



# SOUTHERN INFOSYS LTD.

#402-A, Arunachal Building, 19 Barakhamba Road, New Delhi - 110001, INDIA

Phone : +91-11-23354236, 43045402, Email : southerninfosys@gmail.com

CIN : L67120DL1994PLC059994, Web : www.southerninfosys.com

SIL/L&S/2018-19

Date: 04/10/2018

To,  
The Department of Corporate Services  
Bombay Stock exchange Limited  
PJ Towers,  
Dalal Street

To,  
Listing Department  
Calcutta Stock Exchange  
7, Lyons Range,

Mumbai-400001

Kolkata-700001

BSE Code: 540174

CSE Code: 14326

**Subject: Submission of 24<sup>th</sup> Annual Report to BSE for Financial year 2017-18**

Sir/ Ma'am,

In pursuance of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, we are submitting herewith the Annual Report of the company for financial year 2017-18 duly approved and adopted by members in 24<sup>th</sup> Annual General Meeting of the company held on Saturday, 29th September, 2018 as per the provisions of Companies Act, 2013.

Kindly update the same on your records.

Thanking You  
Yours Faithfully

For Southern Infosys Limited

(Kriti Boreja)

Company Secretary

M. No. A51320

**BOARD OF DIRECTORS**

MR. RAKESH MOHAN SHARMA	DIRECTOR (DIN-02459885)
MR.S.C. SEHGAL	INDEPENDENT DIRECTOR (DIN-05120918)
MR. DHARMENDRA SINGH	INDEPENDENT DIRECTOR (DIN-00158276)
MR. RAJIVMISHRA	INDEPENDENTDIRECTOR (DIN-07051314)

**AUDITORS**

V Sahai Tripathi & Co.,  
Firm Registration No. 000262N  
Chartered Accountants  
C- 593, LGF, Defence Colony,  
New Delhi-110024

**BANKERS**

BANK OF BARODA  
YES BANK

**REGISTERED OFFICE**

402-A, ARUNACHAL BUILDING,  
19, BARAKHAMBA ROAD,  
NEW DELHI- 110001

**REGISTRAR & TRANSFER AGENT**

ALANKIT ASSIGNMENTS LTD.,  
Shop No. 1E/13,Jhandewalan,  
Extension, Delhi -110055

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## NOTICE

Notice is hereby given that the 24<sup>th</sup> Annual General Meeting of the members of SOUTHERN INFOSYS LIMITED (CIN-L67120DL1994PLC059994) will be held on Saturday, 29<sup>th</sup> September, 2018 at 10.00 A.M. at Ground Floor, Mini Hall of Arunachal Building, 19, Barakhamba Road, New Delhi – 110001 to transact the following businesses:

### Ordinary Business:

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March 2018, together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Rakesh Mohan Sharma (DIN-02459885) who retires by rotation and being eligible, offers himself for re-appointment.

By Order of the Board  
For Southern Infosys Limited

Place: New Delhi  
Delhi: 30.08.2018

Kriti Bareja  
Company Secretary  
M. No: A51320

### NOTES:-

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DELIVERED AT THE REGISTERED OFFICE OF THE COMPANY ATLEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. PROXY FORM IS ENCLOSED HERewith:

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company carrying voting rights.

A member holding more than ten percent (10%) of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person of shareholder.

2. Members are requested to note that the Company's shares are under compulsory demat trading for all the investors. Members are, therefore, requested to dematerialize their shareholding to avoid inconvenience.

3. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, the 22<sup>nd</sup> day of September, 2018 to Saturday, the 29<sup>th</sup> of September, 2018 (both days inclusive) for the purpose of AGM.

4. Corporate members intending to send their authorized representative to attend the AGM are requested to send duly certified copy of the Board resolution authorizing their representative(s) to

attend and vote on their behalf at the Meeting.

5. Shareholders who have not registered their E-mails address, so far, are requested to register their E-mail address in respect of electronic holdings with the Depository through their concerned Depository.

6. Depository Participants. Members who hold shares in physical mode are requested to update their e-mail id with the registrar and transfer agent by writing to M/s Alankit Assignments Limited, Alankit Heights 1E/13, Jhandewalan Extension New Delhi -110055 India, for receiving all communication including Annual Report, Notices, and Circulars etc. from the Company electronically.

7. This Notice of 24<sup>th</sup> AGM and instructions for e-voting along with Annual report, attendance slip, proxy form and route map of the venue of the Meeting is being sent by electronic mode to all the members of the company whose email addresses are registered with the company/Depository Participant(s) unless a member has requested for a hard copy of the same for Members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by permitted mode.

8. The relevant details as required in sub regulation 36(3) of SEBI (Listing Obligation and disclosure requirements), 2015 in respect of director seeking appointment/ re-appointment at the Annual general Meeting, forms integral part of the notice. Requisite declarations have been received from directors for their appointment and re-appointment.

9. The Company is providing facility for voting by electronic means (e-voting) through an electronic voting system which will include remote e-voting as prescribed by the Companies (Management and Administration) Rules, 2014 as presently in force and the business set out in the Notice will also be transacted through such voting. Information and instructions including details of User ID and password relating to e-voting are provided in the Notice under Note No.15.

10. Members / Proxies/ Authorized Representatives are requested to bring to the Meeting necessary details of their shareholding, attendance slip(s) and copy of Annual Report.

11. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.

12. Relevant documents referred to in the Notice are open for inspection by the members at the Registered Office of the Company on all working days (i.e., except Saturdays, Sundays and Public Holidays) during business hours up to the date of the Meeting. The aforesaid documents will also be available for inspection by members at the Meeting.

13. Members holding share in electronic mode are requested to intimate any change in their address or bank account details to their Depository Participants (DPs) with whom they are maintaining their demat accounts. Members holding shares in physical mode are requested to advise any change in their address or bank account details immediately to the Company/Alankit Assignments Limited.

14. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic mode are, therefore, requested to submit their PAN to their DPs with

whom they are maintaining their demat account. Members holding shares in physical mode shall submit their PAN to the Company / Registrar and transfer Agent.

15. Members holding share in physical mode are advised to make nomination in respect of their shareholding in the Company. A downloadable version of the nomination form (SH-13) is available in Downloads section under Investor Relation drop down on the Company's website: Members holding shares in electronic mode may contact the irrespective DPs for availing the nomination facility.

16. Members who hold shares in physical mode in multiple folios in identical name or joint holding in the same order of names are requested to send the share certificates to the Registrar, for consolidation into a single folio.

17. Queries proposed to be raised at the Annual General Meeting may be sent to the company at its registered office at least 7 days prior to the date of the AGM to enable the management to compile the relevant information to reply the same in the meeting.

18. Members whose names are recorded in the register of members or in the register of beneficial owner maintained by depositories as on the cut-off date i.e. Saturday, 22<sup>nd</sup> September, 2018, shall be entitled to avail the facility of remote e-voting as well as voting at the AGM. Any recipient of the notice, who has no voting rights as on the cut-off date, shall treat the notice as intimation only.

19. A person who has acquired the shares and has become a member of the company after the dispatch of the notice of the AGM and prior to the cut-off i.e. Saturday, 22<sup>nd</sup> September, 2018 shall be entitled to exercise his/her vote either electronically i.e. Remote e-voting or through the poll paper at the AGM by following the procedure mentioned in this part.

20. The route map showing directions to reach the venue of the meeting is annexed with the notice.

21. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.

22. The facility for voting through poll paper would be made available at the AGM and the members attending the meeting who have not already cast their votes by remote e-voting shall be able to exercise their right at the meeting through poll paper. The members who have already cast their vote by remote e-voting prior to the meeting, may also attend the meeting, but shall not be allowed to cast their votes again.

23. The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the company as on cut-off date i.e. Saturday, 22<sup>nd</sup> September, 2018.

24. ACS Nitin Bhatia of M/s Nitin Bhatia & Co. 201, 2nd Floor, Pooja Complex, Veer Savarkar Block, Shakarpur, New Delhi-110092, has been appointed as the scrutinizer to scrutinize the e-voting process and voting through Poll at the Annual General Meeting in a fair & transparent manner.

25. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the AGM by Ballot Papers and thereafter unblock the votes casted through e-voting in the presence of at least two witnesses not in the employment of the Company. The Scrutinizer shall, within

a period not exceeding two days from the conclusion of the AGM, prepare and present a consolidated report of the total votes cast in favor or against, if any, to the Chairman of the Company or a person authorized by him in writing who shall countersign the same.

26. The results declared along with the report of the Scrutinizer shall be placed on the website of the company i.e. [www.southerninfosys.com](http://www.southerninfosys.com) and on the website of CDSL i.e. [www.evotingindia.com](http://www.evotingindia.com), immediately after the result is declared and simultaneously communicated to the Bombay Stock Exchange.

27. The instructions for voting through electronic means are as under:

- i)
- ii) The voting period begins on Wednesday, 26<sup>th</sup> September, 2018 at 9.00 A.M and ends on Friday, 28 September, 2018 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Saturday, the 22<sup>nd</sup> September, 2018 may cast their vote electronically. The e-voting module shall be disabled for voting thereafter.
- iii) The shareholders who have already voted prior to the meeting date would not be entitled to vote at meeting venue.
- iv) The shareholder should login on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- v) Click on "Shareholders/ Members."
- vi) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID
  - b. For NSDL: 8 Character DPID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical form should enter Folio Number registered with the Company
- vii) Next enter the Image Verification as displayed and Click on Login.
- viii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are holding shares in physical form or first time user in case holding shares in Demat form, follow the steps given below

	For Members holding shares in De-mat Form(first time user) and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both De-mat shareholders as well as physical shareholders)</p> <p>☐ 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.</p> <p>☐ 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. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>

DOB or Dividend Bank Details	<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.</p> <p><input type="checkbox"/> 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 the instruction (V).</p>
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\*as mentioned above

(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 “Southern Infosys 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 a print of the votes cast 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) Shareholders can also cast their vote using CDSL’s mobile app 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.

(xx) Note for Non–Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto: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](mailto: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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

(xxi) The results of voting shall be declared within two (2) days of conclusion of 24<sup>th</sup> Annual General Meeting convened for the purpose. The results of voting so declared along with the Scrutinizer’s Report shall be placed on the Company’s Website ([www.southerninfosys.com](http://www.southerninfosys.com)) CDSL Website and shall also be communicated to the Stock Exchange.

By Order of the Board  
For Southern Infosys Limited

Place: New Delhi  
Date: 30.08.2018

Kriti Bareja  
Company Secretary

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT  
FORTH COMING ANNUAL GENERAL MEETING**

(In pursuance of regulation 36(3) of SEBI (Listing Obligation & Disclosure Requirement)  
Regulations, 2015)

Name of the Director	Mr. Rakesh Mohan Sharma
DIN	02459885
Date of Birth and Age	November 21, 1956, 62 years
Date of appointment	04/07/1994
Nationality	Indian
Father’s Name	Lt. Shri Mool Chand Sharma
Qualifications	B.Com, FC.S.
Expertise in Specific functional areas	Rich and innovative experience in business management, Finance & Corporate Laws
Experience	37 years
Terms & Conditions of Appointment	As per the resolution passed by shareholder at their Annual General Meeting
Remuneration	Nil
Board Membership of other companies as on 31 <sup>st</sup> March, 2018	Disha Investment Centre Private Limited Disha Capital Services Limited
Chairmanship(s) / Membership(s) of Committees of other Companies as on 31 <sup>st</sup> March, 2018.	NA
Shareholding	3,78,950
Relationship of director inter-se	Nil

## Updation of PAN, Bank Account details, E-mail address and Dematerialization of Shares

Dear Shareholder,

This is with reference to the SEBI bearing circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated: 20th April, 2018, wherein the listed company is required to obtain the copy of Pan Card and Bank account details from all shareholders holding shares of the Company in physical form. Accordingly you are requested to kindly furnish the following along with Annexure- A given below:

- Self attested copy of your Pan Card of all shareholders including joint holders. In case of residents of Sikkim the requirement of PAN Card be substituted with a valid Identity proof issued by Government.
- Original cancelled cheque bearing the name of the securities or copy of bank passbook / statement attested by the bank.

Please note that Companies Act, 2013, provides for sending all documents, notices and every other documents required by law to be annexed or attached thereto etc., in electronic form to the registered e-mail address of the Shareholders. In terms of Regulation 36 (1) (a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the listed entity shall send soft copies of full annual report to all those shareholder(s) who have registered their e-mail address(es) for the purpose. In order to receive all the documents and correspondences from us by e-mail, you may kindly mention your e-mail id, which will be registered with us as your registered e-mail id for sending all documents and correspondence by e-mail to you.

Also, on 8th June 2018, SEBI vide its notification No. SEBI/LAD-NRO/GN/2018/24 had amended the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), which states that, "except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository." Thus, SEBI has mandated transfer of shares in dematerialised form alone. This comes into effect from 5th December 2018 and hence you are requested to take note of it and take necessary steps to dematerialise your shares that are held in physical form.

You are requested to send the desired details/documents at any of the below given address :

SOUTHERN INFOSYS LIMITED 402-A, Arunachal Building, 19, Barakhamba Road, New Delhi- 110 001	M/S ALANKIT ASSIGNMENTS LIMITED Alankit Heights 1E/13, Jhandewalan Extension, New Delhi -110055
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We seek your co-operation in this regard.

For Southern Infosys Limited

Company Secretary

### Annexure-A

Name of Shareholder(s) : \_\_\_\_\_

Folio No. : \_\_\_\_\_

Pan (attached Self attested copy of Pan) : \_\_\_\_\_

Bank Details (attach Self attested copy of cancelled Cheque) : \_\_\_\_ Bank                      Account                      No.

