



N2N TECHNOLOGIES LIMITED

30th ANNUAL REPORT

FY-2014-2015

<p><u>Board of Directors</u></p> <p>01. Mr. Rahul Shah (DIN : 01545609) Director</p> <p>02. Mrs. Maya Chandra (DIN : 06720445) Non Executive Independent Director</p> <p>03. Mr. Murtuza ali Soomar (DIN : 05194435) Non Executive Independent Director</p> <p>04. Mr. I Raghunath (DIN : 07053705) Non Executive Independent Director</p>	<p><u>Board Committees</u></p> <p><u>Audit Committee</u></p> <ul style="list-style-type: none"> • Mrs. Maya Chandra-Committee Chairman • Mr. Murtaza ali Soomar • Mr. I Raghunath <p><u>Nomination & Remuneration Committee</u></p> <ul style="list-style-type: none"> • Mr. I Raghunath – Committee Chairman • Mr. Murtaza Ali Soomar • Mrs. Maya Chandra <p><u>Stakeholders Relationship Committee</u></p> <ul style="list-style-type: none"> • Mr. I Raghunath – Committee Chairman • Mr. Murtaza Ali Soomar • Mrs. Maya Chandra 																				
<p><u>TABLE OF CONTENTS</u></p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>Page No</th> </tr> </thead> <tbody> <tr> <td>AGM Notice</td> <td>1-7</td> </tr> <tr> <td>Directors Report & Annexure</td> <td>8-25</td> </tr> <tr> <td>Auditors Report</td> <td>26-30</td> </tr> <tr> <td>Balance Sheet</td> <td>31</td> </tr> <tr> <td>Statement of Profit & Loss Account</td> <td>32</td> </tr> <tr> <td>Statement of Cash Flow</td> <td>33</td> </tr> <tr> <td>Notes forming part of the financial statements</td> <td>34-46</td> </tr> <tr> <td>Consolidated Auditors Report</td> <td>48-53</td> </tr> <tr> <td>Consolidated Financial Statements</td> <td>54-74</td> </tr> </tbody> </table>	Particulars	Page No	AGM Notice	1-7	Directors Report & Annexure	8-25	Auditors Report	26-30	Balance Sheet	31	Statement of Profit & Loss Account	32	Statement of Cash Flow	33	Notes forming part of the financial statements	34-46	Consolidated Auditors Report	48-53	Consolidated Financial Statements	54-74	<p><u>Banker</u> HDFC Bank Limited</p> <p><u>Statutory Auditor:</u> M/s. DMKH & Co. Chartered Accountants C-9, Sanajy Apt, SVP Road Borivali (W), Mumbai 400 092</p> <p><u>Registered Office:</u> N2N Technologies Limited Sun lounge, Ground floor(Right wing) One earth, opp. Magarpatta city, Hadapsar Pune- 411 028 Tel: 020-30525201 Fax: 020-30547400 Website: www.n2ntechno.com</p>
Particulars	Page No																				
AGM Notice	1-7																				
Directors Report & Annexure	8-25																				
Auditors Report	26-30																				
Balance Sheet	31																				
Statement of Profit & Loss Account	32																				
Statement of Cash Flow	33																				
Notes forming part of the financial statements	34-46																				
Consolidated Auditors Report	48-53																				
Consolidated Financial Statements	54-74																				
<p><u>Corporate Information:</u> Name: N2N Technologies Limited CIN: L72900PN1985PLC145004 Scrip Code: 512279 Scrip Name: N2N ISIN: INE043F01011 Listing: BSE Limited</p>																					
<p><u>Registrar & Share Transfer Agent:</u> Universal Capital Securities Private Limited 21/25 Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai - 400 093 Contact Person: Mr. Devanand Dalvi Tel: 022 2820 7203 Email id: info@unisec.in</p>	<p><u>Investors Grievance email id:</u> Email id: investors@n2ntechno.com</p>																				

N2N TECHNOLOGIES LIMITED

**Registered Office: Sun Lounge-Ground floor, One Earth, Opp, Magarpatta city , Pune -411 028
CIN: L72900PN1985PLC145004**

AGM NOTICE

NOTICE is hereby given that the 30th Annual General Meeting of the members of **N2N Technologies Limited** will be held on **Tuesday, September 29, 2015 at 1.00 P.M.** at the registered office of the company at Sun lounge, Ground floor (Right wing) ,One Earth, Opp. Magarpatta city, Hadapsar, Pune- 411 028, Maharashtra to transact the inter alia the following business:

ORDINARY BUSINESS

- 1.To receive, consider and adopt the Balance Sheet for the year ended March 31, 2015 and the Statement of Profit & Loss Account as on that date together with reports of the Directors and the Auditors thereon and the Consolidated Financial Statements for year ended March 31, 2015 along with the Auditors' Report thereon.
- 2.To appoint director in place of Mr. Rahul Shah (DIN:01545609), who retires by rotation, and being eligible seeks re-appointment
- 3.To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT, pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made there under, M/s DMKH & Co., Chartered Accountants, Mumbai, bearing ICAI Registration No. FRN 116886W, be and are hereby re-appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 32nd Annual General Meeting held thereafter (subject to ratification of their appointment at every AGM) on a such terms & remuneration as may be mutually agreed by the Board of Directors of the Company and Auditor."

SPECIAL BUSINESS

4.Appointment of Ms. Maya Chandra as an Independent Director of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Ms. Maya Chandra (DIN:06720445) who was appointed as Additional Independent Director with effect from April 13, 2015 by the Board of Directors, and who holds office upto the date of this Annual General Meeting under section 161 of the Companies Act, 2013, in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years from the date of the AGM ."

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary and think fit to give effect to this resolution."

5.Appointment of Mr. I Raghunath as an Independent Director of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. I Raghunath (DIN:07053705) who was appointed as Additional Independent Director with effect from 20th February, 2015 by the Board of Directors, and who holds office up to the date of this Annual General Meeting under section 161 of the Companies Act, 2013, in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years from the date of the AGM.”

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary and think fit to give effect to this resolution.”

6.Appointment of Mr. Murtaza Ali Soomar as an Independent Director of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Murtaza Ali Soomar (DIN:05194435) who was appointed as Additional Independent Director with effect from 20th February, 2015 by the Board of Directors, and who holds office up to the date of this Annual General Meeting under section 161 of the Companies Act, 2013, in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years from the date of the AGM.”

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary and think fit to give effect to this resolution.”

By Order of the Board of Directors
For N2N Technologies Limited

Place: New Delhi
Date: Sept 3, 2015

Rahul Shah
Director

Notes:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) setting out material facts relating to the business stated under Item Nos. 4 to 6 is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
3. Pursuant to Section 91 of the Companies Act, 2013, Register of shareholders and Share Transfer Books of the Company will remain closed from **September 23, 2015 to September 29, 2015** (both days inclusive), for the purpose of the Annual General Meeting.
4. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the shareholders at the AGM.
5. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the shareholders at the AGM.
6. Shareholders who hold shares in demat form are requested to direct any change of address, updates of savings bank account details to their Depository Participant(s). Shareholders holding shares in physical form are requested to notify/send any change in their address/mandate/bank account details to the Company’s Registrar and Transfer Agent
7. Shareholders are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall.
8. Shareholders who hold shares in dematerialised form are requested to bring their Client ID and DP ID numbers for identification.
9. Corporate shareholders are requested to send to the Company’s or its Registrar and Transfer Agent, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
10. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, Companies can serve Annual Reports and other communications through electronic mode to those shareholders who have registered their e-mail address either with the Company or with the Depository. Accordingly, the Notice of the AGM along with the Annual Report 2014-15 is being sent by electronic mode to those shareholders whose e-mail addresses are registered with the Company/Depositories, unless any shareholder has requested for a physical copy of the same. For shareholders who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
11. To support the ‘Green Initiative’, shareholders who have not registered their e-mail addresses are requested to register the same with their Depository Participant or with the Company’s Registrar & Share Transfer Agents
12. Voting through electronic means:

In terms of section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and clause 35B of the listing agreement, the Company is providing facility to exercise votes on the items of business given in the notice through electronic voting system, to shareholders holding shares as on September 22, 2015 being the cut-off date (“Record date” for the purpose of Rule 20(3)(vii) of the said Rules) fixed for determining voting rights of shareholders entitled to participate in the e-voting process through the e-voting platform provided by Central Depository Services (India) Limited (CDSL).

The e-voting rights of the shareholders/beneficiary owners shall be reckoned on the equity shares held by them as on September 22, 2015 (Tuesday).

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on **September 26, 2015 at 9.00 am and ends on September 28, 2015 at 5.00 pm.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **September 22, 2015** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number which is mentioned in address label as sr no affixed on Annual Report, in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details or Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new

password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name> 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) **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 and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xviii) above to cast vote.
- (B) The voting period begins on **September 26, 2015 and ends on September 28, 2015**. 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 **September 22, 2015** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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.co.in under help section or write an email to helpdesk.evoting@cdslindia.com

- The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on September 22, 2015.
- The Company has appointed, **Ms. Jyoti Pandey, Advocate, Bombay High Court**, as the Scrutinizer to scrutinize the e-voting process (including the ballot form received from the shareholders who do not have access to the e-voting process) in a fair and transparent manner.
- The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor or against, if any, forthwith to the Director of the Company.
- The results declared along with the Scrutinizer's Report shall be submitted BSE and on the website of the Company within two days of the passing of the resolutions at the 30th AGM of the Company and communicated to BSE where the shares of the Company are listed.

