23.30 | 0 | 0 | 23.30 |
| Change in Indebtedness during the financial year | | | | |
| * Addition | 0 | 0 | 0 | 0 |
| * Reduction | 9.03 | 0 | 0 | 9.03 |
| Net Change | 9.03 | 0 | 0 | 9.03 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 14.27 | 0 | 0 | 14.27 |
| ii) Interest due but not paid | 0 | 0 | 0 | 0 |
| iii) Interest accrued but not due | 0 | 0 | 0 | 0 |
| Total (i+ii+iii) | 14.27 | 0 | 0 | 14.27 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs. In Lacs)

| S.N. | Particulars of Remuneration | Name of MD/WTD/ Manager |
|------|---|---|
| | | Mrs. Suelve Gautam Khandelwal |
| 1 | Gross salary | 48.00 |
| | (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 | N/A |
| 3 | Sweat Equity | N/A |
| 4 | Commission - as % of profit - others, specify... | N/A |
| 5 | Others, please specify | N/A |
| | Total (A) | 48.00 |
| | Ceiling as per the Act | As per Sec II of Part II of Schedule V to the Co. Act, 2013 is Rs. 60.00 lacs per annum (with Special Resolution). |

B. Remuneration to other directors

| SN. | Particulars of Remuneration | Name of Directors | | | | Total Amount |
|-----|--|-------------------|---|---|---|--------------|
| 1 | Independent Directors | - | - | - | - | - |
| | Fee for attending board committee meetings | - | - | - | - | - |
| | Commission | - | - | - | - | - |
| | Others, please specify | - | - | - | - | - |
| | Total (1) | - | - | - | - | - |
| 2 | Other Non-Executive Directors | - | - | - | - | - |
| | Fee for attending board committee meetings | - | - | - | - | - |
| | Commission | - | - | - | - | - |
| | Others, please specify | - | - | - | - | - |
| | Total (2) | - | - | - | - | - |
| | Total (B)=(1+2) | - | - | - | - | - |
| | Total Managerial Remuneration | - | - | - | - | - |
| | Overall Ceiling as per the Act | - | - | - | - | - |

Note: No Remuneration was paid to any other directors of the Company during the FY 2016-17.

C. Remuneration to Key Managerial Personnel Other than MD/MANAGER/WTD

(Rs. In Lacs)

| SN | Particulars of Remuneration | Key Managerial Personnel | | |
|----|---|----------------------------------|----------------------|--------------|
| | | Reena Yadav Company Secretary | Roshan Dsouza CFO | Total |
| 1 | Gross salary | 5.07 | 6.00 | 11.07 |
| | (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 | 5.07 | 6.00 | 11.07 |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

| Type | Section of the Companies Act | Brief Description | Details of Penalty / Punishment / Compounding fees imposed | Authority [RD / NCLT / COURT] | Appeal made, if any (give details) |
|-------------------------------------|------------------------------|-------------------|--|-------------------------------|------------------------------------|
| A. COMPANY | | | | | |
| Penalty | - | - | - | - | - |
| Punishment | - | - | - | - | - |
| Compounding | - | - | - | - | - |
| B. DIRECTORS | | | | | |
| Penalty | - | - | - | - | - |
| Punishment | - | - | - | - | - |
| Compounding | - | - | - | - | - |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | - | - | - | - | - |
| Punishment | - | - | - | - | - |
| Compounding | - | - | - | - | - |

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

INFORMED TECHNOLOGIES INDIA LIMITED

Report on the Financial Statements

1. We have audited the accompanying financial statements of INFORMED TECHNOLOGIES INDIA LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2017 the Profit and Loss Statement and Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

2. 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 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

3. 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 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 true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of 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 financial statements.

Opinion

4. 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 of the state of the affairs of the Company as at 31st March 2017 and its Profit and its cash flows for the year ended on that date.

Report On Other Legal and Regulatory Requirements

5. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
6. 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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. On the basis of written representations received from the directors as on 31st March 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2017 from being appointed as a director in terms of section 164(2) of the Act.

- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" and
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has disclosed the impact of pending litigation on its financial position in its financial statements – Refer Note 24 to the financial statements;
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company ; and
 - (iv) The company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and the relevant transactions are in accordance with the books of accounts maintained by the company.

For **M.V. GHELANI & CO.**
CHARTERED ACCOUNTANTS
Firm Regn. No. 119077W

(M. V. GHELANI)
PROPRIETOR
Membership No.: 031105

Place : Mumbai

Date : 30th May, 2017

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2017.

Annexure referred to in paragraph 5 under the heading "Report on other legal and regulatory requirements" of our report of even date to the members of Informed Technologies India Limited on the financial statements for the year ended 31st March 2017.

- i. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) As explained to us, the fixed assets have been physically verified by the management during the year in accordance with a phased programme of verification which, in our opinion, is reasonable having regard to the size of the company and nature of its fixed assets. The discrepancies noticed on verification between the physical fixed assets and the books records were not material having regard to nature and size of the operations of the Company and the same have been properly dealt with in books of accounts.
- c) According to the information and explanations given to us and on the basis of documents and records produced before us, the title deeds of immovable properties are held in the current or former name of the company.
- ii) The nature of the company's operations during the year does not require it to hold inventories and as such paragraph 3 (ii) of the Companies (Auditors Report) Order, 2016 ('the Order') is not applicable.
- iii) According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the paragraph 3 (iii) (a) to (c) of the order is not applicable to the company.
- iv) In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of section 185 and 186 of the Act in respect of loans, making investments and providing guarantees and securities, as applicable
- v) The Company has not accepted any deposits from the public within the meaning 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.
- vi) According to the information and explanations given to us, the maintenance of cost records was not prescribed by the Central Government under section 148(1) of the Act, for any of the activities of the Company.
- vii) a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues, applicable to it, with appropriate authorities.

According to the information and explanations given to us no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of custom, duty of excise,

value added tax, cess and other statutory dues, applicable to it, were in arrears, as at 31st March 2017 for a period of more than six months from the date they become payable.

- b) According to the information and explanations given to us, there are no dues of sales tax, income tax, custom duty, service tax, excise duty or cess which have not been deposited on account of any dispute, except as stated below:

| Name of the Statute | Nature of dues | Amount Demanded (Rs. in lacs) | Period to which the amount relates | Forum where dispute is pending |
|--------------------------|--------------------------------|-------------------------------|------------------------------------|--|
| The Income Tax-Act, 1961 | Income-Tax, Including Interest | 4.66 | A.Y. 2009 -2010 | Appellate Tribunal, Mumbai |
| | | 5.35 | A.Y. 2010 -2011 | Commissioner of Income Tax (Appeals), Mumbai |
| | | 4.18 | (A.Y. 2011 -2012) | Commissioner of Income Tax (Appeals), Mumbai |
| | | 10.30 | (A.Y. 2013 -2014) | Commissioner of Income Tax (Appeals), Mumbai |
| | | 5.97 | (A.Y. 2014 -2015) | Commissioner of Income Tax (Appeals), Mumbai |

- viii) According to the information and explanations given to us and the records made available to us, the Company has not defaulted in repayment of dues to any financial institution, banks or debenture holders during the year.
- ix) According to the information and explanations given to us the Company has not raised money by way of initial public offer or further public offer and term loan.
- x) Based on the audit procedures performed by us, to the best of our knowledge and belief and according to the information and explanation given to us by the Management, no fraud by the Company or fraud on the company by its officers or employee has been noticed or reported during the year.
- xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the 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 to the Company.

- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with section 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standards.
- xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv) According to the information and explanations given to us and based on the documents and records produced before us, 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 to the Company.
- xvi) According to the information and explanation given to us and based on the documents and records produced before us, the company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For **M.V. GHELANI & CO.**
CHARTERED ACCOUNTANTS
Firm Regn. No. 119077W

(M. V. GHELANI)
PROPRIETOR
Membership No.: 031105

Place : Mumbai

Date : 30th May, 2017

ANNEXURE B TO THE AUDITOR'S REPORT ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2017**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the Act)**

- 1 We have audited the internal financial controls over financial reporting of INFORMED TECHNOLOGIES INDIA LIMITED ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

- 3 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 the 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, both issued by the ICAI. 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 were 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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

- 5 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

- 6 In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2017, based on the internal financial controls 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 ICAI.

For **M.V. GHELANI & CO.**
CHARTERED ACCOUNTANTS
Firm Regn. No. 119077W

(M. V. GHELANI)
PROPRIETOR
Membership No.: 031105

Place : Mumbai

Date : 30th May, 2017

BALANCE SHEET AS AT 31ST MARCH, 2017

| Particulars | Note No. | As at 31st March, 2017 | | As at 31st March, 2016 | |
|---|----------|------------------------|--------------------|------------------------|--------------------|
| | | ₹ | ₹ | ₹ | ₹ |
| I EQUITY AND LIABILITIES | | | | | |
| 1 Shareholders' funds | | | | | |
| (a) Share capital | 2 | 41,691,000 | | 41,691,000 | |
| (b) Reserves and surplus | 3 | 110,407,872 | 152,098,872 | 95,675,532 | 137,366,532 |
| 2 Non-current liabilities | | | | | |
| (a) Long-term borrowings | 4 | 853,349 | | 1,426,703 | |
| (b) Other Long term liabilities | 5 | 7,014,000 | | 7,014,000 | |
| (c) Long-term provisions | 6 | 165,152 | 8,032,501 | 95,779 | 8,536,482 |
| 3 Current liabilities | | | | | |
| (a) Trade payables | 7 | 1,761,369 | | 2,121,255 | |
| (b) Other current liabilities | 8 | 3,933,409 | | 4,790,119 | |
| (c) Short-term provisions | 9 | 788,779 | 6,483,557 | 5,493,481 | 12,404,855 |
| TOTAL | | | 166,614,930 | | 158,307,870 |
| II ASSETS | | | | | |
| 1 Non-current assets | | | | | |
| (a) Fixed assets | | | | | |
| (i) Tangible assets | 10 | 29,882,857 | | 31,725,350 | |
| (ii) Intangible assets | | 245,910 | | 306,093 | |
| (iii) Intangible assets under development | | 183,138 | | - | |
| (b) Non-current investments | 11 | 72,035,807 | | 62,981,842 | |
| (c) Long-term loans and advances | 12 | 1,918,782 | 104,266,494 | 1,969,782 | 96,983,067 |
| 2 Current assets | | | | | |
| (a) Current investments | 13 | 52,199,746 | | 46,796,477 | |
| (b) Trade receivables | 14 | 2,724,259 | | 5,082,495 | |
| (c) Cash and cash equivalents | 15 | 3,626,666 | | 4,706,945 | |
| (d) Short-term loans and advances | 16 | 3,797,765 | | 4,657,685 | |
| (e) Other current assets | 17 | - | 62,348,436 | 81,201 | 61,324,803 |
| TOTAL | | | 166,614,930 | | 158,307,870 |

Summary of Significant Accounting Policies 1

Other Notes on Financial Statements 23 to 35

Notes referred to above form an integral part of the Balance Sheet.

This is the Balance Sheet referred to in our report of even date.

As per our report of even date attached
For M.V.Ghelani & Co.
Chartered Accountants
Firm Regn. No. 119077W

M.V.Ghelani
Memb. No.031105
Proprietor
Mumbai : 30th May, 2017

For and on behalf of the Board

Gautam P. Khandelwal
DIN 00270717
Chairman

Nimis Sheth
DIN 00482739
Director

Reena yadav
(ICSI Reg.No. A36429)
Company Secretary

Roshan Dsouza
Chief Finance Officer

Mumbai : 30th May, 2017

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

| Particulars | Note No. | For the Year ended 31st March, 2017 ₹ | For the Year ended 31st March, 2016 ₹ |
|--|----------|--|--|
| I Revenue from operations | 18 | 28,720,232 | 30,893,180 |
| II Other income | 19 | 27,712,112 | 17,411,751 |
| III Total Revenue (I+II) | | <u>56,432,343</u> | <u>48,304,931</u> |
| IV EXPENSES: | | | |
| Employee benefits expense | 20 | 17,258,867 | 13,302,073 |
| Finance costs | 21 | 196,158 | 335,551 |
| Depreciation and amortization expense | 10 | 2,604,173 | 2,852,736 |
| Other expenses | 22 | 21,074,284 | 17,729,884 |
| Total expenses | | <u>41,133,482</u> | <u>34,220,244</u> |
| V Profit before exceptional and extraordinary items and tax (III-IV) | | 15,298,861 | 14,084,687 |
| VI Exceptional items | | | |
| VII Profit before extraordinary items and tax(V-VI) | | 15,298,861 | 14,084,687 |
| VIII Extraordinary Items | | - | - |
| IX Profit before tax (VII-VIII) | | 15,298,861 | 14,084,687 |
| X Tax expense: | | | |
| (1) Gross Current tax | | 2,370,000 | 4,565,415 |
| Less : MAT Credit Entitlement | | (1,952,790) | - |
| Net Current tax | | 417,210 | - |
| (2) Deferred tax | | - | - |
| (3) Prior period tax | | - | - |
| (4) Excess/Short Provision for tax of prior years (Net) | | 149,311 | - |
| XI Profit for the period (IX-X) | | 14,732,340 | 9,519,272 |
| XII Profit/(loss) from discontinuing operations | | - | - |
| XIII Tax expense of discontinuing operations | | - | - |
| XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII) | | - | - |
| XV Profit (Loss) for the period (XI + XIV) | | <u>14,732,340</u> | <u>9,519,272</u> |
| XVI Earnings per equity share | 27 | <u>3.534</u> | <u>2.283</u> |
| Basic & Diluted | | | |

Summary of Significant Accounting Policies

1

Other Notes on Financial Statements

23 to 35

Notes referred to above form an integral part of the Profit & Loss Account.

This is the Profit & Loss Account referred to in our report of even date.

As per our report of even date attached

For M.V.Ghelani & Co.
Chartered Accountants
Firm Regn. No. 119077W

M.V.Ghelani
Memb. No.031105
Proprietor

Mumbai : 30th May, 2017

For and on behalf of the Board

Gautam P. Khandelwal
DIN 00270717
Chairman

Reena yadav
(ICSI Reg.No. A36429)
Company Secretary

Mumbai : 30th May, 2017

Nimis Sheth
DIN 00482739
Director

Roshan Dsouza
Chief Finance Officer

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**1 Significant Accounting Policies:****1.1 Basis for preparation of financial statement:**

The financial statements are prepared under the historical cost convention on an accrual basis of accounting and in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

1.2 Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

1.3 Fixed Assets and Depreciation:**1.3.1 Tangible Assets**

Tangible assets are stated at Cost of acquisition, less accumulated depreciation and accumulated impairment losses, if any. Cost of tangible assets comprises the purchase price, borrowing cost and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to the acquisition of fixed assets that takes a substantial period of time to get ready for its intended use are also included in cost to the extent they relate to the period till such assets are put to use. Assets purchased for less than Rs. 5,000/- are not capitalised. Depreciation on tangible assets is provided on Straight Line Method and based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013, except in respect of the following assets, where the useful life is exceeding those prescribed in Schedule II based on the Chartered Engineer's Valuation Certificate namely :

Furniture 1-9 years

Electrical Installation 2 years

Depreciation on assets purchased / sold during the period is proportionately charged.