: \_\_\_\_\_

Name of Bank : Branch Address : \_\_\_\_\_

IFSC No. : \_\_\_\_\_

MICR No. : \_\_\_\_\_

Email ID : \_\_\_\_\_

(-----) Signature of Shareholder(s)

## DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting the 24<sup>th</sup> Annual Report of your Company together with the Audited Financial Statements of the company for the financial year ended 31<sup>st</sup> March 2018.

### FINANCIAL RESULTS

The summarized financial results for the financial year ended 31<sup>st</sup> March 2018 and for the previous year ended 31<sup>st</sup> March 2017 are as follows:

(Amount in Rs.)		
Particulars	2017-18	2016-17
Total Revenue	192,786,666	207,424,176
Profit before depreciation and taxes	(1,297,135)	277,022
Profit before taxes	(1,320,857)	206,399
Provision for taxes (Incl. Deferred Tax)	(377,028)	81,212
Profit for the year after taxes	(943,830)	125,187
Balance brought forward from previous year	125,188	156,173
Profit available for appropriation	(943,830)	125,187
Transfer to general reserve	(943,830)	125,187

During the year, under review, your Company has achieved total revenue of Rs. 192,786,666. Though there are both operational and gross profits generated during the year under review yet using expected loss model as per Ind AS 109, the figures of net loss arrived is Rs. 943,830 as against total revenue and net profit of Rs. 207,424,176 and Rs. 125,187 respectively during the previous financial year ended 31<sup>st</sup> March, 2017.

### TRANSFER TO RESERVES

Entire loss of Rs. 943,830 is transferred to and adjusted against Other Retained earnings as per regrouping and rearrangement done in accordance with Indian Accounting Standards.

### DIVIDEND

In view of losses as detailed herein above, the Board does not recommend any dividend for the financial year ended 31<sup>st</sup> March, 2018.

### CHANGE IN NATURE OF BUSINESS

There is no change in the nature of business of the Company.

### SHARE CAPITAL

The paid up equity share capital outstanding as on 31<sup>st</sup> March, 2018 was Rs. 5,02,00,000. During the year, under review, there was no change in the share capital. Further, the Company has neither issued Share with Differential Voting Rights nor granted Stock Options nor any Sweat Equity.

### LISTING OF 5020000 COMPANY'S EQUITY SHARES

The equity shares of the Company are listed with Bombay Stock Exchange Limited (BSE) and with Calcutta Stock Exchange (CSE).

## STATUTORY DISCLOSURE UNDER COMPANIES ACT, 2013

### 1. NUMBER OF MEETINGS OF THE BOARD

During the year, 9 (Nine) meetings of the board of directors were held, the details are appearing in the Corporate Governance Report.

### 2. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, state that:

- a) in preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) the directors had 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 as at 31<sup>st</sup> March, 2018, and of the profit and loss of the Company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors had laid down proper Internal Financial Controls to be followed by Company and that such internal financial controls are adequate and were operating effectively;
- f) the directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

The Audit Committee constituted by the Board reviewed the internal controls and financial reporting issues with Statutory Auditors.

### 3. DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declarations under Section 149(7) of the Act, by all the Independent Directors that they continue to meet the criteria as provided u/s 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### 4. NOMINATION AND REMUNERATION POLICY

The Nomination and Remuneration Committee frames the policy for selection, appointment and remuneration of Directors, Key Managerial Personnel and other employees depending upon the vacancy arisen and need of the company for the experienced and young people.

### 5. EXPLANATION OR COMMENTS IN SECRETARIAL AUDIT REPORT

There is no qualification, reservations or adverse remarks or disclaimer made by the practicing company secretary in the secretarial audit report.

### 6. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013.

Details of Loans, Guarantees or Investments are given in the accompanying Financial Statement 1.1

7. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year, the company has not entered into any contracts / arrangements with the Related Parties pursuant to Section 188 (1) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014. Hence, no particulars are being provided in Form AOC-2.

8. CORPORATE SOCIAL RESPONSIBILITY

The Provisions for Corporate Social Responsibility is not applicable on your company during the year under review.

9. STATE OF COMPANY'S AFFAIRS

Discussion on state of Company's affairs has been covered as part of Management Discussion and Analysis Report.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no adverse material changes or commitments occurring after 31st March, 2018 which may affect the financial position of the company or may require disclosure.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO, IN SUCH MANNER AS PRESCRIBED

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 Companies (Accounts) Rules, 2014, is annexed herewith as Annexure -1.

RISK MANAGEMENT POLICY

Company has appropriate control mechanism and operating effectiveness of the internal Financial Control and Legal Compliance System. The Company has created appropriate structures with proper delegation of duties and responsibilities of employee at each level on enterprise basis for compliances thereof which are periodically reviewed by the management, internal auditors, statutory auditors and the Audit Committee.

BOARD EVALUATION

Pursuant to provisions of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and other statutory committees.

10. OTHER STATUTORY DISCLOSURE AS REQUIRED UNDER RULE 8 (5) OF THE COMPANIES (ACCOUNTS) RULES, 2014

- (i) Financial summary/highlights are included in this report;
- (ii) Change in the nature of the business during the year under review;
- (iii) During the year under review, there has been no change in the nature of business of the Company.
- (iv) Details of directors or key managerial personnel

In accordance with the provision of the Companies Act, 2013, Mr. Rakesh Mohan Sharma, Director of the company is liable to retire by rotation and being eligible offers

himself for re-appointment in the ensuing Annual General Meeting.

Mrs. Poonam Sharma ceased to be the director and as such Managing Director of the company due to her resignation. The board appreciates her contribution to the growth of the company during her tenure. The Vacancy created due to her resignation shall be filled in due course

(v) Deposits

The Company neither had any fixed deposits outstanding as on 31<sup>st</sup> March 2018 nor fresh / Renewal of deposits were accepted during the financial year 2017-18 under Chapter V of the Companies Act, 2013. There were no unclaimed deposits as at March 31<sup>st</sup> 2018.

(vi) No significant and material orders were passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operation.

(vii) The Company has adequate internal financial control system in place. The company has deployed controls including defined code of conduct, whistle blower policy. The Audit Committee along with the management regular oversight of the internal controls environment at Company.

11. ANNUAL RETURN

The annual return of the company shall be uploaded on the website of the Company at [www.southerninfosys.com](http://www.southerninfosys.com)

12. INFORMATION FORMING PART OF THE DIRECTORS' REPORT PURSUANT TO RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION RULES), 2014.

Sr. No.	Information required	Input
1	The ratio of the remuneration of each director to the median remuneration	NIL
2	The percentage increase in remuneration of each Director, chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.	NIL
3	The percentage increase in the median remuneration of employees in the financial year	NIL
4	The number of permanent employees on the rolls of company.	06
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out, if there are any exceptional circumstances for increase in the managerial remuneration.	NIL
6	Affirmation that the remuneration is as per the remuneration policy of the Company.	Yes

7	<p>Statement showing the names of the top ten employees in terms of remuneration drawn and the name of every employee, who -</p> <p>(I) if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees;</p> <p>(ii) if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month;</p> <p>(iii) if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Whole-time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.</p>	N.A.
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13. VIGIL MECHANISM

The Company has established a Vigil Mechanism policy in accordance with the provisions of the Companies Act, 2013 read with Rules there under and the Listing Agreement with the stock exchanges to deal with the instances of fraud and mismanagement. The details of the vigil mechanism are posted on the website of the Company which can be viewed at <http://www.southerninfosys.com/vigil.html>.

14. Composition of Audit Committee

The composition of the Audit Committee has been mentioned in the Corporate Governance Report appended hereto.

15. STATUTORY AUDIT & AUDITORS

M/s. V. Sahai Tripathi & Co., Chartered Accountants (Firm Registration No. 000262N), statutory auditors of the Company, who were appointed as such by the members for five years i.e. till the conclusion of Annual General Meeting for the financial year 2019-20, shall continue as the statutory auditors of the company pursuant to section 139 of the Companies Act, 2013.

The Report of the Auditors on the financial statements including relevant notes on the accounts for the Financial Year ended 31.03.2018 are self-explanatory and do not call for any further comments except that on provisions for Gratuity and Bonus. Directors clarify that the provisions for the same was not made as the company has not incurred any liability on these counts in view of the fact that both the Acts are not yet applicable on the company.

During the year, under review, the Auditors have not reported any matter/frauds under Section 143(12) of the Companies Act, 2013, therefore no details is required to be disclosed under Section 134(3) of this Act.

16. SECRETARIAL AUDITORS

The Board had re-appointed M/s Nitin Bhatia & Co., Company Secretaries, as Secretarial Auditor pursuant to the provisions of Section 204 of the Companies act, 2013. The Report of the Secretarial Auditor is annexed as per "Annexure -2"

17. CORPORATE GOVERNANCE

Your Company conforms to the norms of Corporate Governance as envisaged in the Listing Regulations with the BSE Limited. Pursuant to Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on the Corporate Governance and the Auditors Certificate on Corporate Governance are annexed to this report as “Annexure-3”.

18. DISCLOSURE AS PER SECRETARIAL STANDARD

The Board confirms the compliance with the applicable Secretarial Standard (SS-1) for the year under review.

19. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

There were no complaint received from any employee during the financial year 2017-18 and hence no complaint is outstanding as on 31.03.2018 for redressal.

20. ACKNOWLEDGEMENT

Your Directors wish to place on record their deep appreciation of the continued support and co-operation received from Banks and Shareholders. Your Directors also wish to place on record their appreciation of the devoted services of the Company's employees, who have diligently contributed to the Company's progress.

Annexure-I

A. CONSERVATION OF ENERGY

The Following measures were continued by the Company for conservation of energy

- i) Optimizing the lighting in the premises and reducing the power consumption through installation of LED lights.
- ii) Installation of energy saver in lighting circuit.
- iii) Continual exploration of various avenues to reduce and optimize energy.

B. RESEARCH AND DEVELOPMENT (R&D)

Company has not claimed / incurred any specific expenditure under this head. However, Company constantly endeavors through its highly skilled and committed workforce to develop products and services to be launched at an opportune time.

C. TECHNOLOGY ABSORPTION, ADAPTION & INNOVATION

Company is not into any manufacturing activity and as such absorption of any particular technology or its adaptation is not applicable.

D. FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Inflow, if any	Nil
Foreign Outflow, if any	NIL



Annexure –2  
Form No. MR-3  
SECRETARIAL AUDIT REPORT FOR THE YEAR ENDED 31.03.2018

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

To,  
The Members,  
Southern Infosys Limited,  
402-A, Arunachal Building, 19, Barakhamba Road, New Delhi-110 001

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

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended 31.03.2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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 31.03.2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable as the company did not have any transaction covered under Foreign Exchange Management Act, 1999.)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (not applicable during the year)
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; - (Not applicable during the year);

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - (Not applicable as the company has not issued any kind of debt securities);

(f) 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; - (Not applicable during theyear)

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable during the year);

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable during the year)and

- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- ii) Other laws as may be applicable to the Company as per the representation made by the Company.

We have been informed by the Company that there are no laws specifically applicable to the Company

We have also examined compliance with the applicable clauses 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 CSE Ltd. (Calcutta Stock Exchange) and BSE Ltd.

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

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive and Independent Directors. 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 clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

On inspection of the minutes as captured and recorded it was ascertained that majority decisions are carried through while the dissenting members' views are 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.

We further report that during the audit period no major action having a bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, and standards etc. have taken the place.

For Nitin Bhatia & Co.  
Company Secretaries

Date: 01.08.2018  
Place: New Delhi

(Nitin Bhatia)  
ACS No.: 34405  
C.P. No.: 12902

This report is to be read with my letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.

ANNEXURE- A

To,  
The Members,  
Southern Infosys Limited

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our.
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 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 and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable law, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Nitin Bhatia & Co.  
Company Secretaries

Date:01.08.2018  
Place: New Delhi

Nitin Bhatia  
ACS No.:34405  
C.P. No.:12902

## ANNEXURE - 3

### REPORT ON CORPORATE GOVERNANCE

In compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company submits the Report on Corporate Governance as followed:

#### 1. THE COMPANY'S CORPORATE GOVERNANCE PHILOSOPHY

The Company has set itself the objective of expanding its capacities and becoming globally competitive in its business. As a part of its growth strategy, the Company believes in adopting the 'best practices' that are followed in the area of Corporate Governance across various geographies. The Company emphasizes the need for full transparency and accountability in all its transactions, in order to protect the interests of its stakeholders. The Board considers itself as a Trustee of its Shareholders and acknowledges its responsibilities towards them for creation and safeguarding their wealth.

#### Code of Conduct for Board Members and Senior Management

The company has adopted the Code of Conduct for the Directors and Senior Management of the company. The company has received confirmations from both the Directors and Senior Management regarding compliance of Code of Conduct for the year ended 31<sup>st</sup> March, 2018. The code is posted on website of the company i.e. [www.southerninfosys.com](http://www.southerninfosys.com).

Independent Directors of the company assists the company in implementing the best corporate governance practices as per Code of Conduct for Independent Directors (Schedule-IV of Companies Act, 2013).

#### 2. BOARD OF DIRECTORS

##### a. Composition and category of Directors as on 31.03.2018

The Board of Directors of the company comprises of four Directors with 1 Promoter Director and 3 (Independent Non-Executive Directors). The Board consists of eminent persons with considerable professional expertise and experience in business industry, finance, audit, law, banking and public enterprises.

