



## Independent Auditors' Report

### To the Members of Heimdahl Software Systems Private Limited

#### Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Heimdahl Software Systems Private 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.

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## 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 directors 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.

For **SPMG & Company**  
Chartered Accountants

Sd/-  
**Vinod Gupta**  
(Partner)

Membership No.: 090687

Place: Delhi  
Dated: May 22, 2017

**Certified True Copy**  
**For Heimdahl Software Systems Private Limited**

**(Ashutosh Acharya)**  
Director  
DIN: 03145815

## **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 Heimdahl Software Systems Private 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

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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

Sd/-

**Vinod Gupta**  
(Partner)

Membership No.: 090687

Place: Delhi

Dated: May 22, 2017

**Certified True Copy**  
**For Heimdahl Software Systems Private Limited**

**(Ashutosh Acharya)**

Director

DIN: 03145815

## HEIMDAHL SOFTWARE SYSTEMS PVT. LTD

## Balance sheet as at 31st March 2017

ASSETS	Note no.	(Amount in Rs.)	
		As at 31st March 2017	As at 31st March 2016
<b>Non-current assets</b>			
Property, plant and equipment		-	-
Financial assets			
- Non-Current investments	1	66,473,268	24,100,000
- Long-term loans and advances	3	-	-
- Others	4 (i)	-	-
Deferred tax assets (Net)		-	-
Other non-current assets	2 (i)	11,300	89,908
<b>Current assets</b>			
Inventories		-	-
Financial assets			
- Current investments		-	-
- Trade and other receivables	3	553,700	-
- Cash and cash equivalents	4	324,136	1,191,268
- Short term loans and advances	4 (ii)	-	-
Assets for current tax (net)		-	-
Other current assets	2 (ii)	-	3,990
<b>TOTAL</b>		<b>67,362,404</b>	<b>25,385,166</b>
<b>EQUITY AND LIABILITIES</b>			
EQUITY AND LIABILITIES	Note no.	(Amount in Rs.)	
		As at 31st March 2017	As at 31st March 2016
<b>Equity</b>			
Equity Share capital	5 B	9,715,380	9,715,380
Other equity #			
- Equity component of other financial instrument			
- Retained earnings @	5 C	57,587,080	15,517,057
- Reserves			
<b>Share application money pending allotment</b>		-	-
<b>Non-current liabilities</b>			
Financial liabilities			
<b>Current liabilities</b>			
Financial liabilities			
- Short term borrowings	9 (ii)	-	-
- Trade and other payables	10 (ii)	-	-
- Other financial liabilities	10 (ii)	-	-
Other current liabilities	6	59,944	85,722
Short-term provisions	7	-	67,007
Liabilities for current tax (net)			
<b>Liabilities associated with group(s) of assets held for disposal</b>			
<b>TOTAL</b>		<b>67,362,404</b>	<b>25,385,166</b>

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  
HEIMDAHL SOFTWARE SYSTEMS PVT. LTD