1.3.2 Intangible assets and Amortisation:

Intangible assets are stated at Cost of acquisition, less accumulated amortisation / depletion and accumulated impairment losses, if any, are amortized over a period of 6 years or license period, whichever is lower.

1.4 Investments:

Investments are classified into non-current Investments and current investments. Non current investments are stated at cost and diminution in value is provided for, where the management is of the opinion that the diminution in

value is other than temporary. Current investments are stated at lower of cost and fair value. When disposing of a part of the holding of an individual investment, the carrying amount of cost allocated to the part that is disposed is determined on the basis of the average carrying amount of the total holding of the investment.

1.5 Trade Receivables and Loans and Advances:

Trade Receivables and Loans and Advances are stated after making adequate provision for doubtful balances.

1.6 Revenue Recognition:

Revenue is recognised only when it can be reliably measured and when no significant uncertainty exists regarding the amount of consideration that will be derived from the rendering the service. Dividend income is recognised when right to receive is established. Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable.

1.7 Retirement Benefits:

- i) The Company makes contribution towards Provident Fund & Family Pension Fund which are defined contribution schemes. The Company's contribution is recognised as an expense in the Profit and Loss Statement during the period in which the employee renders the related service. Liability in respect thereof is determined on the basis of contribution as required under the statute/rules.
- ii) The Company contributes to defined benefit schemes for Gratuity which is administered through duly constituted and approved independent trust. The liability for Gratuity and leave encashment is determined on the basis of actuarial valuations made at the year end.
- iii) Actuarial gains and losses in respect of post-employment and other long term benefits are charged to the Profit and Loss Statement.

1.8 Foreign Exchange Transactions:

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. Exchange difference arising out of the said transactions other than those relating to fixed assets are recognised in the Profit and Loss Account. Exchange difference in respect of liabilities incurred for the acquisition of fixed assets are adjusted to the cost of the assets.

Monetary assets and liabilities denominated in foreign currency are translated at the exchange rates prevailing on the balance sheet date.

1.9 Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

1.10 Taxation:

Income tax expense comprises of current tax and deferred tax. The deferred tax charge or credit is recognised using current tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date. Where there is an unabsorbed depreciation or carry forward loss, deferred tax assets are recognised only if there is virtual certainty that sufficient future taxable income will be available to realise the same. Other deferred tax assets are recognised only to the extent there is reasonable certainty that sufficient future income will be available to realise the same. Deferred tax assets/liabilities are reviewed as at each balance sheet date based on developments during the year and available case laws, to reassess realisation/liabilities.

1.11 Leases:**1.11.1 Finance Lease**

Finance Lease, which transfer substantially all the risks and rewards incident to ownership of the leased item, are capitalized at the lower of the fair value of the leased asset and present value of the minimum lease payment of the leased asset at the inception of the lease term and disclosed as leased assets.

Operating Lease

1.11.2 The assets given under operating lease are shown in the balance sheet under fixed assets and depreciated on a basis consistent with the depreciaion policy of the company. The net lease income is recognised in the profit & loss account on a straight line basis over the period during which the benefit is derived from the leased assets.

1.12 Provision, Contingent Liabilities and Contingent Assets:

Provision is recognised in the accounts when there is a present obligation as a result of past events(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Contingent liabilities are usually not provided for unless it is probable that the future outcome may be materially detrimental to the Company and are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

1.13 Segment Reporting:

The Company is principally engaged in the business of Business process outsourcing which is the only reportable segment as per Accounting Standard 17 issued by the Institute of Chartered Accountants of India on "Segment Reporting".

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

| Particulars | As at 31st March, 2017 ₹ | As at 31st March, 2016 ₹ | | |
|---|--------------------------------|--------------------------------|---------------------------|---------------|
| 2 SHARE CAPITAL | | | | |
| Authorised Share Capital : | | | | |
| 7,000,000 Equity Shares of ₹10 each (Previous Year 7,000,000 of ₹10 each) | 70,000,000 | 70,000,000 | | |
| 50,000 15% (Free of Company's tax, but subject to deduction of tax at source at the prescribed rates) "A" Cumulative Redeemable Preference Shares of ₹ 100 each (Previous Year 50,000 of ₹100 each) | 5,000,000 | 5,000,000 | | |
| TOTAL | <u>75,000,000</u> | <u>75,000,000</u> | | |
| Issued, Subscribed and Paid-up : | | | | |
| 4,169,100 Equity Shares of ₹10 each fully paid up (Previous Year 4,169,100 of ₹10 each) | 41,691,000 | 41,691,000 | | |
| TOTAL | <u>41,691,000</u> | <u>41,691,000</u> | | |
| 2.1 The Reconciliation of the number of shares outstanding is set out below: | | | | |
| Equity shares at the beginning of the year | 4,169,100 | 4,169,100 | | |
| Add: Shares issued during the year | - | - | | |
| Less: Shares cancelled/bought back during the year | - | - | | |
| Equity shares at the end of the year | <u>4,169,100</u> | <u>4,169,100</u> | | |
| 2.2 The Equity Shares of the Company have voting rights and are subject to the restrictions as prescribed under the Companies Act, 2013. | | | | |
| 2.3 The details of Shareholders holding more than 5 percent shares: | | | | |
| | As at 31st March 2017 | As at 31st March 2016 | | |
| Name of the shareholder | No. of Shares | % held | No. of Shares | % held |
| 1) Khandelwals Limited, Holding Company | 2,678,220 | 64.24 | 2,678,220 | 64.24 |
| 2) Life Insurance Corporation of India Ltd. | 384,750 | 9.23 | 384,750 | 9.23 |
| 2.4 Disclosures pursuant to Note no. 6(A)(h,i,j,k,l) of Part I of Schedule III to the Companies Act, 2013 is NIL. | | | | |
| 3 RESERVES AND SURPLUS | | | | |
| Surplus i.e. Balance in Statement of Profit & Loss | | | | |
| As per last Balance Sheet | | 95,675,532 | 91,174,091 | |
| Add: Profit after tax for the period | | 14,732,340 | 9,519,272 | |
| | (A) | <u>110,407,872</u> | <u>100,693,363</u> | |
| <u>Less: Appropriations</u> | | | | |
| Proposed Dividend on Equity shares | | - | (4,169,100) | |
| Current year : Nil (Previous Year Rupee One) | | | | |
| Dividend Distribution Tax | | - | (848,731) | |
| | (B) | <u>-</u> | <u>(5,017,831)</u> | |
| Total | | <u>110,407,872</u> | <u>95,675,532</u> | |

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

| Particulars | As at 31st March, 2017 | | As at 31st March, 2016 | |
|--|---------------------------|----------------|---------------------------|----------------|
| | ₹ | | ₹ | |
| 4 LONG TERM BORROWINGS | Non Current | Current | Non Current | Current |
| <u>Secured Loans</u> | | | | |
| Term loans | | | | |
| a <u>From banks</u> | | | | |
| ICICI Bank- Car Loan | - | - | - | 289,734 |
| - Fixed Interest @ 10.38% p.a. | | | | |
| -Secured by hypothecation of motor car purchased under the loan (since released) | | | | |
| - (Refer Note 8) | | | | |
| b <u>From other parties-</u> | | | | |
| Kotak Mahindra Prime Ltd-Car Loan I | - | 294,031 | 294,031 | 358,752 |
| -Fixed interest @ 10.21% p.a. | | | | |
| -Secured by hypothecation of motor car purchased under the loan | | | | |
| -Repayment in 59 Equated Monthly instalments (EMI) of ₹ 34,075/- each till December, 2017, of which principal sum therein totalling to ₹ 2,94,031/- payable over balance 9 EMI are short term maturities. | | | | |
| (Refer Note 8) | | | | |
| Kotak Mahindra Prime Ltd-Car Loan II | 853,349 | 279,324 | 1,132,673 | 254,654 |
| -Fixed interest @ 10.21% p.a. | | | | |
| -Secured by hypothecation of motor car purchased under the loan | | | | |
| -Repayment in 59 Equated Monthly instalments (EMI) of ₹ 31,065/- each till October, 2020, of which principal sum therein totalling to ₹ 8,53,349/- payable over balance 31 EMI's are Long term maturities. | | | | |
| (Refer Note 8) | | | | |
| Total | 853,349 | 573,355 | 1,426,703 | 903,140 |

4.1 There has been no default in repayment of principle and interest on the above loans.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

| Particulars | As at 31st March, 2017 ₹ | As at 31st March, 2016 ₹ | | |
|--|---|--------------------------------|--------------------|------------------|
| 5 OTHER LONG TERM LIABILITIES | | | | |
| Others | | | | |
| Security Deposits | 7,014,000 | 7,014,000 | | |
| Total | <u>7,014,000</u> | <u>7,014,000</u> | | |
| 6 LONG TERM PROVISIONS | Non Current | Current | Non Current | Current |
| Provision for employee benefits: (Refer note 9) | 284,425 | 788,779 | 95,779 | 475,650 |
| Provision for Tax (Net of Advance Tax) | (119,273) | | | |
| Total | <u>165,152</u> | <u>788,779</u> | <u>95,779</u> | <u>475,650</u> |
| 6.1 | The Company contributes to defined benefit schemes for Gratuity which is administered through duly constituted and approved independent trust. The liability for Gratuity and leave encashment is determined on the basis of actuarial valuations made at the year end. | | | |
| 7 TRADE PAYABLES | | | | |
| Others | | 1,761,369 | | 2,121,255 |
| Total | | <u>1,761,369</u> | | <u>2,121,255</u> |

7.1 The balances of Trade Payables are subject to confirmation.

7.2 In the absence of information with the company, the names of Micro, Small and Medium Enterprises to whom the company owes any sum together with interest outstanding for more than 30 days have not been given. The Auditors have relied upon this management representation.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

| Particulars | As at 31st March, 2017 ₹ | As at 31st March, 2016 ₹ |
|---|--------------------------------|--------------------------------|
| 8 OTHER CURRENT LIABILITIES | | |
| Current maturities of long term debt | | |
| (Refer Note 4) | | |
| From banks | - | 289,734 |
| From other parties- | | |
| Car Loan I | 294,031 | 358,752 |
| Car Loan II | 279,324 | 254,654 |
| | 573,355 | 903,140 |
| Income received in advance | - | - |
| Unpaid dividends | 1,353,672 | 1,303,423 |
| Other payables | 2,006,382 | 2,583,556 |
| Total | <u>3,933,409</u> | <u>4,790,119</u> |

8.1 Other payables includes statutory dues, security deposits and rent payable.

9 SHORT TERM PROVISIONS

| | | |
|--|-----------------------|-------------------------|
| Provision for employee benefits | 788,779 | 475,650 |
| (Refer note 6) | | |
| Others | | |
| Proposed dividend | - | 4,169,100 |
| Tax on Distributed Profits (Dividend) | - | 848,731 |
| Total | <u>788,779</u> | <u>5,493,481</u> |

9.1 The Company contributes to defined benefit schemes for Gratuity which is administered through duly constituted and approved independent trust. The liability for Gratuity and leave encashment is determined on the basis of actuarial valuations made at the year end.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017
Note 10: FIXED ASSETS

| PARTICULARS | GROSS BLOCK | | | DEPRECIATION/AMORTISATION | | | | | NET BLOCK | | |
|-------------------------------------|-------------------|---------------------------|---|---------------------------|-------------------|---------------------------|---|--------------------------------|---|-------------------|-------------------|
| | As at 01.04.2016 | Additions during the year | Deductions/ Adjustments during the year | As at 31.03.2017 | As at 01.04.2016 | Depreciation For the year | Deductions/ Adjustments during the year | Adjusted With Retained Earning | Accumulated depreciation up to 31.03.2017 | As at 31.03.2017 | As at 31.03.2016 |
| Tangible Assets | | | | | | | | | | | |
| Own Assets | | | | | | | | | | | |
| Buildings-Freehold | 24,000,052 | - | - | 24,000,052 | 7,288,813 | 466,271 | - | - | 7,755,084 | 16,244,968 | 16,711,239 |
| Plant and Equipment | | | | | | | | | | | |
| a. Computers | 2,364,714 | 278,863 | 451,026 | 2,192,551 | 1,862,963 | 295,541 | - | 432,154 | 1,726,350 | 466,200 | 501,749 |
| b. Electrical Installation | 1,485,347 | - | - | 1,485,347 | 800,856 | 62,315 | - | - | 863,171 | 622,176 | 684,490 |
| Furniture & Fixtures | 2,664,177 | - | 306,753 | 2,357,424 | 2,100,699 | 224,720 | - | 291,423 | 2,033,996 | 323,428 | 563,477 |
| Vehicles | 7,105,085 | - | - | 7,105,085 | 2,168,055 | 803,066 | - | - | 2,971,121 | 4,133,962 | 4,937,030 |
| Office Equipment | 2,245,025 | 302,629 | 20,700 | 2,526,954 | 973,209 | 402,531 | - | 19,665 | 1,356,075 | 1,170,878 | 1,271,816 |
| Total | 39,864,400 | 581,492 | 778,479 | 39,667,412 | 15,194,595 | 2,254,444 | - | 743,242 | 16,705,797 | 22,961,613 | 24,669,800 |
| Leased Assets | | | | | | | | | | | |
| Buildings Leasehold | 8,537,100 | - | - | 8,537,100 | 1,481,553 | 134,301 | - | - | 1,615,854 | 6,921,246 | 7,055,547 |
| Total Tangible Assets (A) | 48,401,500 | 581,492 | 778,479 | 48,204,512 | 16,676,148 | 2,388,745 | - | 743,242 | 18,321,651 | 29,882,857 | 31,725,347 |
| Intangible Assets | | | | | | | | | | | |
| Computers-Software | 873,441 | 158,768 | 70,480 | 961,729 | 567,348 | 215,427 | - | 66,956 | 715,819 | 245,910 | 306,093 |
| Total Intangible Assets (B) | 873,441 | 158,768 | 70,480 | 961,729 | 567,348 | 215,427 | - | 66,956 | 715,819 | 245,910 | 306,093 |
| Grand Total (A+B) | 49,274,941 | 740,260 | 848,959 | 49,166,241 | 17,243,496 | 2,604,172 | - | 810,198 | 19,037,470 | 30,128,767 | 32,031,443 |
| Previous year | 48,243,402 | 3,182,028 | 2,150,489 | 49,274,940 | 15,973,024 | 2,852,737 | - | 1,582,265 | 17,243,496 | 32,031,443 | 32,270,371 |
| Intangible assets under Development | - | 183,138 | - | 183,138 | - | - | - | - | - | 183,138 | - |

Notes :

10.1 Buildings-Freehold Include:

The face value of shares held in co-operative housing societies amounting to ₹ 81,750/- viz:

(a) Shree Nirmal Commercial Limited: 765 shares of ₹100 each fully paid up.

