

Independent Auditors' Report

To the Members of Insync Business Solutions Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Insync Business Solutions Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'Ind AS financial statements').

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and 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 read with relevant rules issued thereunder.

This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the Auditors' 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 financial 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 the accounting policies used and the reasonableness of the accounting estimates made by the Management, 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 Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 including the Ind AS, of the financial position of the Company as at 31 March, 2017, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act and Companies (Audit and Auditors) Rule 2014, we report that :
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, as applicable .
 - e. on the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the director is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'; and
 - g. with respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - i. The Company does not have any pending litigation which would impact its financial position.
 - ii. The company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amount required to be transferred to the investor education and Protection fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraph 3 and 4 of the order.
3. The company has provided requisite disclosure in the financial statement as regards its holding and dealing in specified bank notes as defined in notification S.O. 3407 dated 08th November, 2016 of the Ministry of Finance during the period from 08th November, 2016 to 30th December, 2016. Based on audit procedure performed and representation provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the company and produced to us by the management.

Place: Delhi
Dated: May 29, 2017

Certified True Copy
For Insync Business Solutions Limited

Dalip Kumar
(Director)

For SPMG & Company
Chartered Accountants
Firm's registration No.: 509249C

Sd/-
Vinod Gupta
Partner
Membership No.: 090687

Annexure A to the Independent Auditors' Report

(Referred to in paragraph 1(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')

We have audited the internal financial controls over financial reporting of Insync Business Solutions Limited ('the Company') as of 31 March 2017 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

*For **SPMG & Company***

Chartered Accountants

Firm's registration No.: 509249C

*Sd/-
Vinod Gupta
Partner*

Membership No.: 090687

Place: Delhi
Dated: May 29, 2017

Certified True Copy
For Insync Business Solutions Limited

Dalip Kumar
(Director)

Annexure B to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Ind AS financial statements for the year ended 31 March 2017, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a program of verification of its fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its asset. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the Company, where the company is the lessee in the agreement.
- (ii) The Company is a service company. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act').
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act, with respect to the loans, investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanation given to us, the Company has not accepted any deposit during the year. The Company does not have any unclaimed deposits and accordingly, the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 are not applicable to the Company.
- (vi) Accordingly to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the services rendered by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employee's State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. We are informed that the operations of the company during the year did not give rise to any liability for customs duty and Excise duty.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2017 for a period of more than six months from the date they became payable.
- (c) There are no dues of Income Tax, Sales Tax, Custom Duty, Excise duty and Value added Tax which have not been deposited as on 31 March, 2017 on account of dispute
- (viii) According to the information and explanations given to us and the records examined by us, the Company has not taken loans from financial institutions, banks and government nor has it issued any debentures. Accordingly, the provision of clause 3(Viii) of the order is not applicable to the Company
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite

approvals mandated by the provisions of Section 197, read with Schedule V to the Act.

- (xii) The Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

For SPMG & Company
Chartered Accountants
Firm's registration No.: 509249C

Sd/-
Vinod Gupta
Partner

Membership No.: 090687

Place: Delhi
Dated: May 29, 2017

Certified True Copy
For Insync Business Solutions Limited

Dalip Kumar
(Director)

INSYNC BUSINESS SOLUTIONS LIMITED
Balance sheet as at 31st March 2017

(Amount in Rs.)

ASSETS	Note no.	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Non-current assets				
Property, plant and equipment	1	56,118	119,842	189,014
Financial assets				
- Non-Current investments	2	9,979,403	10,260,000	-
- Others	3	15,000	15,000	15,000
Deferred tax assets (Net)		42,453	42,910	45,973
Other non-current assets	4 (i)	3,506,471	7,527,014	8,750,700
Current assets				
Financial assets				
- Trade and other receivables	5	20,322,366	19,785,620	28,293,788
- Cash and cash equivalents	6	14,410,559	15,518,205	9,606,146
- Short term loans and advances	7	4,250	4,250	39,781
Other current assets	4 (ii)	6,161,310	4,614,323	6,490,690
TOTAL		54,497,929	57,887,164	53,431,092
EQUITY AND LIABILITIES				
	Note no.	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Equity				
Equity Share capital	8 B	500,000	500,000	500,000
Other equity #				
- Retained earnings @	8 C	25,555,006	23,240,170	18,246,343
Share application money pending allotment				
Non-current liabilities				
Long term provisions	9 (i)	57,819	43,867	64,557
Current liabilities				
Financial liabilities				
- Trade and other payables	10 (i)	24,623,567	28,879,743	27,612,603
- Other financial liabilities	10 (ii)	92,509	75,159	-
Other current liabilities	11	2,094,496	2,755,445	4,364,194
Short-term provisions	9 (ii)	1,574,532	2,392,780	2,643,395
TOTAL		54,497,929	57,887,164	53,431,092