Sd/-  
**Vinod Gupta**  
Partner  
M. No. 090687

Sd/-  
**Govinda Sahu**  
Director  
DIN: 02528967

Sd/-  
**Ashutosh Acharya**  
Director  
DIN: 03145815

Place: New Delhi  
Date: May 22, 2017

Place: Ghaziabad  
Date: May 22, 2017

Place: Ghaziabad  
Date: May 22, 2017

Certified True Copy  
For HEIMDAHL SOFTWARE SYSTEMS PVT. LTD

(Ashutosh Acharya)  
Director  
DIN:03145815

**HEIMDAHL SOFTWARE SYSTEMS PVT. LTD**  
**Statement of Profit and Loss for the period ended 31st Dec 2017**

	Note no.	For the year ended 31 March 2017	For the year ended 31 March 2016
<b>Revenue from operations</b>	<b>8</b>	565,000	899,082
<b>Other income</b>	<b>9</b>	73,656	806
<b>Total revenue</b>		<b>638,656</b>	<b>899,888</b>
<b>Expenses</b>			
Employee benefit expense	<b>10</b>	515,085	486,600
Finance cost	<b>11</b>	-	236,030
Other Operating expense	<b>12</b>	453,596	141,155
<b>Total expenses</b>		<b>968,681</b>	<b>863,785</b>
<b>Profit/ (loss) before exceptional items and tax</b>		(330,025)	36,103
Exceptional items		-	-
<b>Profit/ (loss) before tax</b>		<b>(330,025)</b>	<b>36,103</b>
<b>Tax expense</b>			
a) Current tax		-	67,007
b) Deferred tax		-	-
<b>Profit/ (loss) for the period from continuing operations</b>		(330,025)	(30,904)
<b>Profit/ (loss) for the period</b>		(330,025)	(30,904)
<b><u>Other comprehensive income</u></b>			
- <b>Items that will be reclassified to profit or loss</b>			
Exchange differences on translation on Foreign operations			
Income Tax Effect on Items that to be reclassified to profit or loss			
<b>Net Other Comprehensive Income to be reclassified to Profit &amp; Loss A/c in Subsequent periods</b>		-	-
- <b>Items that will not be reclassified to profit or loss</b>			
<b>1 Remeasurement of defined employee benefits plan</b>			
<b>2 Changes in Fair Values of Investment in Equities carried at Fair Value through Other Comprehensive Income</b>		615,573	-
<b>3 An item of Income not recognised in profit or loss account</b>			
<b>4 An item of Expense not recognised in profit or loss account</b>			
Income Tax Effect on Items that will not be reclassified to profit or loss			
<b>Net Other Comprehensive Income not to be reclassified to Profit &amp; Loss A/c in Subsequent periods</b>		615,573	-
<b>Total comprehensive income for the period</b> <i>(Profit/ loss + other comprehensive income)</i>		285,549	(30,904)
<b>Earnings per equity share (for continuing operations)</b>	<b>xx</b>		
a) Basic		0.29	(0.03)

b) Diluted

0.29

(0.03)

See accompanying notes to the financial statements

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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  
**HEIMDAHL SOFTWARE SYSTEMS PVT. LTD**

Sd/-  
**Vinod Gupta**  
Partner  
M. No. 090687

Sd/-  
**Govinda Sahu**  
Director  
DIN: 02528967

Sd/-  
**Ashutosh Acharya**  
Director  
DIN: 03145815

Place: New Delhi  
Date: May 22, 2017

Place: Ghaziabad  
Date: May 22, 2017

Place: Ghaziabad  
Date: May 22, 2017

**Certified True Copy**  
**For HEIMDAHL SOFTWARE SYSTEMS PVT. LTD**

**(Ashutosh Acharva)**  
Director  
DIN:03145815

**HEIMDAHL SOFTWARE SYSTEMS PVT. LTD**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017**

	As at March 31, 2017 (Amount in Rs.)	As at March 31, 2016 (Amount in Rs.)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Net Profit After Tax</b>	285,549	(30,904)
Adjustments For :		
Provision for income tax	-	67,007
Depriciation and Amortization	-	-
Prileminery Exp W/O	-	1,330
Profit on Valuation of Investment	(615,573)	-
Finance Charges	-	-
<b>Cash from Operations before Working Capital Changes</b>	<b>(330,025)</b>	<b>37,433</b>
Adjustments for changes in Working Capital:		
(Increase)/Decrease in Trade Receivables	(553,700)	1,000
(Increase)/Decrease in Other Current Assets	82,598	(908)
Increase/(Decrease) in Current Liabilities	(25,778)	46,150
Increase/(Decrease) in Provisions	-	-
<b>NET CASH GENERATED BY OPERATING ACTIVITIES (1)</b>	<b>(826,905)</b>	<b>83,675</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets and change in Capital Work-In-Progress	-	-
(Increase)/Decrease in Investments	-	-
<b>NET CASH FROM IN INVESTING ACTIVITIES (2)</b>	<b>-</b>	<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceed from Issue of Share Capital	-	9,615,380
Proceed from Issue of Share Premium	-	15,384,620
Income Tax Paid	(40,228)	(65,836)
Proceeds from long term borrowings	-	(24,200,000)
Finance Charges	-	-
<b>NET CASH USED IN FINANCING ACTIVITIES (3)</b>	<b>(40,228)</b>	<b>734,164</b>
<b>NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS (1+2+3)</b>	<b>(867,133)</b>	<b>817,839</b>
<b>OPENING BALANCE OF CASH AND CASH EQUIVALENTS</b>	<b>1,191,268</b>	<b>373,429</b>
<b>CLOSING BALANCE OF CASH EQUIVALENTS</b>	<b>324,136</b>	<b>1,191,268</b>