(b) The Malabar Hill Co-Operative Housing Society Limited: 105 shares of ₹50 each fully paid up

The Net Block of both the above premises included herein is ₹16,711,239/- (Previous Year ₹17,093,520/-)

10.2 Buildings-Leasehold Include:

Unit No.302, 303 & 304 at Mahape, having aggregate Gross Block value ₹85,37,100/- (Previous Year ₹65,37,100/-) have been acquired on 95 years lease from MIDC.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

| Particulars | As at 31st March,2017 ₹ | As at 31st March,2016 ₹ |
|--|-------------------------------|-------------------------------|
| 11 NON-CURRENT INVESTMENTS | | |
| (At Cost Less permanent diminution in value (if any)) | | |
| OTHER INVESTMENTS | | |
| Investments in Equity Instruments- Unquoted, Fully paid up | | |
| Gras Education and Training Services Pvt. Ltd. [159,957 Equity Shares (Previous Year :159,957) of ₹10 each] | 22,537,500 | 22,537,500 |
| Amigo Sport Private limited [5,263 Equity Shares (Previous Year :5,263) of ₹10 each] | 24,999,250 | 24,999,250 |
| Entecres Labs Pvt.Ltd [4,680 Equity Shares (Previous Year :Nil) of ₹10 each] | 10,487,880 | |
| Gujarat Steel Tubes Limited [180 Equity Shares (Previous year :180) of ₹10/- each] | 375 | 375 |
| Less: Provision for diminution in value of investments | (375) _____ | (375) _____ |
| Total Unquoted investments (i) | 58,024,630 | 47,536,750 |
| Investments in Equity Instruments- Quoted, Fully paid up | | |
| Zenith Birla (India) Ltd [22 Equity Shares (Previous year :22) of ₹10/- each] | 622 | 622 |
| Birla Precision Technologies Ltd (118,041 equity shares (Previous year :7) of ₹ 2/- each) | 657,151 | - |
| Mahindra & Mahindra Financial Services Ltd [Nil Equity Shares (Previous year : 2,580) of ₹ 2/- each] | - | 520,516 |
| Nagpur Power & Industries Ltd [2,54,232 Equity Shares (Previous year : 2,54,232) of ₹10/- each] | 10,290,038 | 10,290,038 |
| Globus Spirits Ltd (Nil equity shares (Previous year:25,000) of ₹10/- each) | - | 2,500,000 |
| Power Grid Corporation of India Ltd (23,273 equity shares (Previous year: 18,273) of ₹10/- each) | 3,063,366 | 2,133,917 |
| Total Quoted Investments (ii) | 14,011,177 | 15,445,092 |
| Total Non Current Investments (i + ii) | 72,035,807 | 62,981,842 |
| Aggregate amount of quoted investments | 14,011,177 | 15,445,092 |
| Market value of quoted investments | 14,127,226 | 11,236,391 |
| Aggregate amount of unquoted investments | 58,025,005 | 47,537,125 |
| Aggregate provision for diminution in value of investments | 375 | 375 |

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

| Particulars | As at 31st March,2017 ₹ | As at 31st March,2016 ₹ |
|--|-------------------------------|-------------------------------|
| 12 LONG TERM LOANS AND ADVANCES | | |
| (Unsecured, Considered Good) | | |
| Security Deposits | 754,380 | 805,380 |
| Other Loans and Advances | | |
| Service tax credit Receivable | 1,164,402 | 1,164,402 |
| Total | <u>1,918,782</u> | <u>1,969,782</u> |

12.1 Security Deposits of ₹ 4000 are subject to confirmation.

12.2 In the opinion of the board, loans and advances have a value on realisation in the ordinary course of business at least equal to the sums stated.

13 CURRENT INVESTMENTS

(At lower of cost or market value)

Investments in Mutual Funds- Unquoted

| | | | |
|--|-------------------|-----------|------------------|
| Canara Robeco Dynamic Bond Fund | - | 3,866,125 | |
| (Nil units (Previous year: 2,98,909.513 Units) | | - | - |
| Franklin India Feeder-Franklin US Opportunities Fund | 24,500,000 | | |
| (11,88,847. 158 Units) Previous year: Nil) | | | |
| | 24,500,000 | - | 3,866,125 |

Investments in Equity Instruments- Quoted, Fully paid up

| | | | |
|--|-----------|-----------|--|
| ACC Ltd | - | 678,251 | |
| (Nil equity shares (Previous year:500) of ₹10/- each) | | | |
| Ashiana Housing Ltd | 1,877,397 | 2,458,757 | |
| (9,500 equity shares (Previous year:22,186) of ₹ 2/- each) | | | |
| Ashok Leyland Ltd | - | 2,499,858 | |
| (Nil equity shares (Previous year:74,500) of ₹1/- each) | | | |
| Alembic Pharmaceuticals Ltd | 2,581,261 | 2,581,261 | |
| (7,600 equity shares (Previous year:7,600) of ₹2/- each) | | | |

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

| Particulars | As at 31st March,2017 ₹ | As at 31st March,2016 ₹ |
|--|-------------------------------|-------------------------------|
| Axis Bank Ltd (Nil equity shares (Previous year:500) of ₹2/- each) | - | 276,410 |
| Balaji Telefilms Ltd (45,033 equity shares (Previous year:82,000) of ₹2/- each) | 2,897,630 | 5,276,257 |
| BASF India Ltd (450 equity shares (Previous year:450) of ₹10/- each) | 563,757 | 563,757 |
| Ballarpur Industries Ltd (67,000 equity shares (Previous year:192,000) of ₹2/- each) | 1,027,227 | 2,943,695 |
| Cairn India Ltd (1500 equity shares (Previous year:Nil) of ₹2/- each) | 382,771 | |
| Crompton Greaves Consumer Electricals Ltd (Nil equity shares (Previous year:Nil) of ₹2/- each) (In lieu of demerger of Crompton Greaves Ltd) | - | 1 |
| Crompton Greaves Ltd (Nil equity shares (Previous year:8,100) of ₹2/- each) | - | 1,445,156 |
| Dish TV India Ltd (5,000 equity shares (Previous year:47,500) of ₹1/- each) | 550,001 | 3,128,879 |
| EPC Industries Ltd (Nil equity shares (Previous year:6,000) of ₹10/- each) | - | 727,923 |
| HDFC Bank Ltd (400 equity shares (Previous year:400) of ₹2/- each) | 410,561 | 410,561 |
| HDFC Ltd (Nil equity shares (Previous year:400) of ₹2/- each) | - | 499,797 |
| Hindalco Industries Ltd (9,100 equity shares (Previous year:9,100) of ₹1/- each) | 1,291,572 | 1,291,572 |
| IDFC Bank Ltd (2,000 equity shares (Previous year:2,000) of ₹10/- each) | 110,006 | 110,006 |
| Infosys Limited (1,250 equity shares (Previous year:Nil) of ₹ 5/- each) | 1,312,398 | - |

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

| Particulars | As at 31st March,2017 ₹ | As at 31st March,2016 ₹ |
|---|-------------------------------|-------------------------------|
| Infra Development Finance Limited (Nil equity shares (Previous year:2,000) of ₹10/- each) | - | 169,055 |
| ITC Ltd (1,500 equity shares (Previous year:1,000) of ₹1/- each) (500 Bonus Shares received in 2:1 ratio) | 313,029 | 313,029 |
| Indosolar Ltd (25,000 equity shares (Previous year:Nil) of ₹ 10/- each) | 184,910 | - |
| Kotak Mahindra Bank Ltd (5,370 equity shares (Previous year:5,370) of ₹5/- each) | 2,752,228 | 2,752,228 |
| Larsen and Toubro Ltd (1,750 equity shares (Previous year:1,750) of ₹2/- each) | 2,499,085 | 2,499,085 |
| Mahindra & Mahindra Ltd (800 equity shares (Previous year:800) of ₹5/- each) | 1,061,883 | 1,061,883 |
| Marico Ltd (Nil equity shares (Previous year:6,800) of ₹1/- each) | - | 968,132 |
| Nitco Ltd (Nil equity shares (Previous year:20,000) of ₹10/- each) | - | 1,002,658 |
| Noida Toll Bridge Ltd (Nil equity shares (Previous year:92,000) of ₹10/- each) | - | 2,504,326 |
| Pidilite Industries Ltd (Nil equity shares (Previous year:1,800) of ₹1/- each) | - | 561,980 |
| Solar Industries Ltd (500 equity shares (Previous year:Nil) of ₹2/- each) | 326,308 | - |
| Tata Consultancy Services Ltd (900 equity shares (Previous year:100) of ₹1/- each) | 1,971,866 | 231,503 |
| Tata Motors Ltd (2,000 equity shares (Previous year:Nil) of ₹2/- each) | 918,672 | - |

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

| Particulars | As at 31st March,2017 ₹ | As at 31st March,2016 ₹ |
|---|-------------------------------|-------------------------------|
| Tech Mahindra Ltd (Nil equity shares (Previous year:700) of ₹5/- each) | - | 339,509 |
| The Indian Hotels Company Ltd (Nil equity shares (Previous year:775) of ₹1/- each) | - | 42,625 |
| Torrent Power Ltd (9,000 equity shares (Previous year:9,000) of ₹10/- each) | 1,034,584 | 1,034,584 |
| TV Today Network Ltd (22,000 equity shares (Previous year:40,200) of ₹5/- each) | 3,801,382 | 6,574,953 |
| Ultratech Cement Ltd (Nil equity shares (Previous year:600) of ₹10/- each) | - 27,868,527 | 1,355,511 46,303,201 |
| Less: Provision for diminution in value of investment | (168,781) | (3,372,849) |
| Total Current Investments | <u>52,199,746</u> | <u>46,796,477</u> |
| Market Value of quoted investments | 38,771,419 | 65,353,202 |
| Aggregate cost of quoted investments | 27,868,527 | 46,303,201 |
| Aggregate cost of unquoted investments | 24,500,000 | 3,866,125 |
| Aggregate provision for diminution in value of investments | 168,781 | 3,372,849 |
| 14 TRADE RECEIVABLES | | |
| Unsecured | | |
| Considered Good | | |
| Others | 2,724,259 | 5,082,495 |
| Total | <u>2,724,259</u> | <u>5,082,495</u> |

14.1 The balances of Trade Receivables are subject to confirmation.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

| Particulars | As at 31st March,2017 ₹ | As at 31st March,2016 ₹ |
|---|-------------------------------|-------------------------------|
| 15 CASH AND CASH EQUIVALENTS | | |
| Balance with Banks | 1,189,894 | 2,425,444 |
| Cash on Hand | 29,517 | 29,178 |
| Other Bank Balances | | |
| Unclaimed Dividend | 1,353,672 | 1,303,423 |
| Fixed Deposits | 1,053,583 | 948,900 |
| Total | <u><u>3,626,666</u></u> | <u><u>4,706,945</u></u> |
| | | |
| 16 SHORT TERM LOANS AND ADVANCES | | |
| Unsecured | | |
| Considered Good | | |
| Others | | |
| (i) Advance recoverable in cash or in kind or for value to be received | 577,306 | 585,823 |
| (ii) Other Advances | 1,513,300 | 5,371,018 |
| (iii) Advance Tax (Net of Provision) | 1,707,159 | (1,299,155) |
| Total | <u><u>3,797,765</u></u> | <u><u>4,657,685</u></u> |
| | | |
| 16.1 The balances of Loans & Advances are subject to confirmation. | | |
| 16.2 In the opinion of the board, the Loans and Advances have a value on realisation in the ordinary course of business at least equal to the sums stated. | | |
| 16.3 Other advances include inter Company deposit, demand loans and advance against salaries. | | |
| 16.4 Advance recoverable in cash or in kind or for value to be received include advances for expense and prepaid expense. | | |
| | | |
| 17 OTHER CURRENT ASSETS | | |
| Others | | |
| Interest accrued on loans and Advances | - | 81,201 |
| Total | <u><u>-</u></u> | <u><u>81,201</u></u> |

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

| Particulars | For the year ended 31st March, 2017 ₹ | For the year ended 31st March, 2016 ₹ |
|---|---|---|
| 18 REVENUE FROM OPERATIONS | | |
| Sale of Services | 28,720,232 | 30,893,180 |
| Total | <u>28,720,232</u> | <u>30,893,180</u> |
| 19 OTHER INCOME | | |
| Interest | 232,543 | 188,726 |
| Dividend | 492,115 | 779,547 |
| Net gain/loss on sale of Current Investments | <u>10,392,962</u> | <u>2,086,094</u> |
| Other non-operating income (net of expenses directly attributable to such income) | 13,358,548 | 14,056,091 |
| Profit on sale of assets | - | 3,744 |
| Reversal of Provision for Diminution in value of investment | 3,204,068 | - |
| Miscellaneous | 31,876 | 297,550 |
| Total | <u>27,712,112</u> | <u>17,411,751</u> |
| 20 EMPLOYEE BENEFITS EXPENSES | | |
| Salaries and wages | 15,148,366 | 11,575,508 |
| Contribution to provident and other funds | 599,636 | 380,951 |
| Leave salary | 273,991 | 64,655 |
| Gratuity | 498,463 | 443,724 |
| Staff welfare expenses | 379,851 | 280,175 |
| Training Expenses | 358,560 | 557,060 |
| Total | <u>17,258,867</u> | <u>13,302,073</u> |
| 21 FINANCE COSTS | | |
| Interest Expense | | |
| Interest on car loan | 180,820 | 177,951 |
| Interest on shortfall in payment of advance tax | 15,338 | 134,585 |
| Other Interest | - | 23,015 |
| Total | <u>196,158</u> | <u>335,551</u> |