The Composition of the Board and related information are given below:

<u>Sl. No.</u>	<u>Name of the Director</u>	<u>Designation</u>	<u>Category</u>
1.	Rakesh Mohan Sharma	Non-Executive Director	Promoter
3.	Subhash Chander Sehgal	Director	Independent Director, Non- Executive
4.	Dharmendra Singh	Director	Independent Director, Non- Executive
5.	Rajiv Mishra	Director	Independent Director, Non- Executive

\*Mr. Rakesh Mohan Sharma is liable to retire by rotation in the ensuing Annual General Meeting.

b. (i) Board Meeting and attendance record of each director in Board Meeting

Ten Board Meetings were held during the financial year 2017-18 and the gap between the two meetings was not more than 120 days.

The details of meetings attended by the Directors are given below:

Date of Meeting	MR.R.M. SHARMA	MRS. POONAM SHARMA	MR.S.C. SEHGAL	MR. DHARMENDRA SINGH	MR.RAJIV MISHRA
10/04/2017	YES	YES	YES	YES	YES
30/05/2017	YES	NO	YES	YES	NO
31/07/2017	YES	NO	NO	YES	YES
14/08/2017	YES	NO	NO	YES	YES
01/09/2017	YES	YES	YES	YES	YES
29/09/2017	YES	YES	NO	NO	NO
14/11/2017	YES	YES	NO	NO	YES
14/02/2018	YES	YES	YES	YES	YES
18/03/2018	YES	NO	YES	YES	YES

Dates for the Board Meetings are decided well in advance and communicated to the Directors. Board Meetings are usually held at the Registered Office of the Company. The Agenda along with the explanatory notes are sent in advance to the Directors. Additional meetings of the Board are held when deemed necessary by the Board.

The Board periodically reviews compliance reports of all laws applicable to the Company. Steps are taken by the Company to rectify instances of non-compliance, if any.

(ii) Attendance of each of the director in the Annual General Meeting:

Name of the Director	Category	No. of membership in other Board Committees	Attendance at the last AGM	No. of Directorships in other companies as on 31.03.2018
Rakesh Mohan Sharma	Non-Executive Director & Promoter	2	YES	2
Poonam Sharma	Managing Director	NIL	YES	1
SubhashChander Sehgal	Independent Director	3	YES	1
Dharmendra Singh	Independent Director	3	YES	1
Rajiv Mishra	Independent Director	NIL	YES	NIL

c) Disclosure of relationship of directors' inter-se:

As per section 2(77) of the Companies Act, 2013, Ms. Poonam Sharma, ex-Managing director of the company is relative of Mr. Rakesh Mohan Sharma. Ms. Poonam Sharma having resigned, currently no Director is related to the other.

d) Number of shares and convertible instruments held by non- executive director:

As on 31<sup>st</sup> March, 2018, none of the non-executive directors of the company held shares or convertible instruments of the company except Mr. R.M. Sharma, director of the company who holds 378950 equity shares of the Company.

e) Familiarization program for Independent Directors

The Independent directors of Southern Infosys Limited are eminent personalities having wide experience in the field of business, finance, education, industry, commerce and administration. Their presence on the Board has been advantageous and fruitful in taking business decisions. Independent Directors are appointed as per the Governance guidelines of the Company. The Independent Directors appointed by the Board are given induction and orientation with respect to the Company's vision, strategic direction, core values, including ethics, corporate governance practices, financial matters and business operations by having one-to-one meetings. Independent Directors are also requested to access the necessary documents / brochures, Annual Reports and internal policies available at our website [www.southerninfosys.com](http://www.southerninfosys.com) to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made by Senior Management, Statutory and Internal Auditors at the Board/Committee meetings on business and performance up dates of the Company, global business environment, business risks and its mitigation strategy, impact of regulatory changes on strategy etc. Updates on relevant statutory changes encompassing important laws are regularly intimated to the Directors.

Further the company has familiarization program for Independent Directors with regard to their roles, rights, responsibilities in the Company nature of the industry in which the Company operates, the business model of the Company etc. The details of familiarization program imparted to the Independent directors during the year are available on the website of the Company <http://www.southerninfosys.com/relations.html>.

f) Meeting of the Independent Directors:

As required under the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the independent director was held on Tuesday, 20<sup>th</sup> March 2018. All independent directors have attended the meeting.

g) Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, a separate exercise was carried out to evaluate the performance of individual directors on parameters such as level of engagement and contribution and independence of judgment thereby safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Non Independent Directors was carried out by the Independent Directors. The Board also carried out annual performance evaluation of the working of its Audit and Nomination and Remuneration Committee. The Directors expressed their satisfaction with the evaluation process.

### 3. AUDIT COMMITTEE

Presently, the Audit Committee comprises of Three Members Directors viz. Mr. S.C. Sehgal, Chairman and Independent Director, Mr. Dharmendra Singh, Independent Director and Mr. R.M. Sharma, Non-Executive Director. Majority of the members of Audit Committee have accounting and financial management expertise.

Terms of reference, role and power of the Audit Committee as revised and stipulated by the Board of Directors from time to time are in conformity and in line with the statutory and regulatory requirements as prescribed under Section 177 of the Companies Act, 2013 and SEBI (Listing Obligations and

Disclosure Requirements) Regulations, 2015 which include the following:

#### Role of the Audit Committee

- (1) oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- (3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - (b) Changes, if any, in accounting policies and practices and reasons for the same;
  - (c) Major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) Significant adjustments made in the financial statements arising out of audit findings;
  - (e) Compliance with listing and other legal requirements relating to financial statements;
  - (f) Disclosure of any related party transactions;
  - (g) Modified opinion(s) in the draft audit report;
- (5) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (8) Approval or any subsequent modification of transactions of the Company with related parties;
- (9) Scrutiny of inter-corporate loans and investments;
- (10) Valuation of undertakings or assets of the Company, wherever it is necessary;
- (11) Evaluation of internal financial controls and risk management systems;
- (12) Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
- (13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (14) Discussion with internal auditors of any significant findings and follow up thereon;
- (15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material

nature and reporting the matter to the board;

(16) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(18) To review the functioning of the whistle blower mechanism;

(19) Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

(20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

In addition to the above, the audit committee shall mandatorily review the following information:

(1) Management discussion and analysis of financial condition and results of operations;

(2) Statement of significant related party transactions (as defined by the audit committee), submitted by management;

(3) Management letters/letters of internal control weaknesses issued by the statutory auditors;

(4) Internal audit reports relating to internal control weaknesses; and

(5) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

(6) Statement of deviations:

(a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).

(b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

#### Powers of Audit Committee

1) To investigate any activity within its terms of reference.

2) To seek any information from any employee.

3) To obtain outside legal or other professional advice.

4) To secure attendance of outsiders with relevant expertise, if it considers necessary.

The Committee met four times during the year and not more than four months elapsed between two meetings. The necessary quorum was present at the meetings. The attendance of the members of the Committee is given below:

Name of Directors	Category	No. of meetings held	No. Of meetings attended
Mr. S.C. Sehgal	(chairman/ independent director)	4	4
MR. R.M. Sharma	(non-executive director)	4	4
Mr. Dharmendra Singh	(independent director)	4	4



The CFO, Internal Auditors and Statutory Auditors are permanent invitees to the Audit Committee Meetings. Further, representatives from various departments of the company also attend the meetings as and when desired by the members of the Committee to answer and clarify questions raised at the Audit committee. The Company Secretary acts as the Secretary to the Committee.

#### 4. NOMINATION AND REMUNERATION COMMITTEE

The Company had constituted a Nomination and Remuneration Committee comprising three directors viz.

1. Mr. S.C. Sehgal, Independent Director (Chairman),
2. Mr. Dharmendra Singh, Independent Director, and
3. Mr. R.M. Sharma, Non-Executive Director

All are non-executive directors and more than half are independent. Chairman of the committee is an independent director.

The Committee met thrice (3) during the year, which was attended by all the members of the committee and discussed the remuneration policy.

Company Secretary and Compliance Officer acts as Secretary to the Committee.

The role of the committee includes the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommended to the Board their appointment and removal.
5. Whether to extend or continue the term of appointment of the Independent directors, on the basis of the report of performance evaluation of independent directors.

The Remuneration Committee also functions as the Compensation Committee as per SEBI guidelines on the Employees' Stock Option Scheme. The Company, however, has not yet introduced the Employees' Stock Option Scheme.

However, considering the performance of the company it was unanimously decided that no remuneration be payable to any of the directors of the company including the Executive Director.

#### 5. REMUNERATION OF DIRECTORS:

Remuneration of employees largely consists of basic remuneration and perquisites. The component of the total remuneration varies for different grades and is governed by industry pattern, qualification and experience of the employees, responsibility handled by him and his individual performance.

The Committee met twice (2) during the year, which was attended by all the members of the committee and discussed the remuneration policy. The committee unanimously decided against payment of any remuneration to the executive director as well as non-executive directors in view of not so encouraging performance of the company. The ratio of remuneration of each director to the median employee is therefore not comparable.

Company Secretary cum Compliance Officer acts as Secretary to the Committee.

## 6. STAKEHOLDERS RELATIONSHIP COMMITTEE

Presently the Stakeholders' Relationship Committee consists of Mr. S. C Sehgal (Chairman), Mr. Dharmendra Singh.

The Committee, inter-alia, approves issue of duplicate certificates, oversees and reviews all matters connected with the securities transfers. The Committee also looks into redressal of shareholders'/investors' complaints. The Committee oversees the performance of the Registrar and Share Transfer Agent and recommends measures for overall improvement in the quality of investor services. The Company Secretary acts as the Secretary to the Committee.

In order to expedite the process of share transfers, the Board of Directors have nominated a Committee of two officers, who normally attend to the transfer and other related matters within a period of 10 days. The Committee of Officers operates subject to overall supervision and directions of Stakeholders' Relationship Committee.

Company Secretary cum Compliance Officer acts as Secretary to the Committee. The company is registered on SCORES (SEBI Complaints Redress System).

Details of Complaints received and addressed during the year are given below:

	No. of complaints
Total complaints received	NIL
Total complaints replied	NIL
Total complaints pending	NIL

## 7. GENERAL BODY MEETINGS:

Sh. S.C. Sehgal, Chairman of the Audit Committee has also attended the Annual General Meeting. The last three Annual General Meetings were held as under:

Financial Year	Date	Time	Venue
31.03.2015	30.09.2015	11:00AM	Ground Floor, Mini Hall of Arunachal Building, 19, Barakhamba Road, New Delhi-110001
31.03.2016	30.09.2016	10:00AM	Ground Floor, Mini Hall of Arunachal Building, 19, Barakhamba Road, New Delhi-110001
31.03.2017	29.09.2017	10.00A.M	Ground Floor, Mini Hall of Arunachal Building, 19, Barakhamba Road, New Delhi-110001

## 8. MEANS OF COMMUNICATION WITH SHAREHOLDERS

The Quarterly/Half Yearly/Annual Unaudited/Audited Financial Results of the company are sent to the Stock Exchanges immediately after they are approved by the Board of Directors. In addition, these results, are published in the newspaper-'The Pioneer' (English and Hindi), and are made available to the members on request. The same are also displayed on the company's official website – [www.southerninfosys.com](http://www.southerninfosys.com)

## 9 GENERAL SHAREHOLDERS INFORMATION

### a) Day, Date & Time of 24<sup>th</sup> AGM

Date: 29.09.2018

Day: Saturday

Time: 10.00 A.M

Venue: Ground Floor, Mini Hall of Arunachal Building, 19, Barakhamba Road, New Delhi-110001.

### b) Tentative Financial Calendar

Results for quarter ending 30.06.201	:	2 <sup>nd</sup> week of August
Results for quarter ending 30.09.2018	:	2 <sup>nd</sup> week of November
Results for quarter ending 31.12.2018	:	2 <sup>nd</sup> week of February
Results for quarter ending 31.03.2019	:	4 week of May

### b) Dates of Book Closure

The Share Transfer Books and Register of Members of the Company shall remain closed from 22<sup>nd</sup> September, 2018 to 29<sup>th</sup> September, 2018 (both days inclusive).

### c) Listing on Stock Exchange(s)

The Company's shares are presently listed on Calcutta Stock Exchange & BSE

Stock Exchange	Scrip Codes
Calcutta Stock Exchange	14326
Bombay Stock exchange	540174

### d) Demat ISIN in NSDL & CDSL-INE298B01010.

### e) Stock Market Price Data for the Period 01.04.2017 to 31.03.2018

Closing Share Prices on Bombay Stock Exchange

Month	High	Low
April, 2017	20.50	20.50
May, 2017	20.50	20.50
June, 2017	19.90	18.90
July, 2017	18.20	18.20
August, 2017	18.20	15.65
September, 2017	14.90	14.90
October, 2017	14.20	13.49
November, 2017	12.82	11.58
December, 2017	11.58	11.58
January, 2017	11.58	11.58
February, 2018	11.15	11.15
March, 2018	11.15	11.15

### f) Share Transfer Agent

The company is availing the services of M/s. ALANKIT ASSIGNMENTS LTD., Shop No. 1E/13, Jhandewalan Extension, Delhi 110 055, a SEBI registered registrar, as Registrar and Transfer Agent for transfers, sub-division, consolidation, splitting of securities etc.

g) Share Transfer System

The Company's shares are held both in physical and demat form. The members are requested to get their shares converted in the demat form. The shares as and when received for the purpose of transfers are processed expeditiously but well within the stipulated time prescribed by the listing agreement or Companies Act, 2013.

h) Distribution of Shareholdings as on 31<sup>st</sup> March 2018.