**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

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

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

For and on behalf of the board of directors  
**HEIMDAHL SOFTWARE SYSTEMS PVT. LTD**

**Sd/-**  
**Vinod Gupta**  
Partner  
**M. No. 090687**

**Sd/-**  
**(Govinda Sahu)**  
Director  
DIN: 02528967

**Sd/-**  
**(Ashutosh Acharya)**  
Director  
DIN: 03145815

Place : New Delhi  
Date : May 22, 2017

Place : Ghaziabad  
Date : May 22, 2017

Place : Ghaziabad  
Date : May 22, 2017

**Certified True Copy**  
**For HEIMDAHL SOFTWARE SYSTEMS PVT. LTD**

**(Ashutosh Acharya)**  
Director  
DIN:03145815



Statement of changes in equity

Heimdahl Software Systems Private 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	9,715,380	-	9,715,380
	<b>9,715,380</b>	<b>-</b>	<b>9,715,380</b>
	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	100,000	9,615,380	9,715,380
	<b>100,000</b>	<b>9,615,380</b>	<b>9,715,380</b>
	Opening balance as at 1 Apr 2014	Changes in equity share capital during the year	Closing balance as at 31 March 2015
Equity shares of Rs.10 each	100,000	-	100,000
	<b>100,000</b>	<b>-</b>	<b>100,000</b>

Other Equity

For the year ended 31 March, 2017

	Share premium	Retained earnings	Investment revaluation reserve	Total Equity
<b>As at 1 April 2016</b>	<b>15,384,620</b>	<b>132,437</b>		15,517,057
Profit for the period		(330,025)		(330,025)
Other comprehensive income		615,573		615,573
Other Adjustments		26,779		26,779
On valuation of Investment			41,757,695	41,757,695
<b>TOTAL</b>	<b>15,384,620</b>	<b>444,765</b>	<b>41,757,695</b>	<b>57,587,080</b>

For the year ended 31 March, 2016

	Share premium	Retained earnings	Investment revaluation reserve	Total Equity
<b>As at 1 April 2015</b>	<b>15,384,620</b>	<b>163,341</b>		15,547,961
Profit for the period		(30,904)		(30,904)
Other comprehensive income				-
Acquisition of a subsidiary				-
Acquisition of non-controlling interests				-
<b>TOTAL</b>	<b>15,384,620</b>	<b>132,437</b>	<b>-</b>	<b>15,517,057</b>

For the year ended 31 March, 2016

	Share premium	Retained earnings	Investment revaluation reserve	Total Equity
<b>As at 1 April 2014</b>	<b>-</b>	<b>136,623</b>		136,623
Profit for the period		26,719		26,719
Other comprehensive income				-
Acquisition of a subsidiary				-
Acquisition of non-controlling interests				-
<b>TOTAL</b>	<b>-</b>	<b>163,341</b>	<b>-</b>	<b>163,341</b>

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 HEIMDAHL SOFTWARE SYSTEMS PVT. LTD

(Ashutosh Acharya)  
Director  
DIN:03145815

**HEIMDAHL SOFTWARE SYSTEMS PVT. LTD**  
**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 31.03.2015 (Rs. in million)
<b>2. Non-current investments</b>			
<b>a. Non Trade and unquoted - Investments in equity shares</b>			
i. of subsidiaries	NIL	NIL	NIL
ii. of joint ventures	NIL	NIL	NIL
iii. of associate	NIL	NIL	NIL
	-	-	-
	-	-	-
(I)	-	-	-
<b>b. Non Trade and unquoted - Investments in equity shares ( Others )</b>			
1 M/s. Master Talant Eduservices Pvt. Ltd.	52,165,947	12,400,000	12,400,000
2 M/s Confluo E Solutions Pvt. Ltd.	14,307,321	11,700,000	11,700,000
(II)	<b>66,473,268</b>	<b>24,100,000</b>	<b>24,100,000</b>
Less : Provision for diminution in value of investments	-	-	-
<b>Total (I+II)</b>	<b>66,473,268</b>	<b>24,100,000</b>	<b>24,100,000</b>

**Certified True Copy**  
**For HEIMDAHL SOFTWARE SYSTEMS PVT. LTD**

(Ashutosh Acharya)  
Director  
DIN:03145815

**2 OTHER ASSETS**

Other assets consist of the following:

**(i) Other non-current assets****Considered good**

Others ( IT Refunds &amp;TDS)