By Order of the Board of Directors
For N2N Technologies Limited

Place: New Delhi
Date : Sept 3, 2015

Rahul Shah
Director

ANNEXURE 'I' TO THE NOTICE: EXPLANATORY STATEMENT

The following Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 ("Act"), sets out all material facts relating to the special business mentioned in the accompanying Notice dated Sept 3, 2015:

Item No 4, 5 & 6: Appointment of Mrs. Maya Chandra, Mr. Murtuza Ali Soomar, & Mr. I Raghunath as an Independent Director of the Company

Mr. I Raghunath & Mr. Murtuza Ali Soomar was appointed as an Additional Director (Non Executive Independent) of the Company with effect from February 20, 2015 by the Board of Directors under Section 161 of the Companies Act, 2013. Similarly Mrs. Maya Chandra was appointed as such with effect from April 13, 2015. In terms of Section 161(1) of the Act, all of them holds office only up to the date of the forthcoming AGM but is eligible for appointment as a Director. A notice under Section 160(1) of the Act has been received from Members signifying their intention to propose them for appointment as an Independent Director.

As per sec. 152, it is proposed to them as Independent Director of the Company under the Companies Act, 2013 to hold office for 5 (five) consecutive years from the date of the ensuing AGM. Ms. Maya Chandra acts Women Director on the Board of your Company.

Mr. I Raghunath is a Chief Financial Officer and Compliance Officer of the Secure Earth Technologies Limited, has experience in the Management, Finance & Legal , whereas Mr. Murtuza Ali Soomar is presently a director of the Secure Earth Technologies Limited, Zasfa Composite Containers Pvt Ltd, Aagam Infradevelopments Private Limited and Ms. Maya Chandra is a director of the Secure Earth Technologies Limited & Realtime Technosolutions Pvt Ltd

None of the above person holds any shares in your Company.

The candidates have furnished declarations to the Company under Section 149(7) of the Act, confirming that they meet the criteria prescribed for Independent Directors under Section 149(6) of the Act and also consented to act as Director along with declaration that they don't possess any disqualification for appointment as Director.

In the opinion of the Board, these individuals are persons of integrity, possess the relevant expertise and experience, fulfill the conditions specified in the Act and the Rules framed there under and are independent of the management of the Company. Upon the approval of the Members of the Company on the said resolutions, the appointment shall be formalized by way of issuance of the letter of appointment by the Company. Accordingly, the Board recommends the resolution in relation to appointment of each of them as an Independent Director, for the approval by the members of the Company.

Except the candidate being an appointee in the said resolution, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4-6.

By Order of the Board of Directors
For N2N Technologies Limited

Place: New Delhi
Date : Sept 3, 2015

Rahul Shah
Director

DIRECTOR'S REPORT

TO THE MEMBERS OF N2N TECHNOLOGIES LIMITED

Your Directors have pleasure to present 30th Annual Report and Audited Annual Accounts of your company for the year ended on 31st March 2015.

FINANCIAL HIGHLIGHTS: STANDALONE BASIS

Particulars	(Rs.IN LAKHS)	
	FY 2014-15	FY 2013-14
Total Income	14.18	9.08
Total Expenditure	21.64	54.10
Net Loss	7.46	45.02
Tax	0.30	Nil
Net Loss after tax expense	7.76	45.02

PERFORMANCE REVIEW & FUTURE OUTLOOK:

During the current year, your Company has booked total income of Rs.14.18 Lakhs and Loss after tax of Rs.7.76 Lakhs on standalone basis. The source of income is on account of interest received on Investment/advances.

SUBSIDIARY:

Your Company has its strategic & Material subsidiary as DSR Infotech Limited (DSR). DSR has recently converted itself into Public limited company and earlier in march entered into a share purchase agreement with Idhasoft limited shareholders for taking control of Idhasoft Ltd by purchasing about 77% stake in such company. During the period under review the subsidiary has purchased 37.08% shares in Idhasoft Ltd. The acquisition once completed, will give DSR a full control on Idhasoft & its subsidiaries operating in USA. Idhasoft group as a whole have rich experience in ERP system implementation as well as software development.