Shares	Number of shareholders	Shares held	%
1-500	486	2,10,062	4.184
501-1000	86	78934	1.572
1001-5000	161	393114	7.831
5001-10000	7	64000	1.27
10001-20000	4	52500	1.046
20001-30000	2	55000	1.096
30001-40000	2	72500	1.444
40001-50000	0	0	0
50,001-1,00,000	5	2,76,640	5.511
1,00,000-5,00,000	7	17,38,450	34.63
5,00,001 and above	2	20,78,800	41.41
<b>TOTAL</b>	<b>762</b>	<b>50,20,000</b>	<b>100.00</b>

i). Category of Shareholders as on 31<sup>st</sup> March 2018

CATEGORY	NUMBER OF SHARES	%
Promoters and Promoter group	36,23,270	72.18
Indian Public	13,96,730	27.72
<b>Total</b>	<b>50,20,000</b>	<b>100.00</b>

j) Equity Shares in Electronic form

As on 31<sup>st</sup> March 2018, 80.51 percent of paid-up equity share capital of the Company was held in electronic form.

k) Outstanding GDR/ADR/Warrants or any convertible instruments, conversion date and impact on equity.

There are no convertible instruments outstanding as on 31<sup>st</sup> March, 2018 for conversion into equity shares.

l). Registered office and correspondence address

402-A, Arunachal Building, 19, Barakhamba Road, New Delhi-110 001.

**10. CERTIFICATION FOR GOOD CORPORATE GOVERNANCE**

The Executive Director and Chief Financial Officer have given a certificate to the Board as contemplated in Listing Regulations and the certificate forms part of Annual Report.

**11. PREVENTION OF INSIDER TRADING**

The company has adopted Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the company.

## 12. COMPLIANCE

Compliance Certificate obtained from the Practicing Company Secretary is attached to this report.

Details of Directors seeking appointment/re-appointment/retiring by rotation  
(In pursuance of Listing Regulations)

Name of the Director	Mr. Rakesh Mohan Sharma
DIN	02459885
Date of Birth and Age	November 21,1956, 62 years
Date of appointment	04/07/1994
Nationality	Indian
Father's Name	Lt. Shri Mool Chand Sharma
Qualifications	B.Com, FC.S.
Expertise in Specific functional areas	Rich and innovative experience in business management, Finance & Corporate Laws
Experience	37 years
Board Membership of other companies as on 31st March, 2018	Disha InvestmentCentre Private Limited Disha Capital Services Limited
Chairmanship(s) / Membership(s) of Committees of other Companies as on 31st March,2018	NA
Shareholding	378950

## ANNEXURE-5 MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### a) Industry Structure and Development

The software industry is growing rapidly and your company shall endeavor to use every possible opportunity in its favor. The company is exploring the opportunity in the e-commerce industry as well which is also showing quantum jumps. The Company expects to launch its unique informative cum e-commerce site shortly.

### b) Segment wise / Product wise Performance

The company has only one segment i.e. Software and Hardware.

### c) Adequacy of Internal Controls

The Company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that all transactions are authorized, recorded, and reported correctly.

### d) Human Resources / Industrial Relations

Your Company acknowledges the commitment, competence and dedication of its employees at all level. The company is committed to nurture, enhance and retain best talent through investment in

its people to upgrade their technical, domain and leadership capability. To retain leadership position, the company continuously innovates and customizes its Human Resource (HR) strategy to meet changing employee need.

e) Operating Performance, Future Outlook etc.

The company has incurred losses of Rs. 9,43,830 as compared to the profits of Rs. 1,25,187 in the previous financial year. The decrease in turnover during the year, under review, has led to need to find out the reasons for such decrease. The reason may be due to impact of GST and slowdown of economy.

f) Risk and Concern

The management periodically carries out risk assessment exercises. Risk factors are also discussed in Audit Committee Meetings. However, an economic slowdown can adversely affect the demand-supply equation in the industry. The rapid innovation in technology is always a threat for the industry. The Board is aware of this threat and takes steps continually to advance with the time.

## INDEPENDENT AUDITOR'S REPORT

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TO THE MEMBERS OF  
SOUTHERN INFOSYS LIMITED

### Report on the Standalone Financial Statements

We have audited the accompanying financial statements of SOUTHERN INFOSYS LIMITED ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the preparation of these Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and statement of changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act. The Board of Directors of the company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company 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 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 Ind AS financial statements by the Directors of the Company.

### Auditors' Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. In conducting 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 there under.

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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In

making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the Ind AS financial statements that give a 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 Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### Basis for Qualified Opinion

The company is required to make provision for Gratuity in respect of its employees as required under Payment of Gratuity Act, 1965 by following accrual basis and conducting the valuation by following independent actuarial valuations as at the balance sheet date by using the project unit cost method as mandated by Indian Accounting Standard-19 on Employee Benefits prescribed in the Companies (Accounting Standards) Rules, 2006 and Companies (Accounting Standards) Rules, 2016. The company has not made any provision for Gratuity and the said non-provision is contravention of Accounting Standard-1 on Significant Accounting Policies for not adhering to accrual basis as fundamental accounting assumption and Accounting Standard-15 on Employees Cost prescribed in the Companies (Accounting Standards) Rules, 2006. We are unable to ascertain the financial implication of the same. The net profit for the year, current assets cumulative net profits are overstated to that extent.

#### Emphasis of Matter

We draw your attention to the responsibility of the Company to arrange balance confirmations in respect of Accounts Receivable, Accounts Payable and other receivables/payables. The management did not have the balance confirmation of said parties. Accordingly, we directed the Company to send the confirmatory letters on its letter head requesting and asking the aforesaid various parties to confirm the balances directly to us. None of the parties have confirmed the balances as on the date of signing the financials. Management of the company has represented to us that the same are good and have been shown as per values appearing in the books of accounts and have been treated as good for recovery/payment after considering or net-off provision for doubtful receivables. Accordingly Accounts Receivables and Payables balances and other receivables/payables are subject to confirmation and reconciliation. To that extent, we are unable to ascertain financial implication of same in the financial statements.

#### Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for



Qualified Opinion paragraph, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,

- (a) In the case of the Balance Sheet, of the State of Affairs of the Company as at March 31, 2018; and
- (b) In the case of Statement of Profit and Loss account, for the year ended on date March 31, 2018.
- (c) In the case of Cash Flow Statement for the year ended on date March 31, 2018.
- (d) In the case of Statement of changes in equity for the year ended on date March 31, 2018.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure-'A' statement on the matters specified in Order, to the extent applicable.
2. As required by Section 143 (3) of the Companies Act, 2013, 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. Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The balance sheet, the statement of profit and loss, the cash flow statement and statement of changes in equity dealt with by this Report are in agreement with the books of account;
  - d. Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act.
  - e. On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, 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'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial control over financial reporting.

- 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, as amended , in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigation as on 31<sup>st</sup> March, 2018.
  - 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.

For & on behalf of  
V Sahai Tripathi & CO.  
Chartered Accountants  
Firm's Registration Number 000262N

Manish Mohan  
Partner  
M.N.-091607

Place: New Delhi

Date:

## ANNEXURE-“A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph (1) of the report on other legal and regulatory requirements of Independent Auditor's Report to the members of Shriram Automotive Products Limited on the financial statements for the year ended March 31, 2018)

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- 1) In respect of Property, Plant and Equipment:-
  - (a) The company has not maintained proper records showing full particulars including quantitative details and situation of fixed assets;
  - (b) As per the information and explanation provided to us, Fixed Assets have been physically verified by the management during the year at reasonable intervals, but no physical verification report has been provided to us and we are unable to comment on the discrepancies in recording of Fixed Assets in books of accounts.
  - (c) There are no immovable properties in Southern Infosys Limited. Accordingly, this sub-clause is not applicable on the Company for the year ended 31<sup>st</sup> March, 2018.
- 2) In respect of Inventories:-

The Company does not have any physical inventory at the reporting date, accordingly the clause is not applicable to the company during the financial year ended 31<sup>st</sup> March, 2018.
- 3) In respect of Loans given by the Company:

The Company has not granted loans to Companies, Firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, this clause is not applicable on the Company during the year ended 31<sup>st</sup> March, 2018.
- 4) In respect to Loan to director and investment by the company :

The Company has not made any transaction in respect of loans covered under section 185 of the Companies Act, 2013. In respect of loans, investments, guarantees and security covered under section 186 of the Companies Act, 2013, the provisions of the said section 186 have been duly complied with, except in case of two loans/Inter-Corporate Deposits which were given prior to commencement of Companies Act, 2013 to companies, where levying of interest either has been waived by company or charged at a nominal rate of 8.5% per annum and are still outstanding as at 31<sup>st</sup> March, 2018. Total amount of such loan as at 31<sup>st</sup> March, 2017 is Rs 2,33,75,000.
- 5) In respect of Deposits:

The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies

(Acceptance of Deposit) Rules, 2015 with regards to the deposits accepted from the public are not applicable.

- 6) In respect of Cost records:  
According to information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013, in respect of business carried out by the company. Accordingly, this clause is not applicable on the Company during the year ended 31<sup>st</sup> March, 2018.
- 7) In respect of statutory dues:
  - a) According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, gst, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amount payable in respect of the aforesaid dues were outstanding as at 31<sup>st</sup> March, 2018 for a period of more than six months from the date of becoming payable.
  - b) According to the information and explanations given to us and the records of the company produced before us, there were no disputed Statutory Dues pending before appropriate authorities.
- 8) In respect of Repayment of Loan:  
As the company does not have any loans or borrowings from any financial institution or bank or government nor has it issued any debentures as at the balance sheet date, the provisions of this clause of the Order are not applicable to the company.
- 9) In respect of utilization of IPO and further public offer  
The company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans. Accordingly, this clause is not applicable on the Company during the year ended 31<sup>st</sup> March, 2018.
- 10) In respect of Reporting of fraud:  
According to the information and explanations given to us, no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year ended 31<sup>st</sup> March, 2018.
- 11) In respect of managerial remuneration:  
According to the information and explanations given to us, no managerial remuneration has been paid by the company. Besides, Section 197 of

Companies Act, 2013 does not apply to Private Limited Companies. Accordingly this clause is not applicable on the Company during the year ended 31<sup>st</sup> March, 2017.

- 12) In respect of Nidhi Company:  
The company is not a Nidhi Company and since this clause does not apply to the Company it is not required to maintain ten percent unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability.
- 13) In respect of Related Party Transactions:  
According to the information and explanations given to us and the records of the company examined by us, all transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 and details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.
- 14) In respect of Private Placement of Preferential Issues:  
Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company.
- 15) In respect of Non-Cash Transactions:  
According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him and hence the provisions of Section 192 of Companies Act, 2013 are not applicable.
- 16) In respect of registration under RBI Act, 1934:  
The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence this clause is not applicable.

For & on behalf of  
V Sahai Tripathi & CO.  
Chartered Accountants  
Firm's Registration Number 000262N

Manish Mohan  
Partner  
M.N.-09160

Place: New Delhi  
Date:

## ANNEXURE-“B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

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

In conjunction with our audit of the Ind As financial statements of the Company as of and for the year ended 31 March, 2018 we have audited the internal financial controls over financial reporting of SOUTHERN INFOSYS LIMITED (“the Company”) as of that date.

### Management’s Responsibility for Internal Financial Controls

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

### Auditors’ Responsibility

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

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

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

#### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- a) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b) 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
- c) Provide reasonable assurance regarding prevention and timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

#### Disclaimer of Opinion

According to the information and explanation given to us, the Company has not established its internal financial control over financial reporting on criteria based on or 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. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2018.

We have considered the disclaimer reported above in determining the nature, volume of transactions, materiality, timing, and extent of audit test applied in our audit of the standalone financial statement of the company and the disclaimer does not affect our opinion on the standalone financial statements of the company.