	As at 31-Mar-17	As at 31-Mar-16	As at 31-Mar-15
	11,300	89,908	89,000
	<b>11,300</b>	<b>89,908</b>	<b>89,000</b>

**(ii) Other current assets****Considered good**

Prepaid expense

	As at 31-Mar-17	As at 31-Mar-16	As at 31-Mar-15
	-	3,990	5,320
	-	<b>3,990</b>	<b>5,320</b>

**3 TRADE RECEIVABLES**

Trade receivables (Unsecured) consist of the following:

**Unsecured**

(a) Considered good

(b) Considered doubtful

Less : Provision for doubtful receivables

	As at 31-Mar-17	As at 31-Mar-16	As at 31-Mar-15
	553,700	-	1,000
	-	-	-
	-	-	-
	<b>553,700</b>	<b>-</b>	<b>1,000</b>

**4 CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consist of the following:

(i) Balances with banks

In current accounts

In deposit accounts

(ii) Cheques on hand

(iii) Cash on hand

	As at 31-Mar-17	As at 31-Mar-16	As at 31-Mar-15
	268,226	695,727	119,538
	-	-	-
	-	-	-
	55,910	495,541	253,891
	<b>324,136</b>	<b>1,191,268</b>	<b>373,429</b>

Certified True Copy

For HEIMDAHL SOFTWARE SYSTEMS PVT. LTD

(Ashutosh Acharya)

Director

DIN:03145815

HEIMDAHL SOFTWARE SYSTEMS PVT. LTD  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

Particulars	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015
<b>5. Share capital</b>			
<b>A. Authorised Capital</b>			
25,10,000 Equity Shares of Re. 10/- each fully paid up with voting rights	25,100,000	25,100,000	100,000
<b>B. Issued, Subscribed And Fully Paid Up</b>			
9,71,538 EQUITY SHARES OF Re. 10/- EACH fully paid up with voting rights	9,715,380	9,715,380	100,000
Less :			
	<b>9,715,380</b>	<b>9,715,380</b>	<b>100,000</b>
<b>C. Other Equity</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>	<b>As at 31.03.2015</b>
Other equity consist of the following:			
(a) Capital reserve - -			
(b) Share premium	<b>15,384,620</b>	<b>15,384,620</b>	-
(f) Retained earnings			
(i) Opening balance	132,437	163,341	136,623
(ii) Add: Profit for the period	285,549	(30,904)	26,719
	<b>417,986</b>	<b>132,437</b>	<b>163,341</b>
(d) Adjustments(Increase)/Decrease	(26,779)	-	-
	<b>444,765</b>	<b>132,437</b>	<b>163,341</b>
(iii) Addition during the period (net)	41,757,695	-	-
	<b>41,757,695</b>	-	-
	<b>57,587,080</b>	<b>15,517,057</b>	<b>163,341</b>

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(Ashutosh Acharya)  
Director  
DIN:03145815

## 9 **BORROWINGS**

Borrowings consist of the following:

### (i) Long-term borrowings

#### (a) Secured loans

Long-term maturities of obligations under finance lease

#### (b) Unsecured loans

Borrowings from entity other than banks

As at 31-Mar-17	As at 31-Mar-16	As at 31-Mar-15
-	-	-
-	-	-
-	-	-

### (ii) Short-term borrowings

#### (a) Secured loans

Overdraft from banks

#### (b) Unsecured loans

Loan from Others

As at 31-Mar-17	As at 31-Mar-16	As at 31-Mar-15
-	-	24,200,000
-	-	<b>24,200,000</b>

Secured overdraft from banks are secured against trade receivables.

## 6 **PROVISIONS**

Provisions consist of the following:

### Current

Income Tax Provision

Provision for Leave Encashment

As at 31-Mar-17	As at 31-Mar-16	As at 31-Mar-15
-	67,007	65,836
-	-	-
-	<b>67,007</b>	<b>65,836</b>

## 7 **OTHER LIABILITIES**

Other liabilities consist of the following:

### (ii) 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 31-Mar-15
-	23,603	-
59,944	62,119	39,572
<b>59,944</b>	<b>85,722</b>	<b>39,572</b>