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

| Particulars | For the year ended 31st March, 2017 ₹ | For the year ended 31st March, 2016 ₹ |
|---|---|---|
| 22 OTHER EXPENSES | | |
| Power and fuel | 815,049 | 842,317 |
| Repairs to buildings (including maintenance) | 282,723 | 281,401 |
| Insurance | 125,434 | 215,754 |
| Rates and taxes, excluding taxes on income | 365,279 | 366,844 |
| Communication Expenses | 546,205 | 574,078 |
| Professional Fees | 6,724,614 | 3,997,437 |
| Travelling expenses | 3,823,928 | 2,443,351 |
| Conveyance | 671,777 | 656,032 |
| Staff Bus charges | 1,072,003 | 984,578 |
| Office maintenance Charges | 85,182 | 56,963 |
| Repairs to others | 1,920,688 | 1,876,057 |
| Printing & Stationery | 63,091 | 183,307 |
| Provision for diminution in value current of investment | - | 2,333,960 |
| Donation | 235,000 | 500,000 |
| Upkeep charges of surface transport vehicle | 1,762,478 | 281,431 |
| Payment to Auditor | 232,855 | 268,836 |
| Miscellaneous expenses | 2,347,979 | 1,867,539 |
| Total | <u>21,074,284</u> | <u>17,729,885</u> |

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

23. Defined Benefit Plans:

As per Actuarial valuation as on 31st March, 2017 and recognised in the financial statements in respect of employee benefit schemes:

| | Gratuity (In ₹) | Leave Encashment (In ₹) |
|--|----------------------------|------------------------------------|
| A Components of employer expenses: | | |
| a) Interest cost from 01.04.16 to 31.03.17 | 68,931 | 7,569 |
| b) Service cost from 01.04.16 to 31.03.17 | 311,320 | 83,309 |
| c) Actual return on plan assets | (49,565) | NA |
| d) Curtailment cost/credit | Nil | Nil |
| e) Settlement cost/credit | Nil | Nil |
| f) Past service cost | Nil | Nil |
| g) Actuarial (gain)/loss | 1,63,156 | 1,83,113 |
| h) Net cost provided as expense in P&L Account | 4,93,842 | 2,73,991 |
| B Net Asset / Liability recognised in Balance Sheet as at 31st March, 2017 | | |
| a) Present value of obligation as at 31.03.17 | 14,06,921 | 3,35,519 |
| b) Fair value of plan assets as at 31.03.17 | 6,69,236 | Nil |
| c) Un-funded / (over-funded) liability recognised in the Balance Sheet | 7,37,685 | 3,35,519 |
| C Changes in benefit obligation during the year 31st March, 2017 | | |
| a) Actuarial value of projected benefit obligations (PBO) as at 01.04.2016 | 8,61,639 | 1,27,705 |
| b) Service cost from 01.04.16 to 31.03.17 | 3,11,320 | 83,309 |
| c) Interest cost from 01.04.16 to 31.03.17 | 68,931 | 7,569 |
| d) Curtailment cost / (credit) | Nil | Nil |
| e) Settlement cost / (credit) | Nil | Nil |
| f) Plan amendments | Nil | Nil |
| g) Acquisitions | Nil | Nil |
| h) Actuarial (gain)/loss obligations | 1,65,031 | 1,83,113 |
| i) Benefits paid from 01.04.16 to 31.03.17 | Nil | (66,177) |
| j) PBO as at 31.03.17 | 14,06,921 | 3,35,519 |
| D Change in the value of plan assets | | |
| a) Fair value of plan assets as at 01.04.16 | 4,17,915 | NA |
| b) Actual return on plan assets | 49,565 | Nil |
| c) Actuarial (gain) /loss | Nil | Nil |
| d) Actual company contribution | 1,99,881 | 66,177 |
| e) Benefits paid | Nil | (66,177) |
| f) Bank balance | 1,875 | Nil |
| g) Plan assets as at 31.03.17 | 6,69,236 | NA |
| E Actuarial assumptions | | |
| a) Rate of discounting (p.a) | 7.50% p.a. | |
| b) Rate of increase in compensation level (p.a) | 5.00% p.a. | |
| c) Rate of withdrawal (p.a) | 1.00% p.a. | |
| e) Retirement age | 58 years | |

The company has relied on the valuation certificate issued by consulting Actuary for calculating the actuarial value of gratuity liability of the employees of the company interms of AS 15 (revised) issued by the Institute of Chartered Accountants of India.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

24. Contingent Liabilities and Commitments (to the extent not provided for) (In ₹)

| Particulars | As at | |
|---|------------------|------------------|
| | 31st March, 2017 | 31st March, 2016 |
| (i) Contingent liability | | |
| (a) Claims against the company not acknowledged as debt: | | |
| In respect of Income Tax Matters | 3,046,687 | 3,254,276 |
| (b) Guarantees | - | - |
| (c) Other money for which the company is contingently liable | - | - |
| Commitments | - | - |
| Total contingent liabilities and commitments | 3,046,687 | 3,254,276 |

25. The company has carried forward long term capital loss available for set-off against the future profits under the Income Tax Act, 1961. Considering the nature of business, viz. uncertainty regarding generation of sufficient future income for set off against the said carry forwards, net deferred tax assets at the year end including related credit for the year have not been recognised in these accounts on prudent basis.

26. **Disclosures as required under AS-18, "Related Party Disclosures" are given below:**

a) **Name and Nature of Relationship of the Related Parties:**

| | Name of the Related Party | Nature of Relationship |
|---|--------------------------------|---|
| a | Khandelwals Limited | Holding Company |
| b | Entecres Labs Private Limited | Associate Company |
| c | Nagpur Power & Industries Ltd. | Enterprise that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the reporting enterprise |
| d | Zeppelin Investment Pvt. Ltd. | |

b) **Name of the Related Parties having transaction with the company during the year and the details of transactions carried out with them :**

| | | |
|---|------------------------|--------------------|
| 1. Enterprises owned or significantly influenced by any management personnel or their relatives | | (In ₹) |
| a) Ramprasad Khandelwal Memorial Trust Donation Given | | 235,000 |
| | | (500,000) |
| 2. Key Management Personnel | Designation | (In Rs.) |
| a) Miss.Reena Yadav | Company Secretary | 506,680 |
| | | (402,709) |
| b) Mrs.Roshan D'souza | Chief Finance Officer | 600,105 |
| | | (547,975) |
| c) Mr.Nilesh Mohite | Manager(upto 04.11.15) | Nil |
| | | (387,087) |
| d) Ms. Suelve Khandelwal-Remuneration | Director | 4,800,000 |
| | | (4,800,000) |

Figures in brackets are related to previous year

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

3. Relatives of Key Management Personnel* -----Nil-----

* The Company does not have an exhaustive list of business or professions in which relatives of directors of the company have substantial interest. As such, payments made to any such persons, if any have not been identified. This management representation has been relied upon by the auditors.

c) Balance outstanding, amounts written off / written back and provision for doubtful debts as at 31st March, 2017

| SI. No. | PARTICULARS | Balance Outstanding (₹) | Written off/ back (₹) | Provision for Doubtful Debts |
|----------|---------------------------------|-------------------------------|-----------------------------|------------------------------------|
| 1 | Key Management Personnel | | | |
| a | Ms. Suelve Khandelwal | 344,622 (399,870) | Nil (Nil) | Nil (Nil) |

Figures in brackets are related to previous year

27. Earnings Per Share: (In ₹)

| PARTICULARS | | For the year ended 31 st March, 2017 | For the year ended 31 st March, 2016 |
|---|-------|--|--|
| Profit/(loss) for the year (₹) | (A) | 14,732,340 | 9,519,272 |
| Number of equity shares outstanding | (B) | 4,169,100 | 4,169,100 |
| Earnings per share (₹)(Basic & Diluted) | (A/B) | 3.534 | 2.283 |
| Face value per share (₹) | | 10 | 10 |

28. Payment to auditors (In ₹)

| PARTICULARS | For the year ended 31 st March, 2017 | For the year ended 31 st March, 2016 |
|------------------------------------|--|--|
| As auditor | 146,063 | 130,848 |
| For taxation matters | 59,457 | 55,143 |
| For company law matters | - | - |
| For management services | - | - |
| For other services (certification) | 27,335 | 53,683 |
| For reimbursement of expense | - | 29,162 |
| Total | 232,855 | 268,836 |

29. Earnings in foreign exchange (In ₹)

| PARTICULARS | For the year ended 31 st March, 2017 | For the year ended 31 st March, 2016 |
|------------------------------|--|--|
| Sales | | |
| Business Process Outsourcing | 28,720,232 | 30,893,180 |
| Total | 28,720,232 | 30,893,180 |

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

30. Expenditure in foreign currency (In ₹)

| PARTICULARS | For the year ended | For the year ended |
|------------------------------------|------------------------------|------------------------------|
| | 31 st March, 2017 | 31 st March, 2016 |
| Professional and consultation fees | | |
| Other matters: | 887,548 | 324,232 |
| Foreign travel | 495,083 | 533,580 |
| Training expenses | 279,787 | 557,060 |
| Total | 1,662,418 | 1,414,872 |

31. Fixed assets taken on finance lease on which future obligations towards lease rentals under the lease agreements as on 31st March, 2017 amount to ₹ Nil
(Previous year ₹ Nil)

32. The company has entered into licensing agreement with 2 parties for use of its premises and the future minimum license payments under non-cancellable licenses in the aggregate are as under:

| PARTICULARS | For the year ended | For the year ended |
|--|------------------------------|------------------------------|
| | 31 st March, 2017 | 31 st March, 2016 |
| Not later than one year | 13,065,600 | 10,308,000 |
| Later than one year and not later than five year | 17,562,200 | 4,612,903 |
| Later than five year | - | - |
| Total | 30,627,800 | 14,920,903 |

33. Remittance in foreign currency on account of dividend

| PARTICULARS | For the year ended | For the year ended |
|---|------------------------------|------------------------------|
| | 31 st March, 2017 | 31 st March, 2016 |
| a) Number of non-resident shareholders | 1 | 1 |
| b) Number of equity shares held by them | 2,678,220 | 2,678,220 |
| c) (i) Amount of dividend paid | Rs. 2,678,220 | Rs. 2,678,220 |
| (ii) Tax Deducted at Source | Nil | Nil |
| (iii) Year to which dividend relates | F.Y. 2015-2016 | F.Y. 2014-2015 |

34. Details of specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as provided in the table below:

| | SBNs | Other denomination notes | Total |
|---------------------------------------|-------------|---------------------------------|--------------|
| Closing cash in hand as on 8-11-2016 | Nil | 41,039 | 41,039 |
| (+) Permitted receipts | Nil | 111,000 | 111,000 |
| (-) Permitted payments | Nil | 111,118 | 111,118 |
| (-) Amount deposited in Banks | Nil | Nil | Nil |
| Closing cash in hand as on 30-12-2016 | Nil | 40,921 | 40,921 |

35. Previous year figures have been reclassified and/or regrouped and/or rearranged wherever necessary to make them comparable with current year figures.

Signature to Notes 1 to 35 forms an integral part of the accounts.

As per our report of even date attached**For M.V.Ghelani & Co.****Chartered Accountants****Firm Regn. No. 119077W****M.V.Ghelani****Proprietor****Memb. No.031105****Mumbai, 30th May, 2017****For and on behalf of the Board of Directors****Gautam P. Khandelwal****DIN 00270717****Chairman****Nimis Sheth****DIN 00482739****Director****Reena yadav****(ICSI Reg.No. A36429)****Company Secretary****Mumbai, 30th May, 2017****Roshan Dsouza****Chief Finance Officer**

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

| | For the year ended 31st March, 2017 | | Amount in ₹ For the year ended 31st March, 2016 |
|--|--|---------------------|---|
| Cash Flows From Operating Activities | | | |
| Net Profit before tax | | 15,298,861 | 14,084,687 |
| Adjustments for .: | | | |
| Depreciation | 2,604,173 | | 2,852,736 |
| Net Loss on sale / write off of fixed assets | 38,762 | | 60,349 |
| Misc. bal. write off | 118,888 | | - |
| Reversal / Provision for diminution in value of investment | (3,204,068) | | 2,333,960 |
| Interest Expenses | 196,158 | | 335,551 |
| Dividend Income | (492,115) | | (779,547) |
| Interest Income | (232,543) | | (188,726) |
| Profit on sale of Investments | (10,392,962) | | (2,086,094) |
| Non-Operating Income (Net of expenses) | (13,358,548) | (24,722,254) | (14,056,091) |
| Operating Profit before changes in working capital | | (9,423,393) | (11,527,862) |
| Adjustment for changes in Working Capital | | | |
| (Increase) / Decrease in Trade receivables, loans and advances, other current assets | 4,221,373 | | (4,871,830) |
| Increase / (Decrease) in Trade payables, other liabilities and provisions | (3,450,077) | 771,296 | 559,592 |
| Cash generated from Operations | | (8,652,097) | (1,755,413) |
| Income Tax Paid | | (3,628,488) | (3,361,699) |
| Net cash generated from/(used in) Operating Activities (A) | | (12,280,585) | (5,117,112) |
| Cash Flows From Investing Activities | | | |
| Purchase of Fixed Assets | (923,398) | | (3,182,028) |
| Proceeds from sale of Fixed Assets | - | | 507,875 |
| Proceeds from Sale / Redumption of Investment | (860,204) | | (1,447,418) |
| Dividend Income | 492,115 | | 779,547 |
| Non-Operating Income (Net of expenses) | 13,358,548 | | 14,056,091 |
| Interest Income | 232,543 | | 188,726 |
| Net cash generated from/(used in) Investing Activities (B) | | 12,299,604 | 10,902,793 |
| Cash Flows From Financing Activities | | | |
| Proceeds from Secured Loan | - | | 1,387,327 |
| Repayment of car loan | (903,140) | | (681,600) |
| Interest Expenses | (196,158) | | (335,551) |
| Dividend paid (includes tax on distributed profits) | - | | (5,017,831) |
| Net Cash generated from/(used in) Financing Activities (C) | | (1,099,298) | (4,647,655) |
| Net Increase in Cash and Cash Equivalents (A+B+C) | | (1,080,279) | 1,138,026 |
| Cash & Cash Equivalent at the Beginning of the Period | | 4,706,945 | 3,568,919 |
| Cash & Cash Equivalent at the end of the Period | | 3,626,666 | 4,706,945 |

| | For and on behalf of the Board | |
|--|---|---|
| For M.V.Ghelani & Co. Chartered Accountants Firm Regn. No. 119077W | Gautam P. Khandelwal DIN 00270717 Chairman | Nimis Sheth DIN 00482739 Director |
| M.V.Ghelani Proprietor Memb. No.031105 Mumbai, 30th May,2017 | Reena yadav (ICSI Reg.No.A36429) Company Secretary Mumbai, 30th May,2017 | Roshan Dsouza Chief Finance Officer |

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

INFORMED TECHNOLOGIES INDIA LIMITED**Report on the Consolidated Financial Statements**

1. We have audited the accompanying consolidated financial statements of INFORMED TECHNOLOGIES INDIA LIMITED ("the Company"), and its associate, Entecres Labs Pvt. Ltd. (the company and its associate together referred to as the "Group"), which comprise the Consolidated Balance Sheet as at 31st March 2017, the Consolidated Profit and Loss Statement and Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information ("the consolidated financial statements") which we have signed under reference to this report.