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For & on behalf of  
V Sahai Tripathi & CO.  
Chartered Accountants  
Firm's Registration Number 000262N

Manish Mohan  
Partner  
M.N.-091607

Place: New Delhi  
Date:



**SOUTHERN INFOSYS LIMITED**  
**Statement of Cash Flow for the period ended 31st March 2018**

(Amount in Rupees)

Particulars		31.03.2018		31.03.2017	
(A)	<b>Cash flow from Operating Activities</b>	(1,320,857)		206,399	
	Profit Before Tax				
<b>Add:</b>	(Profit)/Loss on sale of Assets - Net			-	
	Unrealised (Gains)/Loss on investments carried at fair value through			-	
	Depreciation	23,722		70,623	
	Interest Paid	484,576		478,626	
	Interest Received	(2,436,673)		(2,246,852)	
	Dividend Received	(30)		-	
	Provision of Loss Allowance	1,566,808		32,848	
	Re measurement of post employment defined benefit plans	-		-	
	<b>Operating Profits before working Capital changes</b>	(1,682,455)		(1,458,356)	
	Adjustment for:				
	Change in Trade Payable	21,266,069		9,383,796	
	Change in Other Liabilities	(599,015)	<b>2,684,136</b>	(1,451,198)	<b>248,564</b>
	Change in Provisions	-		-	
	Change in Inventories	-		37,036,291	
	Change in Trade receivable	(17,326,211)		(44,935,874)	
	Change in Loans & Advances	474,978		(1,767,156)	
	Change in Current Assets	617,775		3,649,056	
	<b>Cash generation from Operating Activities</b>	2,751,141		456,560	
<b>Less:</b>	Income Tax	67,005		207,996	
	<b>Net Cash generation from Operating Activities</b>				
(B)	<b>Cash Flow from Investing Activities</b>				
	Interest Income	2,436,673		2,246,852	
	Dividend Income	30		-	
	Purchase of Fixed Assets			-	
	Sale of Investment	151,521		-	
	Movement in non-current Assets	(2,436,673)		-	
	Movement in Deposits more than 12 months	(500,000)		-	
	<b>Net Cash from Investing Activities</b>		<b>(348,449)</b>		<b>2,246,852</b>
(C)	<b>Cash Flow from Financing Activities</b>				
	Interest Paid	(484,576)		(478,626)	
	Proceeds/(Repayment) of Borrowing			(1,325,000)	
	Payment of Dividend including Corporate Dividend tax			-	
	<b>Net Cash flow in Financing Activities</b>		<b>484,576</b>		<b>1,803,626</b>
	<b>Net increase decrease in cash &amp; cash equivalents</b>		<b>1,851,111</b>		<b>691,789</b>
	Cash and Cash equivalents (Opening Balance)		1,389,142		697,352
	<b>Cash and Cash equivalents (Closing Balance)</b>		3,240,253		<b>1,389,142</b>

**For V. Sahai Tripathi & Co.**  
Chartered Accountants  
Firm Regn No. 000262N

**Manish Mohan**  
**(Partner)**  
**Membership No. 091607**

**(Director)**

**(Director)**

**(Chairman)**

Place : New Delhi  
Date : 29-May-2018

**SOUTHERN INFOSYS LIMITED**  
**Balance Sheet as at 31st March 2018**

(Amount in Rupees)

			Ind AS	Ind AS	Ind AS
	Particulars	Note No.	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
I	<b>ASSETS</b>				
1	<b>Non-current assets</b>				
	(a) Property, Plant and Equipment	1	125,496	143,484	208,373
	(b) Other Intangible Assets	1	-	5,733	11,467
	(c) Financial Assets	2	13,138,500	13,290,021	13,290,021
	(i) Investments	3	31,103,419	28,666,746	26,420,964
	(ii) Loans	4	494,113	45,111	(28,116)
	(d) Deferred Tax Asset (Net)				
2	<b>Current assets</b>	5	-	-	37,036,291
	(a) Inventories				
	(b) Financial Assets	6			39,638,923
	(i) Trade receivables	7	100,301,352	84,541,949	697,352
	(ii) Cash and Cash Equivalents	8	3,240,253	1,389,142	
	(iii) Other Bank Balances	9	500,000		8,010,879
	(ii) Other Financial Assets	10	7,057,275	7,532,253	
	(c) Current Tax Assets (Net)	11	-	-	4,266,831
	(d) Other Current Assets		-	617,775	
	<b>TOTAL ASSETS</b>		<b>155,960,408</b>	<b>136,232,214</b>	<b>129,552,984</b>
II	<b>EQUITY AND LIABILITIES</b>				
1	<b>Equity</b>				
	(a) Equity Share Capital	12	50,200,000	50,200,000	50,200,000
	(b) Other Equity		214,210	1,158,040	1,032,852
2	<b>Liabilities Current liabilities</b>				
	(a) Financial Liabilities				
	(i) Borrowings	13	-	-	1,325,000
	(ii) Trade Payables	14	104,822,824	83,556,755	74,172,959
	(iii) Other Financial Liabilities	15	305,690	175,340	15,000
	(b) Other Current Liabilities	16	363,275	1,092,640	2,704,178
	(c) Provisions	17	54,409	49,440	102,996
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>155,960,408</b>	<b>136,232,215</b>	<b>129,552,985</b>

Notes forming part of the financial statements

1 to 38

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

**For V Sahai Tripathi & Co.**

Chartered Accountants

Firm Regn No. 000262N

**Manish Mohan**

**(Partner)**

**Membership No. 091607**

Place : New Delhi

Date : 29-May-2018

**(Director)**

**(Director)**

**(Chairman)**

**SOUTHERN INFOSYS LIMITED**  
**Statement of Profit and Loss for the period ended 31st March 2018**

(Amount in Rupees)				
Particulars		Note No.	Ind AS	Ind AS
			As at 31st March 2018	As at 31st March 2017
I.	Revenue From Operations	18	190,349,963	205,177,324
II.	Other Income	19	2,436,703	2,246,852
<b>III.</b>	<b>Total Revenue (I + II)</b>		<b>192,786,666</b>	<b>207,424,176</b>
IV.	<b>Expenses:</b>			
	Purchase of Stock-in Trade	20	188,506,180	165,219,001
	Changes in Inventory	21	-	37,036,291
	Employee Benefits Expense	22	2,012,137	2,382,500
	Finance Costs	23	484,576	478,626
	Depreciation and Amortization Expense	1	23,722	70,623
	Other Expenses	24	3,080,909	2,030,736
	Total Expenses		<b>194,107,524</b>	<b>207,217,777</b>
<b>V.</b>	<b>Profit before exceptional items and tax (III-IV)</b>		<b>(1,320,857)</b>	<b>206,399</b>
VI.	Exceptional Item		-	-
<b>VII.</b>	<b>Profit before tax (V - VI)</b>		<b>(1,320,857)</b>	<b>206,399</b>
VIII.	Tax expense:	22		
	(1) Current Tax		71,974	154,440
	(2) Deferred Tax		(449,002)	(73,228)
<b>IX</b>	<b>Profit (Loss) for the period</b>		<b>(943,830)</b>	<b>125,187</b>
<b>X</b>	<b>Other Comprehensive income</b>			
	A (i) Items that will not be reclassified to profit or loss		-	-
	- Re measurements of the defined benefit plans			
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss			
<b>XI</b>	<b>Total Comprehensive Income for the period (X+IX) (Comprising profit (loss) and other Comprehensive Income for the period)</b>		<b>(943,830)</b>	<b>125,187</b>
<b>XII</b>	Earnings per equity share (for continuing operation):			
	- Basic		0.19	0.02
	- Diluted		0.19	0.02

Notes forming part of the financial statements

1 to 38

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

**For V. Sahai Tripathi & Co.**

Chartered Accountants

Firm Regn No. 000262N

**Manish Mohan**

**(Director)**

**(Director)**

**Membership No. 091607**

Place : New Delhi

Date : 29-May-2018

**(Chairman)**

**SOUTHERN INFOSYS LIMITED**  
**Statement of Change in Equity as at March 31, 2018**

**Equity Share Capital**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Balance at the beginning of the reporting period; Changes in equity share capital during the year;	50,200,000	50,200,000	50,200,000
<b>Balance at the end of the reporting period</b>	<b>50,200,000</b>	<b>50,200,000</b>	<b>50,200,000</b>

**Other Equity**

Other equity consist of following :

Particulars	Reserves and Surplus			Total
	Share Application Pending Allotment	General Reserve	Retained Earnings	
<b>Balance as at April 1, 2016</b>			<b>1,032,852</b>	<b>1,032,852</b>
Profit/(loss) for the year	-	-	125,188	125,188
Other comprehensive income/(loss) for the year	-	-	-	-
Dividends (including corporate dividend tax)	-	-		-
Transfer to General Reserve	-	-	-	-
Transfer to Capital Reserve	-	-	-	-
<b>Balance at the end of the 31.03.2017</b>	-	-	1,158,040	<b>1,158,040</b>
Profit/(loss) for the year	-	-	(943,829)	(943,829)
Other comprehensive income/(loss) for the year	-	-	-	-
Dividends (including corporate dividend tax)	-	-		
Transfer to General Reserve	-	-	-	-
Transfer to Capital Reserve	-	-	-	-
Issue of Equity Share Capital	-	-	-	-
<b>Balance at the end of the 31.03.2018</b>	-	-	<b>214,210</b>	<b>214,210</b>

Notes forming part of the financial statements

1 to 46

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

**For V. Sahai Tripathi & Co.**

Chartered Accountants

Firm Regn No. 000262N

**Manish Mohan**

**(Partner)**

**Membership No. 091607**

**(Director)**

**(Director)**

Place : New Delhi

Date : 29-May-2018

**(Chairman)**

# **1 Property, Plant and Equipment**

Property, plant and equipment consist of the following :

Particulars	Computers And Data Processing Units	Data processing machine	Data processing machine	Air conditioner	Furniture & fixture	Software	Total
<b>Year ended 31 March 2018</b>							
<b>Opening gross carrying amount</b>	<b>11,372</b>	<b>3,691</b>	<b>23,674</b>	<b>5,000</b>	<b>164,636</b>	<b>11,467</b>	<b>219,840</b>
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
<b>Closing gross carrying amount as at March 31, 2018</b>	<b>11,372</b>	<b>3,691</b>	<b>23,674</b>	<b>5,000</b>	<b>164,636</b>	<b>11,467</b>	<b>219,839.52</b>
Opening accumulated depreciation	7,493	-	14,919	-	42,477	5,734	70,623.00
Depreciation charged during the year 2017-2018	-	-	5,539	-	31,604	5,733	42,876.00
Depreciation on Disposals	-	-	-	-	-	-	-
Adjustment/ Reversal of Depreciation	2,846	16,309	-	-	-	-	19,155.00
<b>Closing accumulated depreciation as at March 31, 2018</b>	<b>4,647</b>	<b>-16,309</b>	<b>20,458</b>	<b>-</b>	<b>74,081</b>	<b>11,467</b>	<b>94,344.00</b>
<b>Net carrying amount as at March 31, 2018</b>	<b>6,725</b>	<b>20,000</b>	<b>3,216</b>	<b>5,000</b>	<b>90,555</b>	<b>-</b>	<b>125,495.52</b>

## **Year ended 31 March 2017**

<b>Deemed cost as at 01.04.2016</b>	<b>11,372</b>	<b>3,691</b>	<b>23,674</b>	<b>5,000</b>	<b>164,636</b>	<b>11,467</b>	<b>219,840</b>
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
<b>Closing gross carrying amount as at March 31, 2017</b>	<b>11,372</b>	<b>3,691</b>	<b>23,674</b>	<b>5,000</b>	<b>164,636</b>	<b>11,467</b>	<b>219,840</b>
Depreciation charged during the year 2016-2017	7,493	-	14,919	-	42,477	5,734	70,623
Depreciation on Disposals	-	-	-	-	-	-	-
<b>Closing accumulated depreciation as at March 31, 2017</b>	<b>7,493</b>	<b>-</b>	<b>14,919</b>	<b>-</b>	<b>42,477</b>	<b>5,734</b>	<b>70,623</b>
<b>Net carrying amount as at March 31, 2017</b>	<b>3,879</b>	<b>3,691</b>	<b>8,755</b>	<b>5,000</b>	<b>122,159</b>	<b>5,733</b>	<b>149,217</b>

## **Deemed cost as on 01.04.2016**

<b>Opening gross value as on 01.04.2015</b>	<b>134,500</b>	<b>400,000</b>	<b>64,320</b>	<b>100,000</b>	<b>256,505</b>	<b>-</b>	<b>955,325</b>
Additions	-	-	-	-	-	17,200	17,200
Disposals	-	-	-	-	-	-	-
<b>Closing gross carrying amount as at March 31, 2016</b>	<b>134,500</b>	<b>400,000</b>	<b>64,320</b>	<b>100,000</b>	<b>256,505</b>	<b>17,200</b>	<b>972,525</b>
Opening acc Dep as on 01.04.2015	100,984	396,309	-	76,309	34,375	-	607,977
Depreciation charged during the year	22,144	-	40,646	18,691	57,494	5,733	144,708
Depreciation on Disposals	-	-	-	-	-	-	-
<b>Closing accumulated depreciation as at March 31, 2016</b>	<b>123,128</b>	<b>396,309</b>	<b>40,646</b>	<b>95,000</b>	<b>91,869</b>	<b>5,733</b>	<b>752,685</b>
<b>Net carrying amount as at March 31, 2016</b>	<b>11,372</b>	<b>3,691</b>	<b>23,674</b>	<b>5,000</b>	<b>164,636</b>	<b>11,467</b>	<b>219,840</b>

**2 Investments (Non-current)**

Investments consist of the following :

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016	Basis of Valuation
<b>Carried at market value</b>				
- Investments in Equity Shares -Quoted	-	151,521	151,521	FVTPL
<b>Carried at amortised cost</b>				
- Investments in Equity Shares -Unquoted*	13,138,500	13,138,500	13,138,500	FVTPL
<b>TOTAL</b>	<b>13,138,500</b>	<b>13,290,021</b>	<b>13,290,021</b>	

\* Note: In the absence of valuation report, the unquoted investment are shown at Book Value

**2A Investments in Equity**

Investment in Equity Shares	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Aarcee Pipe Ltd.	-	24,504	24,504
Agro Board Limited	-	46,711	46,711
Jay Vinayal Ltd.	-	26,550	26,550
Mansarovar Bevergies Ltd.	-	5,309	5,309
Pasupati Acrylic Ltd.	-	1,991	1,991
Shiv Medicare Ltd.	-	46,456	46,456
<b>TOTAL</b>	<b>-</b>	<b>151,521</b>	<b>151,521</b>

**3 Loans (Non-current)**

Loans consist of the following :

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
<b>Loans and advances (Refer 3A)</b>	<b>31,103,419</b>	<b>28,666,746</b>	<b>26,420,964</b>
<b>TOTAL</b>	<b>31,103,419</b>	<b>28,666,746</b>	<b>26,420,964</b>