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See accompanying notes to the financial statements

As per our report of even date attached

For SPMG & Co.
Chartered Accountants
Firm Regd. No.: 509249C

For and on behalf of the Board of Directors of
INSYNC BUSINESS SOLUTIONS LIMITED

Sd/-
Vinod Gupta
Partner
M. No. 090687

Sd/-
Dalip Kumar
Director
DIN: 00103292

Sd/-
Govinda Sahu
Director
DIN: 02528967

Place: New Delhi
Date: May 29, 2017

Certified True Copy
For Insync Business Solutions Limited

DALIP
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Digitally signed by
DALIP KUMAR
Date: 2017.10.27
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Dalip Kumar
(Director)

INSYNC BUSINESS SOLUTIONS LIMITED

Statement of Profit and Loss for the period ended 31st March, 2017

	Note no.	For the year ended 31 March 2017	For the year ended 31 March 2016
Revenue from operations	12	52,339,207	76,522,625
Other income	13	394,399	337,914
Total revenue		52,733,606	76,860,539
Expenses			
Employee benefit expense	14	22,998,063	27,064,137
Finance cost	15	39,974	5,211
Depreciation and amortisation expense	1	63,724	69,172
Other Operating expense	16	25,479,954	42,498,109
Total expenses		48,581,715	69,636,629
Profit/ (loss) before exceptional items and tax		4,151,891	7,223,910
Exceptional items		-	
Profit/ (loss) before tax		4,151,891	7,223,910
Tax expense			
a) Current tax		1,556,000	2,379,036
b) Deferred tax		457	3,063
Profit/ (loss) for the period from continuing operations		2,595,434	4,841,811
Profit/ (loss) for the period		2,595,434	4,841,811

Other comprehensive income

- Items that will be reclassified to profit or loss

Exchange differences on translation on Foreign operations

Income Tax Effect on Items that to be reclassified to profit or loss

Net Other Comprehensive Income to be reclassified to

Profit & Loss A/c in Subsequent periods

- Items that will not be reclassified to profit or loss

1 Remeasurement of defined employee benefits plan

2 Changes in Fair Values of Investment in Equities carried at Fair

Value through Other Comprehensive Income

3 An item of Income not recognised in profit or loss account

4 An item of Expense not recognised in profit or loss account

Income Tax Effect on Items that will not be reclassified to profit or loss

Net Other Comprehensive Income not to be reclassified

to Profit & Loss A/c in Subsequent periods

Total comprehensive income for the period

(Profit/ loss + other comprehensive income)

Earnings per equity share (for continuing operations)

a) Basic

b) Diluted

See accompanying notes to the financial statements

As per our report of even date attached

For **SPMG & Co.**
Chartered Accountants
Firm Regd. No.: 509249C

For and on behalf of the Board of Directors of
INSYNC BUSINESS SOLUTIONS LIMITED

Sd/-
Vinod Gupta

Partner
M. No. 090687

Place: New Delhi
Date: May 29, 2017

Sd/-
Dalip Kumar
Director
DIN: 00103292

Sd/-
Govinda Sahu
Director
DIN: 02528967

Certified True Copy
For Insync Business Solutions Limited

Dalip Kumar
(Director)