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<b>8 REVENUE FROM OPERATIONS</b>	<b>As at 31-Mar-17</b>	<b>As at 31-Mar-16</b>
Domestic Services	565,000	899,082
	<b>565,000</b>	<b>899,082</b>
<b>9 OTHER INCOME (NET)</b>	<b>As at 31-Mar-17</b>	<b>As at 31-Mar-16</b>
<b>Other income (net) consist of the following:</b>		
(a) Interest income	1,730	806.00
(b) Miscellaneous income	71,926	-
	<b>73,656</b>	<b>806</b>
<b>10 EMPLOYEE COSTS</b>	<b>As at 31-Mar-17</b>	<b>As at 31-Mar-16</b>
Employee costs consist of the following:		
(a) Salaries, incentives and allowances	515,085	458,250
(b) Contributions to provident and other funds	-	-
(c) Staff welfare expenses		28,350
	<b>515,085</b>	<b>486,600</b>
<b>11 FINANCE COSTS (at effective interest rate method)</b>	<b>As at 31-Mar-17</b>	<b>As at 31-Mar-16</b>
Finance costs consist of the following:		
Interest expenses	-	236,030
	<b>-</b>	<b>236,030</b>
<b>12 OTHER OPERATING EXPENSES</b>		
<b>Other operating expenses consist of the following:</b>		
(a) Fees to external consultants	375,600	-
(b) Communication expenses	6,254	32,928
(c) Bad debts and advances written off , provision for trade receivable and advances (net)	-	1,330
(d) Conveyance	5,627	-
(e) Audit Fee	15,000	17,175
(f) Rent Expenses	18,000	36,000
(g) Other expenses	33,115	53,722
	<b>453,596</b>	<b>141,155</b>

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## **NOTES TO FINANCIAL STATEMENTS**

### **1. COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES**

#### **1.1 Company Overview:**

Heimdahl Software Systems Private Limited ('the company') was incorporated on 22nd December, 2006 in India. The company business consists of buying selling , trading, import, export, producing, assembling, processing of computer hardware ,software and electronics and electrical gadgets, equipments , electronics Machine, electronic and other printer, typewriters and computer accessories and parts , computer data processor, data processing machine, types, cards memory equipment and all any other types of equipments and material of every kinds and description useful and used in connection with computers.

#### **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). 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. 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 business support 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.

### **1.5 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.

### **1.6 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.

### **1.7 Earnings per equity share**

Basic earnings per share are 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.

### **1.8 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.

### **1.9 Employee benefits**

The Company does not provide any employee Benefits (Like; Gratuity, Provided fund, Compensated absences and any other related benefits).



**1.10 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.

**1.11 Other income**

Other income is comprised primarily of interest income. Interest income is recognized in the Statement of Profit and Loss on accrual basis.

**1.12 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.

**1.13 Related Party Transactions:**

Transaction with related parties has been disclosed as follows, if any.

**A. Details of related Parties with whom transactions have taken place:****Entities where Control/significant Influence of KMP exists:**

Insync Business Solutions Limited

**B. Transactions with the Related Parties**

Party Name	Nature of Transaction	31/03/2017	31/03/2016
Insync Business Solutions Ltd	Services Provided	565,000/-	Nil

**1.14 Expenditure in Foreign Currency**

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

**1.15 Earning in Foreign Exchange**

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

- 1.16** 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 30<sup>th</sup> March, 2017 or the details of specified bank notes (SBN) hold and transacted during the period from 08<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016. The denomination wise SBNs and other denomination notes as per the notification is given below:

:4:

(Amount in Rs.)

<b>Particulars</b>	<b>SBNs</b>	<b>Other Denomination notes</b>	<b>Total</b>
Closing cash in hand on 08.11.2016	Nil	5,910.00	5,910.00
+ permitted receipts	-	50,000.00	50,000.00
- Permitted payments	-	-	-
- Amount deposited in banks	-	-	-
Closing cash in hand as on 30.12.2016	-	55,910.00	55,910.00

**1.17** 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

On behalf of the Board of Directors  
**for Heimdahl Software Systems Private Limited.**

Sd/-

Sd/-

Sd/-

**(Vinod Gupta)**  
Partner  
M. No.090687

**(Govinda Sahu)**  
Director  
DIN: 02528967

**(Ashutosh Acharya)**  
Director  
DIN: 03145815

Place: Delhi  
Date: May 22, 2017

Place: Ghaziabad  
Date: May 22, 2017

Place: Ghaziabad  
Date: May 22, 2017

**Certified True Copy**  
**For Heimdahl Software Systems Private Limited**

**(Ashutosh Acharya)**  
Director  
DIN:03145815