**3A**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
<b>Amrita*</b>	<b>25,935,483</b>	<b>23,903,671</b>	<b>22,031,034</b>
<b>Sunil Kumar*</b>	<b>2,933,180</b>	<b>2,703,391</b>	<b>2,491,605</b>
<b>Millinium Automation Systems Ltd**</b>	<b>2,234,756</b>	<b>2,059,683</b>	<b>1,898,325</b>
	<b>31,103,419</b>	<b>28,666,746</b>	<b>26,420,964</b>

\* Interest bearing advances

\*\*Interest free

**Note 4: Deferred Tax Assets (Net)**

Major Components of the deferred tax balances

Particulars	As at 1st April 2016	As at 31st March 2017	As at 31st March 2018
Property,Plant and Equipment	(7,801)	4,819	11,460
Interest on ICD	(20,316)	30,143	70,742
Allowance for Expected Credit Loss	-	10,150	411,911
<b>Total</b>	<b>(28,116)</b>	<b>45,111</b>	<b>494,113</b>

Movement in Deferred Tax Assets/(Liabilities)

Particulars	Property,Plant and Equipment	Interest on ICD	Allowance for Expected Credit Loss	Total
<b>At April 1, 2016</b>	<b>(7,801)</b>	<b>(20,316)</b>	<b>-</b>	<b>(28,116)</b>
(Charged) / credited	-	-	-	
- to Statement of Profit and Loss	12,619	50,458	10,150	73,228
- to other comprehensive income	-	-	-	
<b>At 31st March, 2017</b>	<b>4,819</b>	<b>30,143</b>	<b>10,150</b>	<b>45,111</b>
(Charged) / credited				
- to Statement of Profit and Loss	6,641	40,599	401,761	449,002
- to other comprehensive income	-	-	-	
<b>At 31st March, 2018</b>	<b>11,460</b>	<b>70,742</b>	<b>411,911</b>	<b>494,113</b>

**5 Inventories**

Inventories consist of the following:

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Finished Goods	-	-	37,036,291
	<b>-</b>	<b>-</b>	<b>37,036,291</b>

**6 Trade Receivables**

Trade receivables consist of the following:

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Unsecured, Considered good; Doubtful	100,301,352 1,599,656	84,541,949 32,848	39,638,923 -
	<b>101,901,008</b>	<b>84,574,797</b>	<b>39,638,923</b>
Less: Allowance for expected credit loss	1,599,656	32,848	-
<b>Total</b>	<b>100,301,352</b>	<b>84,541,949</b>	<b>39,638,923</b>

The company applies the simplified and lifetime approach to provide for expected credit loss prescribed by Ind AS 109, which permits the use of expected loss provision for all trade receivables. The company uses expected credit loss model to assess the impairment loss and make allowance on doubtful debts using expected credit loss model on case to case basis.

**7 Cash and Cash Equivalent**

Cash and cash equivalents consist of the following at amortised cost:

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
<b>(a) Cash in Hand</b>	5145	37272	487,132
<b>(b) Balances with banks</b>			
- In Current Accounts	3235108	1,351,870	210,220
<b>TOTAL</b>	<b>3,240,253</b>	<b>1,389,142</b>	<b>697,352.00</b>

**8 Other Bank Balances**

Other Bank Balances consist of the following at amortised cost:

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
<b>(a) Bank deposit</b>	500,000	-	-
<i>(deposits with original maturity more than 3 month having remaining maturity less than 12 months form Reporting date)</i>			
<b>TOTAL</b>	<b>500,000</b>	<b>-</b>	<b>-</b>

**9 Other Financial Assets (Current)**

Other Financial Assets consist of the following :

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Security Deposits; - Deposits for Rented Premises	6,575,000	6,575,000	6,575,000
Interest Receivable (Note No 9A)	482,275	957,253	1,435,879
<b>TOTAL</b>	<b>7,057,275</b>	<b>7,532,253</b>	<b>8,010,879</b>

**9A Details of Other Advances**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Interest Recoverable on FD	3,648	-	-
Interest Recoverable on Advances	-	-	-
Interest Recoverable on discounting of Advances	478,627	957,253	1,435,879
<b>Total</b>	<b>482,275</b>	<b>957,253</b>	<b>1,435,879</b>

**10 Current Tax Assets (Net)**

Current Tax Assets (Net) consist of the following :

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Tax Recoverable (Net of Provision)	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Status as at 31-st March, 2018**

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Balance outstanding for previous year	<b>49,440</b>	-	-
Provision for tax	71,974	154,440	102,996
Less: TDS recoverable/tax deducted at source	17,565	105,000	102,996
Less: Self assessment tax (2016-2017)	49,440	-	-
<b>Tax Payable/(Tax Refundable)*</b>	<b>54,409</b>	<b>49,440</b>	<b>-</b>

\*Current year provision for tax have been shown net under the head Provisions.

**11 Other Current Assets**

Other Non-Current Assets consist of the following:

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
<b>Advances other than capital advances:</b>			
- Balances with Government Authorities (Note 11A)	-	617,775	4,266,831
<b>Total</b>	-	<b>617,775</b>	<b>4,266,831</b>

**11A Balances with Government Authorities**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
- Service Tax Recoverable		2,225	82,625
- Input Tax Credit (VAT)		615,550	4,184,206
<b>Total</b>	-	<b>617,775</b>	<b>4,266,831</b>

**12 Share Capital**

The authorised, issued, subscribed and fully paid up share capital of equity shares having a par value of Rs10 each as follows:

Share Capital	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
<b>Authorised</b>						
Equity Shares of Rs. 10 each	6,000,000	60,000,000	6,000,000	60,000,000	6,000,000	60,000,000
	6,000,000	60,000,000	6,000,000	60,000,000	6,000,000	60,000,000
<b>Issued, Subscribed &amp; Fully Paid</b>						
5,02,000 equity Shares of Rs.10 each	5,020,000	50,200,000	5,020,000	50,200,000	5,020,000	50,200,000
<b>Total</b>	<b>5,020,000</b>	<b>50,200,000</b>	<b>5,020,000</b>	<b>50,200,000</b>	<b>5,020,000</b>	<b>50,200,000</b>

(i) Equity Shares :- The company has one class of equity shares having a par value of Rs.10 each. Each share holder of equity is entitled to one vote per share.

(ii) In the event of liquidation of the company, holders of equity shares will be entitled to receive remaining assets of the company after distributing of all preferential amounts.

**12A Reconciliation of number of shares**

Particulars	Equity Shares					
	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
Shares outstanding at the beginning of the year	5,020,000	50,200,000	5,020,000	50,200,000	5,020,000	50,200,000
Shares Issued during the year **	-	-	-	-	-	-
Shares bought back during the year	-	-	-	-	-	-
Any other movement (please specify)	-	-	-	-	-	-
Shares outstanding at the end of the year	5,020,000	50,200,000	5,020,000	50,200,000	5,020,000	50,200,000

**12B Details of shares held by shareholders holding more than 5% of aggregate shares in the Company**

Name of Shareholder	Equity Shares					
	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Rakesh Mohan Sharma	378,950	7.55%	378,950	7.55%	378,950	7.55%
Disha Capital Services Limited	598,000	11.91%	598,000	11.91%	598,000	11.91%
Disha Investment Centre Pvt Ltd	1,480,800	29.50%	1,480,800	29.50%	1,480,800	29.50%
<b>Total</b>	<b>2,457,750</b>	<b>48.96%</b>	<b>2,457,750</b>	<b>48.96%</b>	<b>2,457,750</b>	<b>48.96%</b>

**13 Borrowings**

Borrowings consist of the following :

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
<b>Loan</b>			
- Loans from Disha Capital Services Ltd	-	-	1,325,000
<b>Total</b>	-	-	<b>1,325,000</b>



**14 Trade payables consist of the following :**

Trade payables consist of the following :

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
<b>(a) Trade Payables</b>			
- Due to MSMED	-	-	-
- Due to others	116,782,779	83,556,755	74,172,959
<b>Total</b>	<b>104,822,824</b>	<b>83,556,755</b>	<b>74,172,959</b>

For year ended 31<sup>st</sup> March, 2018, Company has no dues from any party that it is covered under the Micro, Small & Medium Enterprises Development Act, 2006

**15 Other Financial Liabilities (Current)**

Other Financial Liabilities consist of the following at amortised cost:-

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
- Expense payable	305,690	175,340	15,000
<b>Total</b>	<b>305,690</b>	<b>175,340</b>	<b>15,000</b>

**16 Other Current Liabilities (Non-Financial)**

Other current liabilities consist of the following :-

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
<b>(a) Statutory Liabilities</b>	86,275	759,640	2,704,178
<b>(b) Other Payables (Refer Note 21A)</b>	277,000	333,000	-
<b>Total</b>	<b>363,274.90</b>	<b>1,092,640</b>	<b>2,704,178</b>

**16A Other Payables :**

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Salary Payable	277,000	333,000	-
<b>Total</b>	<b>277,000</b>	<b>333,000</b>	<b>-</b>

**17 Provision (Current)**

Provisions consist of the following :

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
(a) Provision for tax (Refer Note 22A)	54,409	49,440	102,996
<b>Total</b>	<b>54,409</b>	<b>49,440</b>	<b>102,996</b>

**17A Details of Tax Payable**

Particulars	For the Year Ending 2018	For the Year Ending 2017	For the Year Ending 2016
Provision for tax (F.Y.: 2015-16)	-	-	102,996
Provision for tax (F.Y.: 2016-17)-Net	-	49,440	-
Provision for tax (F.Y.: 2017-18)-Net	54,409	-	-
<b>Net</b>	<b>54,409</b>	<b>49,440</b>	<b>102,996</b>

**18 Revenue from Operations**

Revenue from operations consist of revenues from

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Sale of products (Including Excise Duty)	190,396,315	205,177,324
<b>TOTAL</b>	<b>190,396,315</b>	<b>205,177,324</b>

**19 Other Income**

Other income (net) consist of the following:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest Income		
Interest on IT Refund	-	1,070
Interest on Discounting of Advances	2,436,673	2,245,782
Dividend Income	30	-
Profit on sale of property, plant and equipment		
<b>Total</b>	<b>2,436,703</b>	<b>2,246,852</b>

**20 Purchase of Stock-in Trade**

Purchase of Stock-in Trade consist of the following:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Trading goods	188,506,180	165,219,001
<b>Total</b>	<b>188,506,180</b>	<b>165,219,001</b>

**21 Changes in Inventories**

Changes in Inventories consist of the following:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
<b>Opening Stock</b>		
Stock- in- trade	-	37,036,291
<b>Closing Stock</b>		
Stock- in- trade	-	-
<b>Net (Increase)/Decrease in opening and closing stock</b>	<b>-</b>	<b>37,036,291</b>

**22 Employee Benefit Expense**

Employee benefits expenses consist of the following

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
(a) Salaries & Wages	1,908,387	2,284,500
(b) Employees Welfare expenses	103,750	98,000
<b>Total</b>	<b>2,012,137</b>	<b>2,382,500</b>

**23 Finance Cost**

Finance costs consist of the following:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Financial charges on discounting of Advances Interest	478,626	478,626
on Income Tax	5,950	-
<b>Total</b>	<b>484,576</b>	<b>478,626</b>

## 24 Other Expenses

Other expenses consist of the following

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
a) Advertisement expenses	39,419	39,469
b) Allowance for Expected Credit Loss on Debtors	1,566,808	32,848
c) Fees and subscription	319,000	276,878
d) Interest charges	8,938	9,320
e) Bank Charges	1,198	2,117
f) Travelling Expenses	169,940	129,648
g) Rates & Taxes	17,755	1,000
h) Computer maintenance	-	3,400
i) Repair & Maintenance	10,100	62,570
j) Sundry Balance Written off	173,700	
k) Telephone	86,700	88,650
m) Conveyance & Car Running Exp.	128,600	199,832
n) Legal & Professional Expenses	45,000	228,000
o) Service charges	498,750	942,000
p) <u>Auditors Remuneration:</u>		
-Statutory/Tax Audit	15,000	15,000
q) Short & excess	-	4
<b>Total</b>	<b>3,080,909</b>	<b>2,030,736</b>

### **Reconciliation of Retained Earnings for 1st April, 2016 is summarised as follows:**

Particulars		Notes to First Time Adoption	1st April 2016
1	Opening Retained Earnings		1,558,199
2	Impact of measuring Advances at Fair Value through Profit or Loss (FVTPL)	(f)	(505,032)
3	Allowance for Expected Credit Loss	(f)	-
4	Tax adjustments		
	- Current tax		-
	- Deferred tax	(b)	(20,315)
5	Opening Retained Earnings Under IND AS		<b>1,032,852</b>

\* As required under Paragraph (10C) of Ind AS 101, the Company has reclassified items that it recognised in accordance with previous GAAP as one type of asset, liability or component of equity, but are a different type of asset, liability or component of equity in accordance with Ind ASs.