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these Consolidated financial statement in the terms of Section 134(5) of the Companies Act 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group 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.

The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated financial statements by the Directors of the Company, as aforesaid.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated financial statements that give true and fair view in order to design audit procedures that are appropriate

in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the financial statements.

5. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated 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 of the consolidated state of the affairs of the Group as at 31st March 2017, and its consolidated profit/loss and its consolidated cash flows for the year ended on that date.

Other Matter

7. We did not audit the financial statements of the associate company, namely, Entecres Labs Pvt. Ltd. whose financial statements reflect total assets of Rs. 219.80 Lacs as at 31st March 2017, total revenues of Rs. 272.47 Lacs and net profit of Rs. 21.75 Lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements and other information have been audited by the other auditor whose report has been furnished to us by the management, and our opinion on the Consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the aforesaid associate; and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid associate, is based solely on the report of the other auditor.

Report On Other Legal and Regulatory Requirements

8. As required by section 143 (3) of the Act, based on our audit and on the consideration of the report of the other auditor on the separate financial statements of associate, as noted in Other Matter paragraph above, we report, to the extent applicable 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 of the aforesaid consolidated financial statements.
 - 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 and the reports of the other auditor.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the directors of the Holding Company as on 31st March 2017, and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its associate company, none of the directors of the Group is disqualified as on 31st March 2017, from

being appointed as a director in terms of section 164(2) of the Act.

- f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A" and
- g. 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, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Consolidated financial statements disclose the impact of pending litigation on the consolidated financial position of the Group – Refer Note 24 to the consolidated financial statements;
 - (ii) The Group did not have any material foreseeable losses 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 Holding Company and its associate company, if required ; and
 - iv) The company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and the relevant transactions are in accordance with the books of accounts maintained by the company.

For **M.V. GHELANI & CO.**
CHARTERED ACCOUNTANTS
Firm Regn. No. 119077W

(M. V. GHELANI)
PROPRIETOR
Membership No.: 031105

Place : Mumbai

Date : 30 May, 2017

ANNEXURE A TO THE AUDITOR'S REPORT ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2017

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section in our report of even date to the members of the company on the consolidated financial statements for the year ended 31st March, 2017)

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

- 1 In conjunction with our audit of the consolidated financial statements of the Group as of and for the year ended 31st March, 2017, We have audited the internal financial controls over financial reporting of INFORMED TECHNOLOGIES INDIA LIMITED (hereinafter referred to as "the Company") and in respect of its associate company wherein such audit of the internal financial controls over financial reporting was carried out by other Auditor whose reports have been forwarded to us and have been appropriately dealt with by us in making this report as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

- 3 Our responsibility is to express an opinion on the Companies and its associate Company incorporated in India, 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 the 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 issued by the ICAI. 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 were 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 and audit evidence obtained by other auditor in the terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's and its associate Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

- 5 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

- 6 In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors, as referred to in other matters paragraph, the Company and its associate which are incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls system over financial reporting were operating effectively as at 31 March 2017, based on the internal controls over financial reporting criteria established by the respective companies, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

Other Matter

- 7 Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over the financial reporting in so far as it relates to consolidated/standalone financial statements of a associate company incorporated in India, is based on the corresponding report of the auditor of such company.

For **M.V. GHELANI & CO.**
CHARTERED ACCOUNTANTS
Firm Regn. No. 119077W

(M. V. GHELANI)
PROPRIETOR
Membership No.: 031105

Place : Mumbai

Date : 30 May, 2017

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2017

In ₹

| Particulars | Note No. | As at 31st March, 2017 | |
|---|----------|------------------------|--------------------|
| I EQUITY AND LIABILITIES | | | |
| 1 Shareholders' funds | | | |
| (a) Share capital | 2 | 41,691,000 | |
| (b) Reserves and surplus | 3 | 110,806,156 | 152,497,156 |
| 2 Non-current liabilities | | | |
| (a) Long-term borrowings | 4 | 853,349 | |
| (b) Other Long term liabilities | 5 | 7,014,000 | |
| (c) Long-term provisions | 6 | 165,152 | 8,032,501 |
| 3 Current liabilities | | | |
| (a) Trade payables | 7 | 1,761,369 | |
| (b) Other current liabilities | 8 | 3,933,409 | |
| (c) Short-term provisions | 9 | 788,779 | 6,483,557 |
| TOTAL | | | <u>167,013,214</u> |
| II ASSETS | | | |
| 1 Non-current assets | | | |
| (a) <u>Fixed assets</u> | 10 | | |
| (i) Tangible assets | | 29,882,857 | |
| (ii) Intangible assets | | 245,910 | |
| (iii) Intangible assets under development | | 183,138 | |
| (b) Non-current investments | 11 | 72,434,091 | |
| (c) Long-term loans and advances | 12 | 1,918,782 | 104,664,778 |
| 2 Current assets | | | |
| (a) Current investments | 13 | 52,199,746 | |
| (b) Trade receivables | 14 | 2,724,259 | |
| (c) Cash and cash equivalents | 15 | 3,626,666 | |
| (d) Short-term loans and advances | 16 | 3,797,765 | |
| (e) Other current assets | 17 | - | 62,348,436 |
| TOTAL | | | <u>167,013,214</u> |

Summary of Significant Accounting Policies 1

Other Notes on Financial Statements 23 to 35

Notes referred to above form an integral part of the Balance Sheet.

This is the Balance Sheet referred to in our report of even date.

As per our report of even date attached
For M.V.Ghelani & Co.
Chartered Accountants
Firm Regn. No. 119077W

M.V.Ghelani
Memb. No.031105
Proprietor
Mumbai : 30th May, 2017

For and on behalf of the Board

Gautam P. Khandelwal
DIN 00270717
Chairman

Nimis Sheth
DIN 00482739
Director

Reena yadav
(ICSI Reg.No.A36429)
Company Secretary

Roshan Dsouza
Chief Finance Officer

Mumbai : 30th May, 2017

CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

In ₹

| Particulars | Note No. | For the year ended 31st March, 2017 |
|---|----------|-------------------------------------|
| I EQUITY AND LIABILITIES | | |
| I Revenue from operations | 18 | 28,720,232 |
| II Other income | 19 | 27,712,112 |
| III Total Revenue (I+II) | | <u>56,432,343</u> |
| IV EXPENSES: | | |
| Employee benefits expense | 20 | 17,258,867 |
| Finance costs | 21 | 196,158 |
| Depreciation and amortization expense | 10 | 2,604,173 |
| Other expenses | 22 | 21,074,284 |
| Total expenses | | <u>41,133,482</u> |
| V Profit before exceptional and extraordinary items and tax (III-IV) | | 15,298,861 |
| VI Exceptional items | | - |
| VII Profit before extraordinary items and tax(V-VI) | | <u>15,298,861</u> |
| VIII Extraordinary Items | | - |
| IX Profit before tax (VII-VIII) | | 15,298,861 |
| X <u>Tax expense:</u> | | |
| (1) Gross Current tax | | 2,370,000 |
| Less : MAT Credit Entitlement | | (1,952,790) |
| Net Current tax | | 417,210 |
| (2) Deferred tax | | - |
| (3) Prior period tax | | - |
| (4) Excess/Short Provision for tax of prior years (Net) | | 149,311 |
| XI Profit for the period (IX-X) | | 14,732,340 |
| XII Share of Profit / (Loss) of Associate Company | | 398,285 |
| XIII Profit/(loss) from discontinuing operations | | - |
| XIV Tax expense of discontinuing operations | | - |
| XV Profit/(loss) from Discontinuing operations (after tax) (XIII-XIV) | | - |
| XVI Profit (Loss) for the period (XI + XII+ XV) | | 15,130,624 |
| XVII Earnings per equity share | | |
| Basic & Diluted | 27 | <u>3.629</u> |
| Summary of Significant Accounting Policies | 1 | |
| Other Notes on Financial Statements | 23 to 35 | |
| Notes referred to above form an integral part of the Profit & Loss Account. | | |
| This is the Profit & Loss Account referred to in our report of even date. | | |

As per our report of even date attached
For M.V.Ghelani & Co.
Chartered Accountants
Firm Regn. No. 119077W

M.V.Ghelani
Memb. No.031105
Proprietor
Mumbai : 30th May, 2017

For and on behalf of the Board

Gautam P. Khandelwal
DIN 00270717
Chairman

Nimis Sheth
DIN 00482739
Director

Reena yadav
(ICSI Reg.No. A36429)
Company Secretary

Roshan Dsouza
Chief Finance Officer

Mumbai : 30th May, 2017

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2017**1 Significant Accounting Policies****1.1 GROUP INFORMATION**

The Section 129(3) of the Companies Act, 2013, requires preparation of consolidated financial statement of the company and of all its subsidiaries including associate company and joint venture businesses in the same manner as that of its own.

The company has no subsidiary or joint venture. The associate company, as defined under Section 129(3) read with Section 2(6) of Company Act, is ;

| Name of the Associate Companies | Percentage of Holding |
|--|------------------------------|
| Entecres Labs Pvt. Ltd. | 27.96 % |

1.2 Basis for preparation of financial statement:

The Consolidated financial statements are prepared under the historical cost convention on an accrual basis of accounting and in accordance with the requirements of Indian Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

1.3 Principles of Consolidation:

The Consolidated Financial Statements relate to Informed Technologies India Limited ('the Company or Investor) and its Associate Entecres Labs Pvt. Ltd. The Company and its Associate together constitute 'the Group'. The Consolidated Financial Statements have been prepared on the following basis.

- i) The financial statements of Associate used in the consolidation are drawn up to the same reporting date as that of the Company i.e year ended March 31, 2017.
- ii) Investment in Associate company have been accounted in this consolidated financial statements as per the equity method in terms of Accounting Standard (AS) 23- "Accounting for Investments in Associates in Consolidated Financial statements". For this purpose, the carrying amount of the investments, the results and net assets of the associate companies that have been taken into account are based on that associate companies' consolidated / standalone financial statements presented at the relevant periods.
- iii) The difference between the cost of investment in the associate and the share of net assets at time of acquisition of shares in the associates is identified in the financial statement as Goodwill or Capital Reserve as case may be. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the investor's share of net assets of the investee. The consolidated Statement of profit and loss reflects the investor's share of the results of operations of the investee.

- iv) These consolidated financial statements have been prepared in compliance of section 129 of the companies Act, 2013. This being the first year of consolidated financial statement, the previous year figures have not been reported.

1.4 Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialised.

1.5 Fixed Assets and Depreciation:

1.5.1 Tangible Assets

Tangible assets are stated at Cost of acquisition, less accumulated depreciation and accumulated impairment losses, if any. Cost of tangible assets comprises the purchase price, borrowing cost and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to the acquisition of fixed assets that takes a substantial period of time to get ready for its intended use are also included in cost to the extent they relate to the period till such assets are put to use. Assets purchased for less than Rs. 5,000/- are not capitalised. Depreciation on tangible assets is provided on Straight Line Method and based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013, except in respect of the following assets, where the useful life is exceeding those prescribed in Schedule II based on the Chartered Engineer's Valuation Certificate namely :

| | |
|-------------------------|-----------|
| Furniture | 1-9 years |
| Electrical Installation | 2 years |

Depreciation on assets purchased / sold during the period is proportionately charged.

1.5.2 Intangible assets and Amortisation:

Intangible assets are stated at Cost of acquisition, less accumulated amortisation / depletion and accumulated impairment losses, if any, are amortized over a period of 6 years or license period, whichever is lower.

1.6 Investments:

Investments are classified into non-current Investments and current investments. Non current investments, other than investment in Associate company, are stated at cost and diminution in value is provided for, where the management is of the opinion that the diminution in value is other than temporary. Investment in Associate company has been accounted under the equity method as per accounting standard (AS) 23-"Accounting for Investments in associates in Consolidated Financial Statements". Current investments are stated at lower of cost and fair value. When disposing of a part of the

holding of an individual investment, the carrying amount of cost allocated to the part that is disposed is determined on the basis of the average carrying amount of the total holding of the investment.

1.7 Trade Receivables and Loans and Advances:

Trade Receivables and Loans and Advances are stated after making adequate provision for doubtful balances.

1.8 Revenue Recognition:

Revenue is recognised only when it can be reliably measured and when no significant uncertainty exists regarding the amount of consideration that will be derived from rendering the service. Dividend income is recognised when right to receive is established. Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable.

1.9 Retirement Benefits:

- i) The Company makes contribution towards Provident Fund & Family Pension Fund which are defined contribution schemes. The Company's contribution is recognised as an expense in the Profit and Loss Statement during the period in which the employee renders the related service. Liability in respect thereof is determined on the basis of contribution as required under the statute/rules.
- ii) The Company contributes to defined benefit schemes for Gratuity which is administered through duly constituted and approved independent trust. The liability for Gratuity and leave encashment is determined on the basis of actuarial valuations made at the year end.
- iii) Actuarial gains and losses in respect of post-employment and other long term benefits are charged to the Profit and Loss Statement.

1.10 Foreign Exchange Transactions:

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. Exchange difference arising out of the said transactions other than those relating to fixed assets are recognised in the Profit and Loss Account. Exchange difference in respect of liabilities incurred for the acquisition of fixed assets are adjusted to the cost of the assets.

Monetary assets and liabilities denominated in foreign currency are translated at the exchange rates prevailing on the balance sheet date.

1.11 Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

1.12 Taxation:

Income tax expense comprises of current tax and deferred tax. The deferred tax charge or credit is recognised using current tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date. Where there is an unabsorbed depreciation or carry forward loss, deferred tax assets are recognised only if there is virtual certainty that sufficient future taxable income will be available to realise the same. Other deferred tax assets are recognised only to the extent there is reasonable certainty that sufficient future income will be available to realise the same. Deferred tax assets/liabilities are reviewed as at each balance sheet date based on developments during the year and available case laws, to reassess realisation/liabilities.

1.13 Leases:**1.13.1 Finance Lease**

Finance Lease, which transfer substantially all the risks and rewards incident to ownership of the leased item, are capitalized at the lower of the fair value of the leased asset and present value of the minimum lease payment of the leased asset at the inception of the lease term and disclosed as leased assets.

Operating Lease

1.13.2 The assets given under operating lease are shown in the balance sheet under fixed assets and depreciated on a basis consistent with the depreciaion policy of the company. The net lease income is recognised in the profit & loss account on a straight line basis over the period during which the benefit is derived from the leased assets.

1.14 Provision, Contingent Liabilities and Contingent Assets:

Provision is recognised in the accounts when there is a present obligation as a result of past events(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Contingent liabilities are usually not provided for unless it is probable that the future outcome may be materially detrimental to the Company and are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

1.15 Segment Reporting:

The Company is principally engaged in the business of Business process outsourcing which is the only reportable segment as per Accounting Standard 17 issued by the Institute of Chartered Accountants of India on "Segment Reporting".