INSYNC BUSINESS SOLUTIONS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

	<u>As at</u> <u>March 31, 2017</u> <u>(Amount in Rs.)</u>	<u>As at</u> <u>March 31, 2016</u> <u>(Amount in Rs.)</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit Before Tax	2,595,434	4,841,811
Adjustments For :		
Deferred Tax Provision	457	3,063
Provision for income tax	1,556,000	2,379,036
Depreciation and Amortization	63,724	69,172
GDR/Defferred Business Development Expenses W/o	-	-
Finance Charges	39,974	5,211
Cash from Operations before Working Capital Changes	4,255,589	7,298,293
Adjustments for changes in Working Capital:		
(Increase)/Decrease in Trade Receivables	(536,746)	8,508,168
(Increase)/Decrease in Loans and Advances	-	35,531
(Increase)/Decrease in Other Current Assets	2,473,557	3,100,054
Increase/(Decrease) in Trade Payables	(4,256,176)	1,267,140
Increase/(Decrease) in Current Liabilities	(643,599)	(1,533,590)
Increase/(Decrease) in Provisions	17,036	(32,341)
NET CASH GENERATED BY OPERATING ACTIVITIES (1)	1,309,661	18,643,255
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets and change in Capital Work-In-Progress	-	-
(Increase)/Decrease in Investments	-	10,260,000
NET CASH FROM (USED IN) INVESTING ACTIVITIES (2)	-	10,260,000
CASH FLOWS FROM FINANCING ACTIVITIES		
Income Tax Paid	(2,377,332)	(2,465,984)
Proceeds from long term borrowings	-	-
Finance Charges	(39,974)	(5,211)
NET CASH (USED IN) FINANCING ACTIVITIES (3)	(2,417,306)	(2,471,195)
NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS (1+2+3)	(1,107,646)	5,912,060
OPENING BALANCE OF CASH AND CASH EQUIVALENTS	15,518,205	9,606,145
CLOSING BALANCE OF CASH EQUIVALENTS	14,410,559	15,518,205

Notes :

- 1 The above Cash Flow Statement has been prepared under the indirect method set out in Accounting Standard-3.
- 2 Cash and cash equivalents consist of cash in hand and balances with scheduled/non scheduled banks.
- 3 The previous year's figures have been recast/restated, wherever necessary, to confirm to current year's classification.

This is the cash flow statement referred to in our report of even date.

For SPMG & COMPANY
Firm Registration Number: 509249C
Chartered Accountants

Sd/-
Vinod Gupta
Partner
M. No. 090687

Place : New Delhi
Date : May 29, 2017

For and on behalf of the board of directors
INSYNC BUSINESS SOLUTIONS LIMITED

Sd/-
Dalip Kumar
Director
DIN: 00103292

Sd/-
Govinda Sahu
Director
DIN: 02528967

Certified True Copy
For Insync Business Solutions Limited

DALIP
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Dalip Kumar
(Director)

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Date: 2017.10.27 20:38:03
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Statement of changes in equity

Insync Business Solutions Limited

Statement of changes in equity for the period ended 31st March 2017

Equity share capital

	Opening balance as at 1 Apr 2016	Changes in equity share capital during the year	Closing balance as at 31 March 2017
Equity shares of Rs.10 each	500,000	-	500,000
	<u>500,000</u>	<u>-</u>	<u>500,000</u>

	Opening balance as at 1 Apr 2015	Changes in equity share capital during the year	Closing balance as at 31 March 2016
Equity shares of Rs.10 each	500,000	-	500,000
	<u>500,000</u>	<u>-</u>	<u>500,000</u>

Other Equity

For the year ended 31 March, 2017

	Share premium	Capital reserve	Retained earnings	General reserve	SEZ Reinvestment Reserve	FVTOCI reserve	Foreign currency translation reserve	Investment revaluation reserve	Asset revaluation reserve	Total Equity
As at 1 April 2016	-	-	23,240,170	-	-	-	-	-	-	23,240,170
Profit for the period			2,595,434							2,595,434
Other comprehensive income			78,129					(358,727)		(280,598)
Other Appropriation Adjustment										-
TOTAL	-	-	25,913,733	-	-	-	-	(358,727)	-	25,555,006

(1)

For the year ended 31 March, 2016

	Share premium	Capital reserve	Retained earnings	General reserve	SEZ Reinvestment Reserve	FVTOCI reserve	Foreign currency translation reserve	Investment revaluation reserve	Asset revaluation reserve	Total Equity
As at 1 April 2015	-	-	18,246,343	-	-	-	-	-	-	18,246,343
Profit for the period			4,841,811							4,841,811
Other Appropriation Adjustment			152,016							152,016
TOTAL	-	-	23,240,170	-	-	-	-	-	-	23,240,170

Any part of the reserves presented under Equity Instruments through other comprehensive income which is realised in cash shall be disclosed separately.

@ - Debit balance of Statement of Profit and loss shall be shown as a negative figure under the head 'Retained Earnings'.