**SOUTHERN INFOSYS LIMITED**  
**Balance Sheet as at 31st March 2018**

(Amount in Rupees)							
		IGAAP	Adjustments	Ind AS	IGAAP	Adjustments	Ind AS
Particulars	Note No.	As at 31st March 2017	As at 31st March 2017	As at 31st March 2017	As at 1st April 2016	As at 1st April 2016	As at 1st April 2016
<b>I ASSETS</b>							
<b>1 Non-current assets</b>							
(a) Property, Plant and Equipment	1	143,484	-	143,484	208,373	-	208,373
(b) Other Intangible Assets	1	5,733	-	5,733	11,467	-	11,467
(c) Financial Assets	2	13,290,021	-	13,290,021	13,290,021	-	13,290,021
(i) Investments	3	36,923,750	-8,257,004	28,666,746	34,936,875	(8,515,911)	26,420,964
(ii) Loans	4	4,819	40,292	45,111	(7,801)	(20,315)	(28,116)
(d) Deferred Tax Asset (Net)							
<b>2 Current assets</b>							
(a) Inventories	5	-	-	-	37,036,291	-	37,036,291
(b) Financial Assets	6	84,574,797	-32,848	84,541,949	39,638,923	-	39,638,923
(i) Trade receivables	7	1,389,142	-	1,389,142	697,352	-	697,352
(ii) Cash and Cash Equivalents	8						
(iii) Other Bank Balances	9	-	7,532,253	7,532,253		8,010,879	8,010,879
(ii) Other Financial Assets	10	-	-	-			
(c) Current Tax Assets (Net)	11	722,775	-105,000	617,775	4,266,831	-	4,266,831
(d) Other Current Assets							
<b>TOTAL ASSETS</b>		<b>137,054,521</b>	<b>-822,306</b>	<b>136,232,214</b>	<b>130,078,332</b>	<b>(525,347)</b>	<b>129,552,984</b>
<b>II EQUITY AND LIABILITIES</b>							
<b>1 Equity</b>							
(a) Equity Share Capital	12	50,200,000	-	50,200,000	50,200,000	-	50,200,000
(b) Other Equity		1,875,346	-717,306	1,158,040	1,558,199	(525,347)	1,032,852
<b>2 Liabilities Current liabilities</b>							
(a) Financial Liabilities							
(i) Borrowings	13	-	-	-	-	1,325,000	1,325,000
(ii) Trade Payables	14	83,556,755	-	83,556,755	74,172,959	-	74,172,959
(iii) Other Financial Liabilities	15	-	175,340	175,340		15,000	15,000
(b) Other Current Liabilities	16	1,267,980	(175,340)	1,092,640	4,044,178	(1,340,000)	2,704,178
(c) Provisions	17	154,440	(105,000)	49,440	102,996	-	102,996
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>137,054,521</b>	<b>(822,306)</b>	<b>136,232,215</b>	<b>130,078,332</b>	<b>(525,347)</b>	<b>129,552,985</b>

Notes forming part of the financial statements 1 to 38

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

For V Sahai Tripathi & Co.

Chartered Accountants

Firm Regn No. 000262N

Manish Mohan  
(Partner)  
Membership No. 091607

(Director)

(Director)

(Chairman)

Place : New Delhi  
Date : 29-May-2018

**SOUTHERN INFOSYS LIMITED**  
**Statement of Profit and Loss for the period ended 31st March 2018**

			(Amount in Rupees)					
			Pre GAAP	Adjustments	Ind AS	Pre GAAP	Adjustments	Ind AS
Particulars		Note No.	As at 31st March 2018	As at 31st March 2018	As at 31st March 2018	As at 31st March 2017	As at 31st March 2017	As at 31st March 2017
I.	Revenue From Operations	18	190,396,315	(46,352)	190,349,963	205,177,324	-	205,177,324
II.	Other Income	19	1,940,553	496,150	2,436,703	1,987,945	258,907	2,246,852
III.	Total Revenue (I + II)		192,336,868	449,798	192,786,666	207,165,269	258,907	207,424,176
IV.	Expenses:							
		20	188,506,180	-	188,506,180	165,219,001	-	165,219,001
	Purchase of Stock-in Trade							
	Changes in Inventory	21	-	-	-	37,036,291	-	37,036,291
	Employee Benefits Expense	22	2,012,137	-	2,012,137	2,382,500	-	2,382,500
	Finance Costs	23		484,576	484,576		478,626	478,626
	Depreciation and Amortization Expense	1	23,722	-	23,722	70,623	-	70,623
	Other Expenses	24	1,514,101	1,566,808	3,080,909	1,997,887	32,848	2,030,736
	Total Expenses		192,056,140	2,051,384	194,107,524	206,706,302	511,475	207,217,777
V.	Profit before exceptional items and tax (III-IV)		280,728	(1,601,585)	(1,320,857)	458,967	(252,568)	206,399
VI.	Exceptional Item		-		-			-
VII.	Profit before tax (V - VI)		280,728	(1,601,585)	(1,320,857)	458,967	(252,568)	206,399
VIII.	Tax expense:	22						
	(1) Current Tax		71,974	-	71,974	154,440	-	154,440
	(2) Deferred Tax		(6,641)	(442,361)	(449,002)	(12,620)	(60,608)	(73,228)
IX	Profit (Loss) for the period		215,395	(1,159,225)	(943,830)	317,147	(191,960)	125,187
X	Other Comprehensive income							
	A (i) Items that will not be reclassified to profit or loss				-			-
	- Remeasurements of the defined benefit plans							
	(ii) Income tax relating to items that will not be reclassified to profit or loss							
	B (i) Items that will be reclassified to profit or loss				-			-
	(ii) Income tax relating to items that will be reclassified to profit or loss							
XI	Total Comprehensive Income for the period (X+XI) (Comprising profit (loss) and other Comprehensive Income for the period)		215,395	(1,159,225)	(943,830)	317,147	(191,960)	125,187
XII	Earnings per equity share (for continuing operation):							
	- Basic		0.04		0.19	0.06		0.02
	- Diluted		0.04		0.19	0.06		0.02

Notes forming part of the financial statements

1 to 38

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

For V. Sahai Tripathi & Co.

Chartered Accountants

Firm Regn No. 000262N

Manish Mohan

(Partner)

Membership No. 091607

(Director)

(Director)

Place : New Delhi

Date : 29-May-2018

(Chairman)

**Reconciliation of Total Tax for the year ended 31st March 2018 is summarised as follows:**

Particulars		31st March 2018	Tax Rate	Amount
	<b>Profit Before Tax as reported under Ind AS</b>	<b>(1,320,857)</b>	25.75%	<b>(340,121)</b>
	Impact of measuring of investments at Fair Value through Profit or Loss (FVTPL)			-
	Double effect of interest adjusted	46,352	25.75%	
	Allowance for Expected Credit Loss	1,566,808		403,453
	Impact of Discounting on Advances to parties	(11,574)	25.75%	(2,980)
	<b>Profit Before Tax as reported under previous GAAP</b>	<b>280,728</b>		<b>60,352</b>
	<b>ADD</b>			
	- Depreciation considered separately	23,721	25.75%	6,108
		<b>23,721</b>		<b>6,108</b>
	<b>LESS:</b>			
	- Depreciation as per Income Tax Rules/Act.	24,910	25.75%	6,414
	- Dividend U/s 14 A (8454 @ 1%)	30	25.75%	8
	- Profit on Sales of Assets	-	-	-
		<b>24,940</b>		<b>6,422</b>
	<b>Taxable Income</b>	<b>279,509</b>	25.75%	<b>71,974</b>

## 25. Significant Accounting Policies

### A. Statement of Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013. The Company adopted Ind AS from 1st April, 2017.

Up to the year ended 31st March, 2017, the Company prepared its financial statements in accordance with the requirements of previous Generally Accepted Accounting Principles (GAAP), which includes Standards notified under the Companies (Accounting Standards) Rules, 2006.

These are the Company's first financial statements prepared in accordance with Indian Accounting Standards (Ind AS). The date of transition to Ind AS is 1st April, 2016. Details of the exceptions and optional exemptions availed by the Company and principal adjustments along with related reconciliations are detailed in Note 26 (First-time Adoption).

### B. Basis of Preparation

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the following fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 -Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 – Share-based Payment, leasing transactions that are within the scope of Ind AS 17 – Leases, and measurements that

have some similarities to fair value but are not fair value, such as net realizable value in IndAS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

All the amounts included in the financial statements are reported in Indian Rupees ('Rupees' or 'Rs.'), except per share data and unless stated otherwise and rounded off to nearest Rupees.

**C. Basis of classification of Current and Non-Current**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is classified as current when it is:

- a) Expected to be realized or intended to be sold or consumed in normal operating cycle
- b) Held primarily for the purpose of trading
- c) Expected to be realized within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when:

- a) It is expected to be settled in normal operating cycle
- b) It is held primarily for the purpose of trading
- c) It is due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

**D. Operating Cycle**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements.

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

**E. Use of Estimates**

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

**F. Property, Plant and Equipment – Tangible Assets**



Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of property, plant and equipment recognised as at 1st April, 2016 measured as per the previous GAAP.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalized. Expenses capitalized also include applicable borrowing costs for qualifying assets, if any. All up-gradation/enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight-line basis. Land is not depreciated.

The estimated useful lives of property, plant and equipment of the Company are as follows:

Asset	Life of Asset
Computers & Peripherals	3 – 6 Years
Furniture and Fixtures	10 Years
Office Equipment	5 Years

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease. Property, plant and equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

#### G. Impairment of Assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net

of amortization or depreciation) had no impairment loss been recognised in previous years.

#### H. Inventories

Inventories are stated at lower of cost and net realizable value. The cost is calculated on First in First Out method. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. Net realizable value is the estimated selling price less estimated costs for completion and sale.

#### I. Financial Assets

**Recognition:** Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

**Classification:** Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- a) Amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/ or interest.
- b) Fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealized gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- c) Fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealized gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise. Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

**Impairment:** The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected

credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

**Reclassification:** When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

**De-recognition:** Financial assets are de-recognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership.

Concomitantly, if the asset is one that is measured at:

- a) Amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- b) Fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

**Income Recognition:** Interest income is recognised in the Statement of Profit and Loss using the effective interest method. Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established.

#### J. Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption/ settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial liabilities are de-recognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

#### K. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

#### L. Cash Flow Statement

Cash Flows are reported using indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

#### M. Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

#### N. Equity Instruments

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

#### O. Revenue

Revenue from the sale of goods is recognised when all the following conditions are satisfied:

- Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
  - Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
  - The amount of revenue can be measured reliably;
  - It is probable that the economic benefits associated with the transaction will flow to the Company; and
- a) Sale of goods: Revenue is measured at the fair value of the consideration received or receivable for goods supplied, net of returns and discounts to customers. Revenue from the sale of goods includes excise and other duties which the Company pays as a principal but excludes amounts collected on behalf of third parties, such as sales tax, value added tax and goods and services tax.
- b) Interest income: Income from a financial asset is recognised when it is probable that the economic benefits will flow to Company and the amount of income can be measured reliably. Interest income is accrued on time basis, by reference to the principal outstanding and at the interest rate as applicable.
- c) Dividend income: dividend is recognised when the right to receive the payment is established (generally on shareholder's approval by the reporting date).
- d) Other revenues: are recognised on accrual basis, except where there are uncertainties in realisation / determination of income and in such case income is recognised on realisation / certainty.

#### P. Employee Benefits

##### Short-term benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

#### Q. Leases

Leases are recognised as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

##### a) Company as a Lessee

Assets used under finance leases are recognised as property, plant and equipment in the Balance Sheet for an amount that corresponds to the lower of fair value and the present value of minimum lease payments determined at the inception of the lease and a liability is recognised for an equivalent amount.

The minimum lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the Statement of Profit and Loss.

Rentals payable under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

##### b) Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalized within property, plant and equipment and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the term of the lease.

#### R. Taxes on Income

Income tax expense represents the sum of the tax currently payable and deferred taxation.

##### a) Current Tax

Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

##### b) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the deferred tax is also recognised in other comprehensive income or directly in equity respectively.

c) Minimum Alternate Tax

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Group. Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

S. Provisions

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

T. Operating Segment

The Company operates only in single segment i.e. the Trading of "local computer" from where it is earning its revenue and incurring expense. The operating results are regularly reviewed and performance is assessed by its Chief Operating Decision Maker (CODM). All the company's resources are dedicated to this single segment and all the discrete financial information is available for this segment.

U. Earnings per share

Basic earnings per share is calculated by dividing profit or loss attributable to the owners of the company by weighted average number of equity shares outstanding during the financial year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, share split and any new equity issue. For the purpose of calculating diluted earnings per share, profit or loss attributable to the owners of the Company and the weighted average number of

shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

V. Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood on outflow of resources is remote, no provision or disclosure is made.

W. Financial and Management Information Systems

The Company's Accounting System is designed to unify the Financial Records and also to comply with the relevant provisions of the Companies Act, 2013, to provide financial and cost information appropriate to the businesses and facilitate Internal Control.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

X. Standards issued but not effective:

Ind - AS 115 "Revenue from Contract with Customers

Ind AS 115 was issued in February 2015. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to the customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

This standard will come into force from accounting period commencing on or after 1<sup>st</sup> April, 2018. The company will adopt the new standard on the required effective date. The Company is in the process of making an assessment of the impact of Ind - AS 115 upon initial application, which is subject to changes arising from a more detailed ongoing analysis.

26. First-time adoption of Ind-AS

These Separate financial statements have been prepared voluntarily by the company for the year ended March 31, 2018 in accordance with Ind AS. For the purposes of transition to Ind AS, the company has followed the guidance prescribed in Ind AS 101-First Time adoption of Indian Accounting Standard, with April 1, 2016 as the transition date and IGAAP as the previous GAAP. The company has prepared the opening balance sheet as per Ind AS as April 01, 2016 (the transition date by recognizing all assets and liabilities whose recognition

is required by Ind AS, not recognizing items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles. The accounting policies set out have been applied in preparing the financial statements for the year ended March 31, 2018 and the comparative information.

#### A. Notes to the Reconciliation

##### a) Property, Plant and Equipment – Tangible Assets

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of property, plant and equipment recognised as at 1st April, 2016 measured as per the previous GAAP

##### b) Deferred Tax

Under Ind AS deferred tax has been recognised on the adjustments made on transition to Ind AS.