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2017

In ₹

| Particulars | As at 31st March,2017 |
|---|-----------------------|
| 2 SHARE CAPITAL | |
| Authorised Share Capital : | |
| 70,00,000 Equity Shares of ₹10 each (Previous Year 70,00,000 of ₹10 each) | 70,000,000 |
| 50,000 15% (Free of Company's tax, but subject to deduction of tax at source at the prescribed rates) 'A' Cumulative Redeemable Preference Shares of ₹100 each (Previous Year 50,000 of ₹100 each) | 5,000,000 |
| Total | <u>75,000,000</u> |
| Issued, Subscribed and Paid-up : | |
| 4,169,100 Equity Shares of ₹10 each fully paid up (Previous Year 4,169,100 of ₹10 each) | 41,691,000 |
| Total | <u>41,691,000</u> |

2.1 The Reconciliation of the number of shares outstanding is set out below:

No. of Shares

| | |
|--|-----------|
| Equity shares at the beginning of the year | 4,169,100 |
| Add: Shares issued during the year | - |
| Less: Shares cancelled/bought back during the year | - |
| Equity shares at the end of the year | 4,169,100 |

2.2 The Equity Shares of the Company have voting rights and are subject to the restrictions as prescribed under the Companies Act, 2013.

2.3 The details of Shareholders holding more than 5 percent shares:

| Name of the shareholder | No. of Shares | % held |
|---|---------------|--------|
| 1) Khandelwals Limited, Holding Company | 26,78,220 | 64.24 |
| 2) Life Insurance Corporation of India Ltd. | 3,84,750 | 9.23 |

2.4 Disclosures pursuant to Note no. 6(A)(h,i,j,k,l) of Part I of Schedule III of the Companies Act, 2013 is NIL.

3 RESERVES AND SURPLUS

SURPLUS i.e. PROFIT & LOSS ACCOUNT

| | | |
|---------------------------------------|-----|--------------------|
| As per last Balance Sheet | | 95,675,532 |
| Add: Profit after tax for the period | | 15,130,624 |
| | (A) | <u>110,806,156</u> |
| <u>Less: Appropriations</u> | | |
| Proposed Dividend on Equity shares | | - |
| Tax on Distributed Profits (Dividend) | | - |
| | (B) | - |
| Total | | <u>110,806,156</u> |

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2017

In ₹

| Particulars | As at 31st March,2017 | |
|---|-----------------------|----------------|
| 4 LONG TERM BORROWINGS | Non Current | Current |
| <u>Secured Loans</u> | | |
| Term loans | | |
| a From banks | | |
| ICICI Bank- Car Loan | - | - |
| - Fixed Interest @ 10.38% p.a. | | |
| - Secured by hypothecation of motor car purchased under the loan (since released) | | |
| - (Refer Note 8) | | |
| b From other parties- | | |
| Kotak Mahindra Prime Ltd-Car Loan I | - | 294,031 |
| - Fixed interest @ 10.21% p.a. | | |
| - Secured by hypothecation of motor car purchased under the loan | | |
| - Repayment in 59 Equated Monthly instalments (EMI) of ₹ 34,075/- each till December,2017, of which principal sum therein totalling to ₹ 294,031/- payable over over next 9 EMI's are short term maturities. (Refer Note 8) | | |
| Kotak Mahindra Prime Ltd-Car Loan II | 853,349 | 279,324 |
| - Fixed interest @ 10.21% p.a. | | |
| - Secured by hypothecation of motor car purchased under the loan | | |
| - Repayment in 59 Equated Monthly instalments (EMI) of ₹ 31,065/- each till October, 2020, of which principal sum therein totalling to ₹ 853,349/- payable over next 31 EMI's are Long term maturities.(Refer Note 8) | | |
| Total | <u>853,349</u> | <u>573,355</u> |

4.1 There has been no default in repayment of principal and interest on the above loans.

5 OTHER LONG TERM LIABILITIES

Others

Security Deposits

7,014,000

Total

7,014,000

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2017

In ₹

| Particulars | As at 31st March,2017 | |
|--|-----------------------|----------------|
| 6 LONG TERM PROVISIONS | | |
| | Non Current | Current |
| Provision for employee benefits: (Refer note 9) | 284,425 | 788,779 |
| Provision for Tax (Net of Advance Tax) | (119,273) | - |
| Total | <u>165,152</u> | <u>788,779</u> |

6.1 The Company contributes to defined benefit schemes for Gratuity which is administered through duly constituted and approved independent trust. The liability for Gratuity and leave encashment is determined on the basis of actuarial valuations made at the year end.

7 TRADE PAYABLES

(i) To Micro and Small Enterprises

| | |
|---|---|
| (a) Principal and interest amount remaining unpaid | - |
| (b) Interest due thereon remaining unpaid | - |
| (c) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day | - |
| (d) Interest due and payable for the period of delay in making pament (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Act, 2006 | - |
| (e) Interest Accrued and remaining unpaid | - |
| (f) Interest remaining due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises | - |

| | |
|-----------------------|-------------------------|
| (ii) To Others | 1,761,369 |
| Total | <u>1,761,369</u> |

7.1 The balances of Trade Payables are subject to confirmation.

7.2 In the absence of information with the company, the names of Micro, Small and Medium Enterprises to whom the company owes any sum together with interest outstanding for more than 30 days have not been given. The Auditors have relied upon this management representation.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2017

In ₹

| Particulars | As at 31st March,2017 |
|---|-------------------------|
| 8 OTHER CURRENT LIABILITIES | |
| Current maturities of long term debt | |
| (Refer Note 4) | |
| From banks | - |
| From other parties- | |
| Car Loan I | 294,031 |
| Car Loan II | 279,324 |
| | 573,355 |
| Income received in advance | - |
| Unpaid dividends | 1,353,672 |
| Other payables | 2,006,382 |
| Total | <u>3,933,409</u> |

8.1 Other payables includes statutory dues, security deposits and rent payable.

| | |
|--|-----------------------|
| 9 SHORT TERM PROVISIONS | |
| Provision for employee benefits | 788,779 |
| (Refer note 6) | |
| Others | |
| Proposed dividend | - |
| Tax on Distributed Profits (Dividend) | - |
| Total | <u>788,779</u> |

9.1 The Company contributes to defined benefit schemes for Gratuity which is administered through duly constituted and approved independent trust. The liability for Gratuity and leave encashment is determined on the basis of actuarial valuations made at the year end.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017
Note 10: FIXED ASSETS

| PARTICULARS | GROSS BLOCK | | | DEPRECIATION/AMORTISATION | | | | NET BLOCK | | |
|--|-------------------|---------------------------|---|---------------------------|-------------------|---------------------------|--|--------------------------------|---|-------------------|
| | As at 01.04.2016 | Additions during the year | Deductions/ Adjustments during the year | As at 31.03.2017 | As at 01.04.2016 | Depreciation For the year | Deductions / Adjustments during the year | Adjusted With Retained Earning | Accumulated depreciation up to 31.03.2017 | As at 31.03.2017 |
| Tangible Assets | | | | | | | | | | |
| Own Assets | | | | | | | | | | |
| Buildings-Freehold | 24,000,052 | - | - | 24,000,052 | 7,288,813 | 466,271 | - | - | 7,755,084 | 16,244,968 |
| Plant and Equipment | | | | | | | | | | |
| a. Computers | 2,364,714 | 278,863 | 451,026 | 2,192,551 | 1,862,963 | 295,541 | - | 432,154 | 1,726,350 | 466,200 |
| b. Electrical Installation | 1,485,347 | - | - | 1,485,347 | 800,856 | 62,315 | - | - | 863,171 | 622,175 |
| Furniture & Fixtures | 2,664,177 | - | 306,753 | 2,357,424 | 2,100,699 | 224,720 | - | 291,423 | 2,033,996 | 323,429 |
| Vehicles | 7,105,085 | - | - | 7,105,085 | 2,168,055 | 803,066 | - | - | 2,971,121 | 4,133,962 |
| Office Equipment | 2,245,025 | 302,629 | 20,700 | 2,526,954 | 973,209 | 402,531 | - | 19,665 | 1,356,075 | 1,170,878 |
| Total | 39,864,400 | 581,492 | 778,479 | 39,667,412 | 15,194,595 | 2,254,444 | - | 743,242 | 16,705,797 | 22,961,613 |
| Leased Assets | | | | | | | | | | |
| Buildings Leasehold | 8,537,100 | - | - | 8,537,100 | 1,481,553 | 134,301 | - | - | 1,615,854 | 6,921,246 |
| Total Tangible Assets (A) | 48,401,500 | 581,492 | 778,479 | 48,204,512 | 16,676,148 | 2,388,746 | - | 743,242 | 18,321,651 | 29,882,857 |
| Intangible Assets | | | | | | | | | | |
| Computers-Software | 873,441 | 158,768 | 70,480 | 961,729 | 567,348 | 215,427 | - | 66,956 | 715,819 | 245,910 |
| Total Intangible Assets (B) | 873,441 | 158,768 | 70,480 | 961,729 | 567,348 | 215,427 | - | 66,956 | 715,819 | 245,910 |
| Intangible assets under Development | | | | | | | | | | |
| | - | 183,138 | - | 183,138 | - | - | - | - | - | 183,138 |
| Grand Total (A+B) | 49,274,941 | 923,398 | 848,959 | 49,349,379 | 17,243,496 | 2,604,173 | - | 810,198 | 19,037,470 | 30,311,905 |

Notes:

10.1 Buildings-Freehold include:

The face value of shares held in co-operative housing societies amounting to ₹ 81,750/- viz:

- (a) Shree Nirmal Commercial Limited: 765 shares of ₹100 each fully paid up.
 (b) The Malabar Hill Co-Operative Housing Society Limited: 105 shares of ₹50 each fully paid up
 The Net Block of both the above premises included herein is ₹16,711,239/- (Previous Year ₹17,093,520/-)

10.2 Buildings-Leasehold include:

Unit No.302, 303 & 304 at Mahape, having aggregate Gross Block value ₹85,37,100/- (Previous Year ₹85,37,100/-) have been acquired on 95 years lease from MIDC.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2017

In ₹

| Particulars | As at 31st March,2017 |
|---|-----------------------|
| 11 NON-CURRENT INVESTMENTS | |
| (At Cost Less permanent diminution in value (if any)) | |
| OTHER INVESTMENTS | |
| Investments in Equity Instruments- Unquoted, Fully paid up | |
| Gras Education and Training Services Pvt. Ltd. | 22,537,500 |
| [1,59,957 Equity Shares (Previous Year :1,59,957) of ₹10 each] | |
| Amigo Sport Private limited | 24,999,250 |
| [5,263 Equity Shares (Previous Year :5,263) of ₹10 each] | |
| Entecres Labs Pvt.Ltd | 10,886,165 |
| [4680 Equity Shares (Previous Year :Nil) of ₹10 each] | |
| Gujarat Steel Tubes Limited | 375 |
| [180 Equity Shares (Previous year :180) of ₹10/- each] | |
| Less: Provision for diminution in value of investments | (375) - |
| Total Unquoted investments (i) | 58,422,915 |
| Investments in Equity Instruments- Quoted, Fully paid up | |
| Zenith Birla (India) Ltd | 622 |
| [22 Equity Shares (Previous year :22) of ₹10/- each] | |
| Birla Precision Technologies Ltd | 657,151 |
| (118,041 equity shares (Previous year :7) of ₹ 2/- each) | |
| (Received on demerger arrangement-Zenith Birla (India) Limited) | |
| Mahindra & Mahindra Financial Services Ltd | - |
| [Nil Equity Shares (Previous year : 2,580) of ₹ 2/- each] | |
| Nagpur Power & Industries Ltd | 10,290,038 |
| [254,232 Equity Shares (Previous year : 254,232) of ₹10/- each] | |
| Globus Spirits Ltd | - |
| (Nil equity shares (Previous year:25,000) of ₹10/- each) | |
| Power Grid Corporation of India Ltd | 3,063,366 |
| (23,273 equity shares (Previous year: 18,273) of ₹10/- each) | |
| Total Quoted Investments (ii) | 14,011,177 |
| Total Non Current Investments (i + ii) | 72,434,091 |
| Aggregate amount of quoted investments | 14,011,177 |
| Market value of quoted investments | 14,127,226 |
| Aggregate amount of unquoted investments | 58,423,290 |
| Aggregate provision for diminution in value of investments | 375 |

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2017

In ₹

| Particulars | As at 31st March,2017 |
|--|-------------------------|
| 12 LONG TERM LOANS AND ADVANCES | |
| (Unsecured, Considered Good) | |
| Security Deposits | 754,380 |
| Other Loans and Advances | |
| Service tax credit | 1,164,402 |
| Total | <u>1,918,782</u> |

12.1 Security Deposits of ₹ 4000 are subject to confirmation.

12.2 In the opinion of the board, loans and advances have a value on realisation in the ordinary course of business at least equal to the sums stated.