Certified True Copy
For Insync Business Solutions Limited

DALIP KUMAR Digitally signed by DALIP KUMAR
Date: 2017.10.27 20:38:14 +05'30'

Dalip Kumar
(Director)

INSYNC BUSINESS SOLUTIONS LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

1 PROPERTY, PLANT AND EQUIPMENT:

Property, plant and equipment consist of the following for the year ended March 31, 2017:

Particulars	Land	Buildings	Office Equipment	Computer equipment	Furniture and fixtures	Vehicles	Total
Gross carrying value as of April 1, 2016:	-	-	-	792,600	133,900	-	926,500
Additions	-	-	-	-	-	-	-
Deletions	-	-	-	-	-	-	-
Gross carrying value as of March 31, 2017 :	-	-	-	792,600	133,900	-	926,500
Accumulated depreciation as of April 1, 2016:	-	-	-	702,020	104,638	-	806,658
Depreciation	-	-	-	51,980	11,744	-	63,724
Accumulated depreciation on deletions	-	-	-	-	-	-	-
Accumulated depreciation as of March 31, 2017:	-	-	-	754,000	116,382	-	870,382
Carrying value as of March 31, 2017 :	-	-	-	38,600	17,518	-	56,118

PROPERTY, PLANT AND EQUIPMENT:

Property, plant and equipment consist of the following for the year ended March 31, 2016:

Particulars	Land	Buildings	Office Equipment	Computer equipment	Furniture and fixtures	Vehicles	Total
Gross carrying value as of April 1, 2015:	-	-	-	792,600	133,900	-	926,500
Additions	-	-	-	-	-	-	-
Deletions	-	-	-	-	-	-	-
Gross carrying value as of March 31, 2016 :	-	-	-	792,600	133,900	-	926,500
Accumulated depreciation as of April 1, 2015:	-	-	-	643,109	94,377	-	737,486
Depreciation	-	-	-	58,911	10,261	-	69,172
Accumulated depreciation on deletions	-	-	-	-	-	-	-
Accumulated depreciation as of March 31, 2016:	-	-	-	702,020	104,638	-	806,658
Carrying value as of March 31, 2016 :	-	-	-	90,580	29,262	-	119,842

Certified True Copy
For Insync Business Solutions Limited

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Date: 2017.10.27 20:38:30
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Dalip Kumar
(Director)

INSYNC BUSINESS SOLUTIONS LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	As at 31.03.2017 (Rs. in million)	As at 31.03.2016 (Rs. in million)	As at 01.04.2015
3. Non-current investments			
a. Non Trade and unquoted - Investments in equity shares			
i. of subsidiaries	NIL	NIL	NIL
ii. of joint ventures	NIL	NIL	NIL
iii. of associate	NIL	NIL	NIL
	-	-	-
Less : Provision for diminution in value of investments	-	-	-
	-	-	-
	-	-	-
b. Non Trade and unquoted - Investments in equity shares (Others)			
1 M/s. Passion IT Solutions Private Limited	2,142,891.00	2,189,000.00	-
2 M/s RPG Securities Financial S Limited	3,538,935.00	3,591,000.00	-
3 M/s Trimurti Petrochemicals & Allied Services Pvt Ltd	4,297,577.00	4,480,000.00	-
	(II) 9,979,403.00	10,260,000.00	-
	-	-	-
Total (I+II)	9,979,403.00	10,260,000.00	-

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For Insync Business Solutions Limited

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Dalip Kumar
(Director)

INSYNC BUSINESS SOLUTIONS LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

	As at 31-Mar-17	As at 31-Mar-16	As at 01-Apr-15
3 LOANS:			
Loans (unsecured) consist of the following:			
Short-term loans			
(i) Loans and advances to employees	4,250	4,250	39,781
Total:	4,250	4,250	39,781
4 OTHER FINANCIAL ASSETS:			
Other financial assets consist of the following:			
(i) Non-current financial assets			
(a) Security deposits	15,000	15,000	15,000
	15,000	15,000	15,000
(ii) Current financial assets			
(a) Interest receivable	129,943	82,590	61,852
	129,943	82,590	61,852
DEFERRED TAX BALANCES:			
Deferred tax balances consist of the following:			
(i) Deferred tax assets (net)			
(a) Depreciation and amortisation	42,910	42,910	45,973
	42,910.00	42,910.00	45,973.00
5 OTHER ASSETS			
Other assets consist of the following:			
(i) Other non-current assets			
Considered good			
Others (IT Refunds &TDS)	3506471	7527014	8750700
	3506471	7527014	8750700
(ii) Other current assets			
Considered good			
(d) Indirect taxes recoverable	435922	1482003	142166
(f) Other current assets	5595445	3049730	6286672
	6031367	4531733	6428838
6 TRADE RECEIVABLES			
Trade receivables (Unsecured) consist of the following:			
Unsecured			
(a) Considered good	20322366	19785620	28293788
(b) Considered doubtful			
Less : Provision for doubtful receivables			
	20322366	19785620	28293788
7 CASH AND CASH EQUIVALENTS			
Cash and cash equivalents consist of the following:			
(i) Balances with banks			
In current accounts	14,038,481	14733601	8928581
In deposit accounts			
(iii) Cash on hand	372,078	784604	677565
	14,410,559	15518205	9606146