##### c) Retained Earnings

Retained earnings as at April 1, 2016 have been adjusted consequent to the above Ind AS transition adjustments.

##### d) Investments

Under Previous GAAP, investments were classified into current and long term investments. Current investments were carried at the lower of cost or market value, while long term investments were carried at cost less any impairment that was other than temporary.

Under Ind AS, equity investments have been classified at fair value.

##### e) Effective Interest Method

The Effective Interest Method is a method of calculating the amortised cost of a financial asset or financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period.

The Effective Interest Rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

##### f) Provision for expected credit losses

Financial advances given by the Company are accounted in Ind AS initially at fair value and subsequently measured at the higher of the loss allowance based on Ind AS 109; and the amount initially recognized, reduced by the amount of income recorded as per Ind AS 18. On the transition date, such contracts are measured based on the expected credit losses.

Under Previous GAAP, such estimates were determined based on experience of historic losses on such contracts.

Impairment for trade receivable is measured in Ind AS based on expected credit losses. Expected credit loss allowance is measured based on historical credit loss experience,



defaults, bankruptcy and forward looking information where relevant adjusted for probability of recovery. Under Previous GAAP, provision for trade receivable is measured based on factors such as age of receivables, defaults etc. adjusted for probability of recovery.

#### B. Reconciliations between IGAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from IGAAP to Ind AS.

The presentation requirements under IGAAP differ from Ind AS and hence the IGAAP information has been reclassified for ease of reconciliation with Ind AS. The reclassified IGAAP information is derived based on the audited financial statements of the Company for the year ended March 31, 2016 and March 31, 2017.

#### Additional Notes to Accounts

##### 27) Earnings Per Share (EPS) :

	Year ended 31-Mar-18	Year Ended 31-Mar-17
(a) Calculation of Weighted Average Number of Equity Shares of 100 each		
Number of Shares at the beginning of the period**	50,20,000	50,20,000
Number of Shares at the close of the period**	50,20,000	50,20,000
Weighted Average number of Equity Shares** During the period	50,20,000	50,20,000
(b) Net Profit/(Loss) for the period attributable to Equity Shares (in Rs.)	(9,43,830)	1,25,187
(c) Earning per share – Basic**	(0.19)	0.02
(d) Earning per share – Diluted**	(0.19)	0.02

- 28) Employee Benefits Schemes such as Gratuity, Provident Fund & other staff welfare schemes are applicable on the Company during the reporting period. But no provision of gratuity has been made during the reporting period as mandated by “Indian Accounting Standard-19 on Employees Benefits”, issued by Institute of Chartered Accountants of India and the expense of Gratuity and Leave encashment are not booked on the basis of Actuarial Valuation certificate.
- 29) For year ended 31<sup>st</sup> March, 2018, Company has no dues from any party that is covered under the Micro, Small & Medium Enterprises Development Act, 2006 (MSMED).
- 30) The Company has taken certain commercial premises under cancellable operating lease arrangements. The lease rental clause provides no rental expense to be charged from lessee. Only security deposit amounting Rs. 65,75,000 is to be provided for. There

is no Lock in period of aforementioned Operating leases as on 31st March 2018, therefore the same are considered as cancellable operating lease.

31) Related Parties Transactions:

A. List of Related parties

SN	Description of Relationship	Name of Party
(a)	Enterprises over which individuals shareholders of the Company exercising significant influence	Rakesh Mohan Sharma Poonam Sharma Dharmendra Singh Subhash Chander Sehgal Rajiv Mishra
(b)	Key Management Personnel	Kriti Bareja Indu Atri

B. Balance Outstanding

(Amount in Rs.)

1.	Amount outstanding – Receivables (Security Deposit)	65,75,000	65,75,000
2.	Amount outstanding – Payables	0	0

32) Fair value measurement

i) Financial Instruments by category

	As at 31 <sup>st</sup> March 2018			As at 31 <sup>st</sup> March 2017			As at 31 <sup>st</sup> March 2016		
	FVPL	FV OCI	Amortised cost	FVPL	FV OCI	Amortised cost	FVPL	FV OCI	Amortised cost
<b>Financial Assets</b>									
Investments	-	-	1,31,38,500	-	-	1,32,90,021	-	-	1,32,90,021
Loans	-	-	3,11,03,419	-	-	2,86,66,746	-	-	2,64,20,964
Trade Receivables	-	-	9,72,40,543	-	-	8,29,19,751	-	-	3,80,72,115
Cash and cash equivalents	-	-	32,40,253	-	-	13,89,142	-	-	6,97,352
Other bank balance	-	-	5,00,000	-	-	-	-	-	-
Others	-	-	65,75,000	-	-	65,75,000	-	-	65,75,000
<b>Financial Liabilities</b>									
Borrowing	-	-	-	-	-	-	-	-	13,25,000

Trade Payable	-	-	10,48,22,824	-	-	8,35,56,755	-	-	7,41,72,959
Other	-	-	3,05,690	-	-	1,75,340	-	-	15,000

ii) The carrying value and fair value of financial instruments by categories as of March 31, 2018 are as under:

Particulars	Financial assets/ (Financial liabilities) at Amortised cost	Total carrying value	Total fair value
<b><u>Investment in Shares (Unquoted)</u></b>			
As on 31 <sup>st</sup> March 2018	1,31,38,500	1,31,38,500	1,31,38,500
As on 31 <sup>st</sup> March 2017	1,31,38,500	1,31,38,500	1,31,38,500
As on 31 <sup>st</sup> March 2016	1,31,38,500	1,31,38,500	1,31,38,500
<b><u>Investment in Shares (Quoted)</u></b>			
As on 31 <sup>st</sup> March 2018	-	-	-
As on 31 <sup>st</sup> March 2017	1,51,521	1,51,521	1,51,521
As on 31 <sup>st</sup> March 2016	1,51,521	1,51,521	1,51,521

iii) Fair value of financial assets and liabilities measured at amortised cost:

Particulars	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017		As at 31 <sup>st</sup> March, 2016	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
<b><u>Financial assets</u></b>						
Investments	1,31,38,500	1,31,38,500	1,32,90,021	1,32,90,021	1,32,90,021	1,32,90,021
Loans	3,11,03,419	3,11,03,419	2,86,66,746	2,86,66,746	2,64,20,964	2,64,20,964
Trade Receivables	9,72,40,543	9,72,40,543	8,29,19,751	8,29,19,751	3,80,72,115	3,80,72,115
Cash and cash equivalents	32,40,253	32,40,253	13,89,142	13,89,142	6,97,352	6,97,352
Other bank balance	5,00,000	5,00,000	-	-	-	-
Others	65,75,000	65,75,000	65,75,000	65,75,000	65,75,000	65,75,000
<b><u>Financial Liabilities</u></b>						
Borrowing	-	-	-	-	13,25,000	13,25,000
Trade Payable	10,48,22,824	10,48,22,824	8,35,56,755	8,35,56,755	7,41,72,959	7,41,72,959
Other	3,05,690	3,05,690	1,75,340	1,75,340	15,000	15,000

33) Capital Management

The Company's objective for managing capital is to ensure as under:

- a) To ensure the company's ability to continue as a going concern.
- b) Maintaining a strong credit rating and healthy debt equity ratio in order to support business and maximize the shareholders' value.
- c) Maintain an optimal capital structure.
- d) Compliance financial covenants under the borrowing facilities.

For the purpose of capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company.

The Company manages its capital structure keeping in view of:

- a) Compliance of financial covenants of borrowing facilities.
- b) Changes in economic conditions.

In order to achieve this overall objective of capital management, amongst other things, the Company aims to ensure that it meets financial covenants attached to the borrowings facilities defining capital structure requirements, where breach in meeting the financial covenants may permit the lender to call the borrowings.

There has been no breach in the financial covenants of any borrowing facilities in the current period. There is no change in the objectives, policies or processes for managing capital over previous year. To maintain the capital structure, the Company may vary the dividend payment to shareholders.

34) Financial Risk Management

The Company's principal financial liability comprises trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also holds non-current investments measured at amortised cost. The Company is exposed to market risk, credit risk, interest risk, foreign exchange risk and liquidity risk. The Company's senior management oversees the management of these risks under appropriate policies and procedures.

a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTPL non-current investments.

b) Foreign Exchange Risk

The Company is exposed to foreign exchange risk through its sales and purchases from overseas in foreign currencies mainly in USD, EURO and GBP. The exchange rate between the rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Company's operations are adversely affected as the rupee appreciates/ depreciates against these currencies.

c) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's availment of bank overdraft and other working capital loans.

d) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. Credit risk is managed by company's established policy, procedures and control relating to customer credit risk management. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss.

e) Liquidity Risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans. Liquidity risk is managed by company's established policy & procedures made under liquidity risk management framework. The Company manages liquidity risk by maintaining adequate reserves, banking facilities, and reserve borrowing facilities, by continuously forecast and actual cash flows, and by matching the maturity profile of financial assets and liabilities.

The financial assets and liabilities have been appropriately disclosed in financial statements as current and non-current portion.

- 35) The letters of confirmation has been sent by the management to any parties of Accounts receivables, Accounts payables, Security Depositors, Banks & other parties to confirm their balances as on 31st March, 2018. Balance confirmations have not been received from parties upto the date of signing of financials. The balances of such parties have been incorporated in the financial statements at the value as per the books of account. The company, to the extent stated, has considered them as good and necessary provisions have been made in respect of debtors/advances where recovery is considered doubtful.

36) Segment information for the year ended 31<sup>st</sup> March 2018

The Company is engaged in a single segment i.e. the Trading of "Local Computers" from where it is earning its revenue and incurring expense. The operating results are regularly reviewed and performance is assessed by its Chief Operating Decision Maker (CODM). All the company's resources are dedicated to this single segment and all the discrete financial information is available for this segment.

Geographical Segments

The Geographical Segments have been considered for disclosure as the segment, under which the domestic segment includes sales to customers located in India and the Overseas segment includes sale to customers located outside India.

<u>Particulars</u>	<u>For yearending 31<sup>st</sup> March, 2018</u>	<u>For yearending 31<sup>st</sup> March, 2017</u>
<u>Segment Revenue</u>		
- Within India	19,47,73,541	20,94,11,051

37) Specified Bank Notes (Previous Year figures)

As per notification of MCA vide dated 30th March, 2017, the details of Specified Bank Notes (SBN) and other denomination notes held and transacted during the period from 08th November 2016 to 30<sup>th</sup>December, 2016 are as follows:

Particulars	SBNs	Other Denomination	Total
Closing Cash in hand on 08.11.2016	0	1,47,142	1,47,142
(+)Permitted Receipts	3,97,142	0	3,97,142
(-)Permitted Payments	2,44,300	0	2,44,300
(-)Amount deposited in Banks	0	1,47,142	1,47,142
Closing Cash in hand as on December 30, 2016	1,52,242	0	1,52,242

\* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

38) Figures for the previous year are in brackets and have been re-grouped/re-classified wherever necessary to make them comparable with the figures of the current year.

For V Sahai Tripathi & Co  
Chartered Accountants  
Firm Reg. No. 000262N

Manish Mohan  
Partner  
M.N.: 091607

Rakesh Mohan Sharma  
(Director)  
DIN 02459885

Poonam Sharma  
(Executive Directors)  
DIN 03553479

Place: New Delhi  
Dated: 29<sup>th</sup>May 2018

Indu Atri  
(Chief Financial Officer)

### ATTENDANCE SLIP

Members or their proxies are requested to present this form for admission, duly signed in accordance with their specimen signatures registered with the Company and hand it over at the entrance of the meeting hall.

1	Name of the Member (In Block Letter)	
2	Address	
3	Name of Proxy, If any (In Block Letters) (In case proxy attends in place of member)	
4	DP ID/Client ID/Folio No.	
5	No. of Shares held	

I/We hereby record my/our presence at the 24<sup>th</sup> Annual General Meeting of the Members of the Company being held on Saturday, 29th September, 2018 at 10.00 A.M. at Ground Floor, Mini Hall of Arunachal Building, 19, Barakhamba Road, New Delhi - 110001.

Signature of the Proxy.....

Signature of the member.....

Form No. MGT-11  
Proxy form

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

Name of the Member(s):  Registered address: E-mail Id:  Folio No/ Clint Id:  DP ID:
--

I/ We being the member of ....., holding.....shares, hereby appoint

1. Name: .....  
Address:  
E-mail Id:  
Signature: ....., or failing him

2. Name: .....  
Address:  
E-mail Id:  
Signature: .....,

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 24<sup>th</sup> Annual General Meeting of members of the Company, to be held on Saturday, 29<sup>th</sup> September, 2018 at Ground Floor, Mini Hall of Arunachal Building, 19, Barakhamba Road, New Delhi – 110001, and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Resolutions	Vote	
	Ordinary Business	For	Against
1	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March 2018, together with the reports of the Board of Directors and Auditors thereon		
2	To appoint a Director in place of Mr. Rakesh Mohan Sharma (DIN-02459885) who retires by rotation and being eligible, offers himself for re-appointment		

Signed this on ..... day of..... 2018

Signature of Shareholder.....

Signature of Proxy holder(s).....

Affix 15/- paise revenue stamp
---

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company at least 48 hours before the commencement of the Meeting.



## ROUTE MAP

**VENUE :** Ground Floor, Mini Hall of Arunachal Building, 19, Barakhamba Road, New Delhi – 110001



Area Marked-Arunachal Building