13 CURRENT INVESTMENTS

(At lower of cost or market value)

Investments in Mutual Funds- Unquoted

| | | |
|---|-------------------|-------------------|
| Canara Robeco Dynamic Bond Fund | - | - |
| (Nil units (Previous year: 2,98,909.513 Units) | | |
| Franklin India Feeder-Franklin US Opportunities Fund | <u>24,500,000</u> | |
| (11,88,847. 158 Units) Previous year: Nil Units) | | |
| Less: Provision for diminution in value of investment | - | 24,500,000 |

Investments in Equity Instruments- Quoted, Fully paid up

| | | |
|--|-----------|--|
| ACC Ltd | - | |
| (Nil equity shares (Previous year:500) of ₹10/- each) | | |
| Ashiana Housing Ltd | 1,877,397 | |
| (9,500 equity shares (Previous year:22,186) of ₹2/- each) | | |
| Ashok Leyland Ltd | - | |
| (Nil equity shares (Previous year:74,500) of ₹1/- each) | | |
| Alembic Pharmaceuticals Ltd | 2,581,261 | |
| (7,600 equity shares (Previous year:7,600) of ₹2/- each) | | |
| Axis Bank Ltd | - | |
| (Nil equity shares (Previous year:500) of ₹2/- each) | | |
| Balaji Telefilms Ltd | 2,897,630 | |
| (45,033 equity shares (Previous year:82,000) of ₹2/- each) | | |

| | |
|---|-----------|
| BASF India Ltd | 563,757 |
| (450 equity shares (Previous year:450) of ₹10/- each) | |
| Ballarpur Industries Ltd | 1,027,227 |
| (67,000 equity shares (Previous year:192,000) of ₹2/- each) | |
| Cairn India Ltd | 382,771 |
| (1500 equity shares (Previous year:Nil) of ₹2/- each) | |
| Crompton Greaves Consumer Electricals Ltd | - |
| (Nil equity shares (Previous year:Nil) of ₹2/- each) | |
| (In lieu of demerger of Crompton Greaves Ltd) | |
| Crompton Greaves Ltd | - |
| (Nil equity shares (Previous year:8,100) of ₹2/- each) | |
| Dish TV India Ltd | 550,001 |
| (5,000 equity shares (Previous year:47,500) of ₹1/- each) | |
| EPC Industries Ltd | - |
| (Nil equity shares (Previous year:6,000) of ₹10/- each) | |
| HDFC Bank Ltd | 410,561 |
| (400 equity shares (Previous year:400) of ₹2/- each) | |
| HDFC Ltd | - |
| (Nil equity shares (Previous year:400) of ₹2/- each) | |
| Hindalco Industries Ltd | 1,291,572 |
| (9,100 equity shares (Previous year:9,100) of ₹1/- each) | |
| IDFC Bank Ltd | 110,006 |
| (2,000 equity shares (Previous year:2000) of ₹10/- each) | |
| Infosys Limited | 1,312,398 |
| (1,250 equity shares (Previous year:Nil) of ₹10/- each) | |
| Infra Development Finance Limited | - |
| (Nil equity shares (Previous year:2,000) of ₹10/- each) | |
| ITC Ltd | 313,029 |
| (1,500 equity shares (Previous year:1000) of ₹1/- each) | |
| (500 Bonus shares received in 2:1 ratio) | |
| Indosolar Ltd | 184,910 |
| (25,000 equity shares (Previous year:Nil) of ₹1/- each) | |
| Kotak Mahindra Bank Ltd | 2,752,228 |
| (5,370 equity shares (Previous year:5,370) of ₹5/- each) | |
| Larsen and Toubro Ltd | 2,499,085 |
| (1,750 equity shares (Previous year:1,750) of ₹2/- each) | |

| | | |
|--|-----------|--------------------------|
| Mahindra & Mahindra Ltd | 1,061,883 | |
| (800 equity shares (Previous year:800) of ₹5/- each) | | |
| Marico Ltd | - | |
| (Nil equity shares (Previous year:6,800) of ₹1/- each) | | |
| Nitco Ltd | - | |
| (Nil equity shares (Previous year:20,000) of ₹10/- each) | | |
| Noida Toll Bridge Ltd | - | |
| (Nil equity shares (Previous year:92,000) of ₹10/- each) | | |
| Pidilite Industries Ltd | - | |
| (Nil equity shares (Previous year:1,800) of ₹1/- each) | | |
| Solar Industries Ltd | 326,308 | |
| (500 equity shares (Previous year:Nil) of ₹1/- each) | | |
| Tata Consultancy Services Ltd | 1,971,866 | |
| (900 equity shares (Previous year:100) of ₹1/- each) | | |
| Tata Motors Ltd | 918,672 | |
| (2,000 equity shares (Previous year:Nil) of ₹2/- each) | | |
| Tech Mahindra Ltd | - | |
| (Nil equity shares (Previous year:700) of ₹5/- each) | | |
| The Indian Hotels Company Ltd | - | |
| (Nil equity shares (Previous year:775) of ₹1/- each) | | |
| Torrent Power Ltd | 1,034,584 | |
| (9,000 equity shares (Previous year:9,000) of ₹10/- each) | | |
| TV Today Network Ltd | 3,801,382 | |
| (22,000 equity shares (Previous year:40,200) of ₹5/- each) | | |
| Ultratech Cement Ltd | - | 27,868,527 |
| (Nil equity shares (Previous year:600) of ₹10/- each) | | |
| Less: Provision for diminution in value of investment | | (168,781) |
| Total Current Investments | | <u>52,199,746</u> |
| Market Value of quoted investments | | 38,771,419 |
| Aggregate cost of quoted investments | | 27,868,527 |
| Aggregate cost of unquoted investments | | 24,500,000 |
| Aggregate provision for diminution in value of investments | | 168,781 |

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2017

In ₹

| Particulars | As at 31st March,2017 |
|---|-----------------------|
| 14 TRADE RECEIVABLES | |
| Unsecured | |
| Considered Good | |
| Others | 2,724,259 |
| Total | <u>2,724,259</u> |
| 14.1 The balances of Trade Receivables are subject to confirmation. | |
| 15 CASH AND CASH EQUIVALENTS | |
| Balance with Banks | 1,189,894 |
| Cash on Hand | 29,517 |
| Other Bank Balances | |
| Unclaimed Dividend | 1,353,672 |
| Fixed Deposits | 1,053,583 |
| Total | <u>3,626,666</u> |
| 16 SHORT TERM LOANS AND ADVANCES | |
| Unsecured | |
| Considered Good | |
| Others | |
| (i) Advance recoverable in cash or in kind or for value to be received | 577,306 |
| (ii) Other Advances | 1,513,300 |
| (iii) Advance Tax (Net of Provision) | 1,707,159 |
| Total | <u>3,797,765</u> |
| 16.1 The balances of Loans & Advances are subject to confirmation. | |
| 16.2 In the opinion of the board, the Loans and Advances have a value on realisation in the ordinary course of business at least equal to the sums stated. | |
| 16.3 Other advances include inter Company deposit, demand loans and advance against salaries. | |
| 16.4 Advance recoverable in cash or in kind or for value to be received include advances for expense and prepaid expense. | |
| 17 OTHER CURRENT ASSETS | |
| Others | |
| Interest accrued on loans and Advances | - |
| Total | <u>-</u> |

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2017

In ₹

| Particulars | For the year ended 31st March,2017 |
|---|------------------------------------|
| 18 REVENUE FROM OPERATIONS | |
| Sale of Services | 28,720,232 |
| Total | <u>28,720,232</u> |
| 19 OTHER INCOME | |
| Interest | 232,543 |
| Dividend | 492,115 |
| Net gain/loss on sale of Current Investments | 10,392,962 |
| Other non-operating income (net of expenses directly attributable to such income) | 13,358,548 |
| Profit on sale of assets | - |
| Reversal of provision for diminution in value of investments | 3,204,068 |
| Miscellaneous | 31,876 |
| Total | <u>27,712,112</u> |
| 20 EMPLOYEE BENEFITS EXPENSES | |
| Salaries and wages | 15,148,366 |
| Contribution to provident and other funds | 599,636 |
| Leave salary | 273,991 |
| Gratuity | 498,463 |
| Staff welfare expenses | 379,851 |
| Training Expenses | 358,560 |
| Total | <u>17,258,867</u> |
| 21 FINANCE COSTS | |
| Interest Expense | |
| Interest on car loan | 180,820 |
| Interest on shortfall in payment of advance tax | 15,338 |
| Other Interest | - |
| Total | <u>196,158</u> |

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2017

In ₹

| Particulars | As at 31st March,2017 |
|---|------------------------------|
| 22 OTHER EXPENSES | |
| Power and fuel | 815,049 |
| Repairs to buildings (including maintenance) | 282,723 |
| Insurance | 125,434 |
| Rates and taxes, excluding taxes on income | 365,279 |
| Communication Expenses | 546,205 |
| Professional Fees | 6,724,614 |
| Travelling expenses | 3,823,928 |
| Conveyance | 671,777 |
| Staff Bus charges | 1,072,003 |
| Office maintenance Charges | 85,182 |
| Repairs to others | 1,920,688 |
| Printing & Stationery | 63,091 |
| Provision for diminution in value of current investment | - |
| Donation | 235,000 |
| Upkeep charges of surface transport vehicle | 1,762,478 |
| Payment to Auditor | 232,855 |
| Miscellaneous expenses | 2,347,979 |
| Total | <u>21,074,284</u> |

23. Defined Benefit Plans:

As per Actuarial valuation as on 31st March, 2017 and recognised in the financial statements in respect of employee benefit schemes:

| | Gratuity (In Rs.) | Leave Encashment (In Rs.) |
|--|----------------------|------------------------------|
| A Components of employer expenses: | | |
| a) Interest cost from 01.04.16 to 31.03.17 | 68,931 | 7,569 |
| b) Service cost from 01.04.16 to 31.03.17 | 311,320 | 83,309 |
| c) Actual return on plan assets | (49,565) | N.A |
| d) Curtailment cost/credit | Nil | Nil |
| e) Settlement cost/credit | Nil | Nil |
| f) Past service cost | Nil | Nil |
| g) Actuarial (gain)/loss | 1,63,156 | 1,83,113 |
| h) Net cost provided as expense in P&L Account | 4,93,842 | 2,73,991 |
| B Net Asset / Liability recognised in Balance Sheet as at 31st March, 2017 | | |
| a) Present value of obligation as at 31.03.17 | 14,06,921 | 3,35,519 |
| b) Fair value of plan assets as at 31.03.17 | 6,69,236 | Nil |
| c) Un-funded / (over-funded) liability recognised in the Balance Sheet | 7,37,685 | 3,35,519 |
| C Changes in benefit obligation during the year 31st March, 2017 | | |
| a) Actuarial value of projected benefit obligations (PBO) as at 01.04.2016 | 8,61,639 | 1,27,705 |
| b) Service cost from 01.04.16 to 31.03.17 | 3,11,320 | 83,309 |
| c) Interest cost from 01.04.16 to 31.03.17 | 68,931 | 7,569 |
| d) Curtailment cost / (credit) | Nil | Nil |
| e) Settlement cost / (credit) | Nil | Nil |
| f) Plan amendments | Nil | Nil |
| g) Acquisitions | Nil | Nil |
| h) Actuarial (gain)/loss obligations | 1,65,031 | 1,83,113 |
| i) Benefits paid from 01.04.16 to 31.03.17 | Nil | (66,177) |
| j) PBO as at 31.03.17 | 14,06,921 | 3,35,519 |
| D Change in the value of plan assets | | |
| a) Fair value of plan assets as at 01.04.16 | 4,17,915 | NA |
| b) Actual return on plan assets | 49,565 | Nil |
| c) Actuarial (gain) /loss | Nil | Nil |
| d) Actual company contribution | 1,99,881 | 66,177 |
| e) Benefits paid | Nil | (66,177) |
| f) Bank balance | 1,875 | Nil |
| g) Plan assets as at 31.03.17 | 6,69,236 | NA |

E Actuarial assumptions

| | |
|---|------------|
| a) Rate of discounting (p.a) | 7.50% p.a. |
| b) Rate of increase in compensation level (p.a) | 5.00% p.a. |
| c) Rate of withdrawal (p.a) | 1.00% p.a. |
| e) Retirement age | 58 years |

The company has relied on the valuation certificate issued by consulting Actuary for calculating the actuarial value of gratuity liability of the employees of the company in terms of AS 15 (revised) issued by the Institute of Chartered Accountants of India.

24. Contingent Liabilities and Commitments

(to the extent not provided for) (In Rs.)

| Particulars | As at 31 st March, 2017 |
|---|------------------------------------|
| (i) Contingent liability | |
| (a) Claims against the company not acknowledged as debt: | |
| In respect of Income Tax Matters | 30,46,687 |
| (b) Guarantees | - |
| (c) Other money for which the company is contingently liable | - |
| Commitments | - |
| Total contingent liabilities and commitments | 30,46,687 |

25. Under the Income Tax Act, 1961 the company has long term capital loss which is carried forward and available for set-off against future profits. Considering the nature of business and the uncertainty regarding generation of sufficient future income for set off against the said carry forward losses, the net deferred tax assets at the year end including the related credit for the year have not been recognised in these accounts on prudent basis.

26. Disclosures as required under AS-18, "Related Party Disclosures" are given below:

a) Name and nature of relationship of the Related Parties:

| Name of the Related Party | Nature of Relationship |
|----------------------------------|---|
| a Khandelwals Limited | Holding Company |
| b Entecres Labs Private Limited | Associate Company |
| c Nagpur Power & Industries Ltd. | Enterprise that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the reporting enterprise |
| d Zeppelin Investment Pvt. Ltd. | |

b) Name of the Related Parties having transaction with the company during the year and the details of transactions carried out with them :

1. Enterprises owned or significantly influenced by any management personnel or their relatives

(In Rs.)

a) Ramprasad Khandelwal Memorial Trust (Donation Given) 2,35,000

| 2. Key Management Personnel | Designation | (In Rs.) |
|---------------------------------------|-------------------------|------------------|
| a) Miss.Reena Yadav | Company Secretary | 506,680 |
| b) Mrs.Roshan D'souza | Chief Finance Officer | 600,105 |
| c) Mr.Nilesh Mohite | Manager(upto 04.11.015) | Nil |
| d) Mrs.Suelve Khandelwal-Remuneration | Director | 4,800,000 |

3. Relatives of Key Management Personnel*

Nil

* The Company does not have an exhaustive list of business or professions in which relatives of directors of the company have substantial interest. As such, payments made to any such persons, if any have not been identified. This management representation has been relied upon by the auditors.

c) Balance outstanding, amounts written off / written back and provision for doubtful debts as at 31st March, 2017

| Sr. No. | Particulars | Balance outstanding(₹) | Written off/ Written back(₹) | Provision for doubtful debts |
|----------------|--------------------------------|-------------------------------|-------------------------------------|-------------------------------------|
| 1 | Key Management Personne | 344,622 | Nil | Nil |
| a | Mrs. Suelve Khandelwal | | (Nil) | (Nil) |

27. Earnings Per Share:

| Particulars | For the year ended 31st March, 2017 | |
|---|---|------------|
| Profit/(loss) for the year (₹) | (A) | 15,130,624 |
| Number of equity shares outstanding | (B) | 4,169,100 |
| Earnings per share (₹)(Basic & Diluted) | (A/B) | 3.629 |
| Face value per share (₹) | | 10 |

28. Payment to auditors

(In Rs.)

| Particulars | For the Year ended 31st March 2017 |
|-------------------------|--|
| As auditor | 146,063 |
| For taxation matters | 59,457 |
| For company law matters | - |

| | |
|------------------------------------|-----------------------|
| For management services | - |
| For other services (certification) | 27,335 |
| For reimbursement of expense | - |
| Total | <u>232,855</u> |

29. Earnings in foreign exchange (In Rs.)

| Particulars | For the year ended 31 st March 2017 |
|------------------------------|---|
| Sales | |
| Business Process Outsourcing | 28,720,232 |
| Total | <u>28,720,232</u> |

30. Expenditure in foreign currency (In Rs.)

| Particulars | For the year ended 31 st March 2017 |
|------------------------------------|---|
| Professional and consultation fees | 887,548 |
| Other matters: | |
| Foreign travel | 495,083 |
| Training expenses | 279,787 |
| Total | <u>1,662,418</u> |

31. Fixed assets taken on finance lease on which future obligations towards lease rentals under the lease agreements as on 31st March, 2017 amount to ₹ Nil

32. The company has entered into licensing agreement with 2 parties for use of its premises and the future minimum license payments under non-cancellable licenses in the aggregate are as under:

| Particulars | (In Rs.) For the year ended 31 st March 2017 |
|--|---|
| Not later than one year | 13,065,600 |
| Later than one year and not later than five year | 17,562,200 |
| Later than five year | - |
| Total | <u>30,627,800</u> |

33. Remittance in foreign currency on account of dividend: (In Rs.)

| Particulars | For the year ended 31 st March 2017 |
|---|---|
| a) Number of non-resident shareholders | 1 |
| b) Number of equity shares held by them | 2678,220 |
| c) (i) Amount of dividend paid | Rs. 2,678,220 |
| (ii) Tax Deducted at Source | Nil |
| (iii) Year to which dividend relates | F.Y. 2015-2016 |

34. Additional information as required under Schedule III to the Companies Act 2013, of enterprise consolidated as associate:

(In Rs.)

| Name of Enterprise | Net Assets i.e. Total Assets minus Total Liabilities | | Share in Profit/(Loss) | |
|---|---|-----------------|---|-----------------|
| | For the year ended 31 st March 2017 | | For the year ended 31 st March 2017 | |
| | As % of consolidated net assets | Amount (Rs.) | As % of consolidated profit or loss | Amount (Rs.) |
| Associates (Investments as per Equity method) | | | | |
| • Indian | | | | |
| Entecres Labs Private Limited | 7.14 | 10,886,165 | 2.70 | 398,285 |

35. Details of specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as provided in the table below:

(In Rs.)

| | SBNs | Other denomination notes | Total |
|---------------------------------------|------|--------------------------|---------|
| Closing cash in hand as on 8-11-2016 | - | 41,039 | 41,039 |
| (+) Permitted receipts | - | 111,000 | 111,000 |
| (-) Permitted payments | - | 111,118 | 111,118 |
| (-) Amount deposited in Banks | - | Nil | Nil |
| Closing cash in hand as on 30-12-2016 | - | 40,921 | 40,921 |

Signature to Notes 1 to 35 forms an integral part of the accounts.