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Dalip Kumar
(Director)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
8. Share capital			
A. Authorised Capital			
1,00,000 Equity Shares of Re. 10/- each fully paid up with voting rights	1,000,000	1,000,000	1,000,000
B. Issued, Subscribed And Fully Paid Up			
50,100 EQUITY SHARES OF Re. 10/- EACH fully paid up with voting rights	500,000	500,000	500,000
Less :	500,000	500,000	500,000
C. Other Equity			
Other equity consist of the following:	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
	-	-	-
(a) Retained earnings			
(i) Opening balance	23,240,170	18,246,343	18,246,343
(ii) Add: Profit for the period	2,673,564	4,841,811	-
	25,913,733	23,088,154	18,246,343
Less : Appropriations			
(a) Adjustments(Increase)/Decrease		(152,016)	-
	25,913,733	23,240,170	18,246,343
(b) Investment revaluation reserve			
(i) Opening balance			
(ii) Realised gain on equity shares carried at fair value through OCI			
(iii) Addition during the period (net)	(358,727)		
	(358,727)		
	25,555,006	23,240,170	18,246,343

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For Insync Business Solutions Limited

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(Director)

INSYNC BUSINESS SOLUTIONS LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

10 OTHER FINANCIAL LIABILITIES:

Other financial Liabilities consist of the following:

(i) Trade and Other Payables

(a) Capital creditors

(ii) Other financial liabilities

(a) Others

	As at 31-Mar-17	As at 31-Mar-16	As at 01-Apr-15
	24,623,567	28,879,743	27,612,603
	24,623,567	28,879,743	27,612,603
	92,509	75,159	-
	92,509	75,159	-

9 PROVISIONS

Provisions consist of the following:

(i) Non-current

Provision for Gratuity

(ii) Current

(a) Income Tax Provision

(b) Provision for Leave Encashment

	As at 31-Mar-17	As at 31-Mar-16	As at 01-Apr-15
	57,819	43,867	64,557
	57,819	43,867	64,557
	1,556,000	2,379,036	2,618,000
	18,532	13,744	25,395
	1,574,532	2,392,780	2,643,395

11 OTHER LIABILITIES

Other liabilities consist of the following:

Current liabilities

(b) Indirect tax payable and other statutory liabilities

(d) Others (Payables)

	As at 31-Mar-17	As at 31-Mar-16	As at 01-Apr-15
	1,012,486	1,286,564	1,900,614
	1,082,010	1,468,881	2,463,580
	2,094,496	2,755,445	4,364,194

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For Insync Business Solutions Limited

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Dalip Kumar
(Director)

INSYNC BUSINESS SOLUTIONS LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

	<u>As at</u> <u>31-Mar-17</u>	<u>As at</u> <u>31-Mar-16</u>
12 REVENUE FROM OPERATIONS		
Domestic Services	52,339,207	76,522,625
	52,339,207	76,522,625
13 OTHER INCOME (NET)		
	<u>As at</u> <u>31-Mar-17</u>	<u>As at</u> <u>31-Mar-16</u>
Other income (net) consist of the following:		
(a) Interest income	394,398.80	266,705.58
(b) Miscellaneous income		71,208.00
	394,398.80	337,913.58
Interest income comprise:		
Interest on bank deposits	-	-
Interest income on financial assets carried at amortised cost	50,748.80	59,026.00
Other interest (including interest on income tax refunds)	343,650.00	207,679.58
	394,398.80	266,705.58
14 EMPLOYEE COSTS		
	<u>As at</u> <u>31-Mar-17</u>	<u>As at</u> <u>31-Mar-16</u>
Employee costs consist of the following:		
(a) Salaries, incentives and allowances	21,164,962	24,766,141
(b) Contributions to provident and other funds	1,833,101	2,294,796
(c) Staff welfare expenses	-	3,200
	22,998,063	27,064,137
15 FINANCE COSTS (at effective interest rate method)		
	<u>As at</u> <u>31-Mar-17</u>	<u>As at</u> <u>31-Mar-16</u>
Finance costs consist of the following:		
Interest expenses	39,974	5,211
	39,974	5,211
16 OTHER OPERATING EXPENSES		
Other operating expenses consist of the following:		
(a) Fees to external consultants	16,205,196	27,866,500
(b) Communication expenses	5,478,688	11,155,205
(c) Cost of equipment and software licenses	5,000	
(d) Bad debts and advances written off , provision for trade receivable and advances (net)	90,897	260,591
(e) Conveyance	688,121	876,399
(f) Audit Fee	28,750	28,625
(g) Rent Expenses	1,560,000	1,560,000
(h) Other expenses	1,423,302	750,789
	25,479,954	42,498,109

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For Insync Business Solutions Limited

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Dalip Kumar
(Director)

INSYNC BUSINESS SOLUTIONS LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

	<u>As at</u> <u>31-Mar-17</u>	<u>As at</u> <u>31-Mar-16</u>
12 REVENUE FROM OPERATIONS		
Domestic Services	52,339,207	76,522,625
	52,339,207	76,522,625
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(g) Rent Expenses	1,560,000	1,560,000
(h) Other expenses	1,423,302	750,789
	25,479,954	42,498,109

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For Insync Business Solutions Limited

Dalip Kumar
(Director)

NOTES TO STANDALONE FINANCIAL STATEMENTS

1. COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

1.1 Company Overview:

Insync Business Solutions Limited ('the company') was incorporated on 18th November, 2009 in India. The company business consists of software development and marketing and providing support services mainly for corporate business entities in the BPO and software development services.

1.2 Basis of preparation of financial statements

These financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis, except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101, First Time Adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Reconciliations and descriptions of the effect of the transition have been summarized in Notes 2.2. Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised standards on an ongoing basis. All Income and expenditure having a material bearing on the financial statements are recognized on the accrual basis.

1.3 Use of estimates

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities and reported amounts of revenues and expenses during the period. Examples of such estimates include estimates of expected contract costs to be incurred to complete contracts, future obligations under employee retirement benefit plans. Accounting estimates could change from period to period. Actual results could differ from those estimates.

1.4 Revenue recognition

Revenue from software development services and other projects on as time-and material basis is recognized based on service rendered and billed to clients as per the terms of specific contracts. In the case of fixed-price contracts, revenue is recognized based on the milestones achieved, as specified in the contracts, on a percentage of completion basis. Interest on development of surplus funds is recognized using the time-proportion method, based on interest rates implicit in the transaction.

1.5 Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition including incidental costs related to acquisition and installation less accumulated depreciation and impairment loss, if any. All direct costs are capitalized till the assets are ready to be put to use. Fixed assets under construction, advances paid

towards acquisition of fixed assets and cost of assets not put to use before the period/year end, are disclosed as capital work in progress. The company depreciates property, plant and equipment over their estimated useful lives using the written down value method. The estimated useful lives of assets are as follows:

Fixed Assets	Useful lives of Assets
Computer equipment ⁽¹⁾	3 Years
Furniture and fixtures ⁽¹⁾	10 Years

⁽¹⁾ The useful lives for these assets are same as useful lives prescribed under Part C of Schedule II of the Companies Act, 2013.

1.6 Intangible assets

Intangible fixed assets comprising of computer software, are stated at cost of acquisition less accumulated amortization and impairment loss, if any. Intangible fixed assets are capitalized where they are expected to provide future enduring economic benefits. Capitalization costs include license fees and cost of implementation/system integration services. However, the company does not have Intangible fixed assets during the year.

1.7 Impairment

Management periodically assesses using external and internal sources where there is an indication that an asset may be impaired. Impairment occurs where the carrying value exceed the present value of future cash flow expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of carrying amount over the higher of the assets net sales price or present value as determined above. The management is of the view that impairment does not apply to the Company, hence not recognized.

1.8 Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation.

1.9 Earnings per equity share

Basic earning per share is computed using the weighted average number of equity shares outstanding during the year in conformity with the Ind-AS-33. Diluted earnings per share is computed using the weighted average number of equity and diluted equity equivalent shares outstanding during the year-end, except where the results would be anti-dilutive.