**As per our report of even date attached
For M.V.Ghelani & Co.
Chartered Accountants
Firm Regn. No. 119077W**

**M.V.Ghelani
Memb. No.031105
Proprietor
Mumbai : 30th May, 2017**

For and on behalf of the Board

**Gautam P. Khandelwal
DIN 00270717
Chairman**

**Reena yadav
(ICSI Reg.No. A36429)
Company Secretary**

Mumbai : 30th May, 2017

**Nimis Sheth
DIN 00482739
Director**

**Roshan Dsouza
Chief Finance Officer**

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

In ₹

| Particulars | For the year ended 31st March, 2017 | |
|--|-------------------------------------|---------------------|
| Cash Flows From Operating Activities | | |
| Net Profit before tax | | 15,298,861 |
| <u>Adjustments for :</u> | | |
| Depreciation | 2,604,173 | |
| Net Loss on sale / write-off of fixed assets | 38,762 | |
| Misc. balance write-off | 118,888 | |
| (Reversal) / Provision for diminution in value of investment | (3,204,068) | |
| Interest Expenses | 196,158 | |
| Dividend Income | (492,115) | |
| Interest Income | (232,543) | |
| Profit on sale of Investments | (10,392,962) | |
| Non-Operating Income (Net of expenses) | (13,358,548) | (24,722,254) |
| Operating Profit before changes in working capital | | (9,423,393) |
| Adjustment for changes in Working Capital | | |
| (Increase) / Decrease in Trade receivables, loans and advances, other current assets | 4,221,373 | |
| Increase / (Decrease) in Trade payables, Other liabilities and provisions | (3,450,077) | 771,296 |
| Cash generated from Operations | | (8,652,097) |
| Income Tax Paid | | (3,628,488) |
| Net cash generated from/(used in) Operating Activities | (A) | (12,280,585) |
| Cash Flows From Investing Activities | | |
| Purchase of Fixed Assets | (923,398) | |
| Proceeds from sale of Fixed Assets | - | |
| Proceeds from Sale / Redemption of Investment | (860,204) | |
| Dividend Income | 492,115 | |
| Non-Operating Income (Net of expenses) | 13,358,548 | |
| Interest Income | 232,543 | |
| Net cash generated from/(used in) Investing Activities | (B) | 12,299,604 |
| Cash Flows From Financing Activities | | |
| Proceeds from Secured Loan | - | - |
| Repayment of car loan | (903,140) | |
| Interest Expenses | (196,158) | |
| Dividend paid (includes tax on distributed profits) | - | |
| Net Cash generated from/(used in) Financing Activities | (C) | (1,099,298) |
| Net Increase in Cash and Cash Equivalents | (A+B+C) | (1,080,278) |
| Cash & Cash Equivalent at the Beginning of the Period | | 4,706,945 |
| Cash & Cash Equivalent at the end of the Period | | 3,626,667 |

As per our report of even date attached
For M.V.Ghelani & Co.
Chartered Accountants
Firm Regn. No. 119077W

M.V.Ghelani
Memb. No.031105
Proprietor
Mumbai : 30th May, 2017

For and on behalf of the Board

Gautam P. Khandelwal
DIN 00270717
Chairman

Nimis Sheth
DIN 00482739
Director

Reena yadav
(ICSI Reg.No.A36429)
Company Secretary

Mumbai : 30th May, 2017

Roshan Dsouza
Chief Finance Officer

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part “B”: Associates and Joint Ventures

Statement pursuant to first proviso to sub-section(3)of section 129 of the companies Act 2013, read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-1 related to Associate Companies and Joint Ventures.

(In ₹)

| Sr No | Name of the Associate Company | M/s. Entecres Labs Private Limited |
|--------------|--|---|
| 1 | Reporting period for the subsidiary concerned,if different from the holding company's reporting period. | N.A |
| 2 | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the each of foreign subsidiaries. | N.A |
| 3 | Share Capital | 167,400 |
| 4 | Reserve & surplus | 15,711,221 |
| 5 | Total Assets | 21,980,099 |
| 6 | Total Liabilities | 6,101,479 |
| 7 | Investments | - |
| 8 | Turnover | 27,180,361 |
| 9 | Profit before taxation | 3,158,644 |
| 10 | Provision for taxation | 983,183 |
| 11 | Profit after taxation | 2,175,461 |
| 12 | Proposed dividend | - |
| 13 | Percentage of share holding | 27.96% |

Notes:

Names of subsidiaries which are yet to commence operations :- **NIL**

Names of subsidiaries which have been liquidated or sold during the year:- **NIL**

For M.V.Ghelani & Co.
Chartered Accountants
Firm Regn. No. 119077W

M.V.Ghelani
Memb. No.031105
Proprietor

Mumbai : 30th May, 2017

For and on behalf of the Board

Gautam P. Khandelwal
DIN 00270717
Chairman

Reena yadav
(ICSI Reg.No. A36429)
Company Secretary

Mumbai : 30th May, 2017

Nimis Sheth
DIN 00482739
Director

Roshan Dsouza
Chief Finance Officer

INFORMED TECHNOLOGIES INDIA LIMITED

CIN L99999MH1958PLC011001

| Regd. Office: 'Nirmal', 20th Floor, Nariman Point, Mumbai - 400021|

| Tel# +91 22 2202 3055/66 | Fax# +91 22 2204 3162 |

| Email: itil_investor@informed-tech.com | Website: www.informed-tech.com |

ATTENDANCE SLIP

(PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL)

| | |
|-----------------|---------------------|
| Regd. Folio No: | *DP ID: |
| *Client ID: | No. of Shares Held: |

| | |
|----------------------------------|------------------|
| Name of The Member : _____ | Signature: _____ |
| Name of The Proxy Holder : _____ | Signature: _____ |

I/We hereby record my presence at the 59th Annual General Meeting of the Company to be held on **Thursday, September 28, 2017** at 3:30 PM at **20th Floor, Nirmal Building, Nariman Point, Mumbai – 400 021**

Notes:

1. Only Member/Proxy holder can attend the Meeting.
2. Please complete the Folio No. /DP ID No., Client ID No. and name of the Member/Proxy holder, sign this Attendance Slip and hand it over, duly signed, at the entrance of the Meeting Hall.
3. A Member/Proxy holder attending the meeting should bring copy of the Annual Report for reference at the meeting.

INFORMED TECHNOLOGIES INDIA LIMITED

Registered Office : 'Nirmal', 20th Floor, Nariman Point, Mumbai - 400 021.

| CIN: L99999MH1958PLC011001 | Website: www.informed-tech.com | Email id: itil_investor@informed-tech.com |

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]

CIN : L99999MH1958PLC011001
Name of the Company : Informed Technologies India Limited
Name of the Member (s) : _____
Registered address : _____
E-mail Id : _____
Folio No/Client Id /DP Id : _____

I/We, being the Member(s) of _____ Shares of the above named Company, hereby appoint

| | | |
|---------------------------------|---------------------------------|------------------|
| Name: | Name: | Name: |
| Address: | Address: | Address: |
| E-mail Id: | E-mail Id: | E-mail Id: |
| Signature:..... or failing him; | Signature:..... or failing him; | Signature..... |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 59th Annual General Meeting of the Company, to be held on **Thursday, September 28, 2017** at 3:30 PM at **20th Floor, Nirmal Building, Nariman Point, Mumbai – 400 021** and at any adjournment thereof in respect of such resolutions as are indicated below:

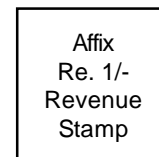
Ordinary Business

1. To receive, consider and adopt the audited financial statements for the financial year ended march 31, 2017 together with the director's report and auditor's report thereon; and the audited consolidated financial statement of the Company for the financial year ended march 31, 2017 together with the auditor's report thereon.
2. To appoint a Director in place of Mr. Gautam Khandelwal (DIN 00270717), who retires by rotation and, being eligible, offers himself for re- appointment.
3. Appointment of Statutory Auditors of the Company, and to fix their remuneration

Special Business

4. Alteration/Adoption of New Set of Articles of Association of Company as per Companies act, 2013
5. Change in place of keeping and inspection of Register and Index of members, Returns, etc.

Signed this..... day of2017



Signature of the Shareholder

Signature of the 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 (forty eight) hours before the commencement of the meeting.**
- 2. A proxy need not be a member of the Company.**
3. A person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
4. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
5. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

INFORMED TECHNOLOGIES INDIA LIMITED

CIN L99999MH1958PLC011001

| Regd. Office: 'Nirmal', 20th Floor, Nariman Point, Mumbai - 400021|

| Tel# +91 22 2202 3055/66 | Fax# +91 22 2204 3162 |

| Email: itil_investor@informed-tech.com | Website: www.informed-tech.com |

BALLOT FORM FORM NO. MGT-12

(Pursuant to Section 109 (5) of the Companies Act, 2013 and Rule No. 21 (1) (c) of the Companies (Management & Administration) Rules 2014

(1) Name(s) of the First Named Shareholder (In block letter) _____

(2) Postal address _____

(3) Registered Folio No/ DP Id No / Client ID : _____

(4) Number of Shares held : _____

I/we hereby exercise my/our vote in respect of the Ordinary/ Special Resolution enumerated below by recording my/our assent or dissent to the said resolutions by placing the tick (✓) mark at the appropriate box below:

| Resolution No. | Description | I/we assent to the resolution (FOR) | I/we dissent to the resolution (AGAINST) |
|----------------|---|-------------------------------------|--|
| | ORDINARY BUSINESS | | |
| 1. | To receive, consider and adopt the audited financial statements for the financial year ended March 31, 2017 together with the director's report and Auditor's report thereon; and the audited consolidated financial statement of the Company for the financial year ended March 31, 2017 together with the auditor's report thereon. | | |
| 2. | To appoint a Director in place of Mr. Gautam Khandelwal (DIN 00270717), who retires by rotation and, being eligible, offers himself for re-appointment. | | |
| 3. | Appointment of Statutory Auditors of the Company, and to fix their remuneration. | | |
| | SPECIAL BUSINESS | | |
| 4. | Alteration/Adoption of New Set of Articles of Association of Company as per Companies Act, 2013 | | |
| 5. | Change in place of keeping and inspection of Register and Index of members, Returns, etc. | | |

Place:

Date:

Signature of the Shareholders/Beneficial Owner

Note: (i) if you opt to cast your vote by e-voting there is no need to fill up and send this form

(ii) Last date for receipt of Ballot Form :Wednesday, September 27, 2017 (5:00 PM)

(iii) Please read the instructions printed overleaf carefully before exercising your vote

INSTRUCTIONS:

1. Members may fill up the Ballot Form printed overleaf and submit the same in a sealed envelope to the Scrutinizer, Mr. Sanam Umbargikar, Practicing Company Secretary at C-502, Raylon Arcade, Ram Krishna Mandir Road, Next to Pidilite Industries, Kondivita, Andheri East, Mumbai -59 as to reach by 5:00 PM on Wednesday, September 27, 2017. Ballot Form received thereafter will strictly be treated as if not received.
2. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutinizer on the validity of the forms will be final.
3. In case the member casts his votes through both the processes i.e., E-voting and Physical Ballot Form, the votes in the electronic system would be considered and the Ballot Form would be ignored.
4. The right of voting by Ballot Form shall not be exercised by a proxy.
5. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic/demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the share transfer agent of the Company i.e., Link Intime India Private Limited. Members are requested to keep the same updated.
6. There will be only one Ballot Form for every Folio / DP ID & Client ID irrespective of the number of joint members.
7. In case of joint holders, the Ballot Form should be signed by the first named shareholder and in his / her absence by the next named shareholders. Ballot form signed by a joint holder shall be treated valid if signed as per records available with the Company and the Company shall not entertain any objection on such Ballot Form signed by other joint holders.
8. Where the Ballot Form has been signed by an authorized representative of the body corporate/Trust/Society etc., a certified copy of the relevant authorization / Board Resolution to vote should accompany the Ballot Form.
9. Instructions for e-Voting procedure are available in the Notice of the Annual General Meeting.
10. Members are requested not to send any other paper along with the Postal Ballot Form as all such envelopes will be sent to the Scrutinizer and any extraneous papers found in such envelope would be destroyed by the Scrutinizer.

Please follow the steps for e-Voting procedure as given in the Notice of AGM or as available on www.evotingindia.com. In case you have any feedback, queries or issue regarding e-Voting, please contact helpdesk.voting@cdslindia.com

To

If undelivered please return to :

Informed Technologies India Limited

`Nirmal', 20th Floor, Nariman Point, Mumbai – 400 021
Cin: L99999MH1958PLC011001 Website: www.informed-tech.com