1.10 Taxation

Income tax expense comprises current and deferred income tax. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary timing differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements as prescribed in Ind-AS-12. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable

income in the years in which those temporary differences are expected to be recovered or settled. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Company does not offsets current tax assets and current tax liabilities on net basis, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

1.11 Employee benefits

1.11.1 Gratuity

The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company.

The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability / (asset) are recognized in other comprehensive income.

1.11.2 Provident fund

Eligible employees of the company receive benefits from a provident fund, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. Amounts collected under the provident fund plan are deposited in a government administered provident fund. The companies have no further obligation to the plan beyond its monthly contributions.

1.11.3 Compensated absences

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the Balance Sheet date.

1.12 Cash flow statement

Cash flows are reported using the indirect method, whereby profit/(loss) for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

1.13 Other income

Other income is comprised primarily of interest income, Rental Income and exchange gain / loss on foreign currencies. Interest income is accounted for on accrual basis. Rental Income comprising of rent and other related services from operating lease is recognized in the Statement of Profit and Loss on accrual basis.

1.14 Investment

Investments are classified into long-term and current investments based on the intent of management at the time of acquisition. Long-term investments including investment in subsidiaries are stated at cost.

1.15 **Related Party Transactions:**

Transactions with related Party are disclosed are as under;

A. Details of Related Parties with whom transactions have taken place:

Entities where Control/significant Influence of KMP exists:

FCS Software Solutions Ltd.
 Cgain Analytics Pvt. Ltd.
 Heimdahl Software Systems Pvt. Ltd.
 Innova E Services Pvt. Ltd.
 Stablesecure Infrservices Pvt. Ltd.
 Enstaserv E Services Private Limited

B. Transactions with Related Parties

Party Name	Nature of Relation	Nature of transaction	31/03/2017	31/03/2016
FCS Software Solutions Ltd.	Holding Co.	Sub Contract Exp.	137,82,196/-	204,66,500/-
FCS Software Solutions Ltd.	Holding Co.	Rent Expenses	15,60,000/-	15,60,000/-
Cgain Analytics Pvt. Ltd.	Subsy of Holding Co.	Services Received	363,000/-	
Heimdahl Software Systems Pvt. Ltd.	Subsy of Holding Co.	Services Received	565,000/-	
Innova E Services Pvt. Ltd.	Subsy of Holding Co.	Services Received	335,000/-	
Stablesecure Infrservices Pvt. Ltd.	Subsy of Holding Co.	Services Received	720,000/-	
Enstaserv E Services Pvt. Ltd.	Associate of Holding Co.	Services Received	440,000/-	

1.16 **Expenditure in Foreign Currency**

	31/03/2017	31/03/2016
Expenditure incurred	NIL	NIL

1.17 **Earning in Foreign Exchange**

	31/03/2017	31/03/2016
Income Earned	Nil	Nil

1.18 During the year the company had specified bank notes or other denomination notes as defined in the MCA notification G.S.R. 308(E) dated 30th March, 2017 or the details of specified bank notes (SBN) hold and transacted during the period from 08th November, 2016 to 30th December, 2016. The denomination wise SBNs and other denomination notes as per the notification is given below:

(Amount in Rs.)

Particulars	SBNs	Other Denomination notes	Total
Closing cash in hand on 08.11.2016	41,00,000/-	4,038/-	41,04,038/-
+ permitted receipts	-	200,000/-	200,000/-
- Permitted payments	-	6,960/-	6,960/-
- Amount deposited in banks	41,00,000/-	-	41,00,000/-
Closing cash in hand as on 30.12.2016	-	4,038/-	197,078//-

1.19 As explained to us, during the year the corporate social Responsibility (CSR) committee has been formed by the Company, however the company does not qualified the norms specified as required under section 135 of Companies Act, 2013 to contribute towards CSR.

1.20 Previous year figures have been re-grouped/re-classified wherever necessary to correspond with the current year's classification/disclosures.

AUDITOR'S REPORT

As per our separate report of even date

For **SPMG & COMPANY**

Chartered Accountants

Sd/-

(Vinod Gupta)

Partner

Sd/-

Dalip Kumar

(Director)

Sd/-

Govind Sahu

(Director)

On behalf of the Board of Directors

For Insync Business Solutions Ltd.

Place: Delhi

Date: May 29, 2017

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For Insync Business Solutions Limited

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Date: 2017.10.27 20:39:53 +05'30'

Dalip Kumar

(Director)