The performance of DSR for the financial year 2014-2015 is as follows:

The total income of the DSR for the year ended March 31, 2015 stood at Rs. 214.50 Lakhs and loss after tax stood at Rs.6.59 Lakhs as compared to a loss after tax of Rs.13.18 Lakhs during the previous year.

Your Directors are expecting further growth in near future on consolidated basis and are confident that the policies, strategies adopted by your company will yield better returns.

DIVIDEND & RESERVES:

In view of the inadequate profits, your Directors do not recommend payment of Dividend for the current financial year. The entire profit after tax will be adjusted against loss carried forward to the balance sheet from previous years.

SHARE CAPITAL:

As at March 31, 2015, Your companies total paid up share capital stood at Rs.4,40,80,660/- divided into 44,08,066 fully paid up equity shares of Rs.10/- each. During the year under review, the Company has not issued any shares with or without differential voting rights. Also company has neither issued employee stock options nor sweats equity shares and does not have any scheme to fund its employees to purchase the shares of the Company.

As on 31st March, 2015, Mr. Rahul Shah, Promoter director of the Company holds 31.27% shares of the Company.

MATERIAL CHANGES AND COMMITMENTS BETWEEN THE DATE OF THE BALANCE SHEET AND THE DATE OF REPORT

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of the report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

A. Conservation of Energy and Technology Absorption:

The Company has no particulars to report regarding conservation of energy, technology absorption as required under Section 134(3)(m) of the Companies Act, 2013 read with Rules there under.

B. Foreign exchange earnings and outgo:

Sr. No.	Particulars	Amt in ₹
1	Foreign Exchange earned in terms of actual inflows during the year	Nil
2	Foreign Exchange outgo in terms of actual outflows during the year	Nil

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your company is committed to improve quality of lives of people in the community its serves through long term stakeholder value creation, with special focus on skills development. The Company does not have to mandatorily constitute a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013. The company fully understands its role in society and is committed for sustainable & inclusive growth of people & the environment around its business.

BOARD AND DIRECTORS EVALUATION AND CRITERIA FOR EVALUATION

During the year, the Board has carried out an annual evaluation of its own performance & performance of the Directors.

Your Company has constituted Nomination and Remuneration Committee, which as per the provisions of Companies Act 2013 has defined the evaluation criteria, procedure and time schedule for the Performance Evaluation process for the Board, its Committees and Directors. The criteria for Board Evaluation inter alia include degree of fulfillment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning.

Criteria for evaluation of individual Directors include aspects such as attendance and contribution at Board/ Committee Meetings and guidance/ support to the management outside Board/ Committee Meetings. In addition, the Chairman was also evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement by all Board members and motivating and providing guidance to the Management. Criteria for evaluation of the Committees of the Board include degree of fulfillment of key responsibilities, adequacy of Committee composition and effectiveness of meetings. The procedure followed for the performance evaluation of the Board, Committees and Directors is detailed in the Directors' Report.

CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES AND INDEPENDENCE OF DIRECTORS:

The Nomination and Remuneration Committee has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of Section 178(3) of the Companies Act 2013.

Independence:

In accordance with the above criteria, a Director will be considered as an 'Independent Director' if he/she meet with the criteria for 'Independent Director' as laid down in the Act.

Qualifications:

A transparent Board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender. It is also ensured that the Board has an appropriate blend of functional and industry expertise. While recommending the appointment of a Director, the Nomination and Remuneration Committee considers the manner in which the function and domain expertise of the individual will contribute to the overall skill-domain mix of the Board.

Positive Attributes:

In addition to the duties as prescribed under the Act, the Directors on the Board of the Company are also expected to demonstrate high standards of ethical behavior, strong interpersonal and communication skills and soundness of judgment. Independent Directors are also expected to abide by the 'Code for Independent Directors' as outlined in Schedule IV to the Act.

REMUNERATION POLICY

The Company has adopted a Policy for remuneration of Directors, Key Managerial Personnel and other employees, which is aligned to its overall Human resource philosophy. The key factors considered in formulating the Policy are as under:

- (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (c) remuneration to Directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

The key principles governing the Company's Remuneration Policy are as follows:

Remuneration for independent Directors and non-independent non-executive Directors:

- Independent Directors ('ID') and non-independent non-executive Directors ('NED') may be paid sitting fees for attending the Meetings of the Board and of Committees of which they may be members, and commission within regulatory limits, as recommended by the Nomination and Remuneration Committee ('NRC') and approved by the Board.
- Overall remuneration should be reasonable and sufficient to attract, retain and motivate Directors aligned to the requirements of the Company, taking into consideration the challenges faced by the Company and its future growth imperatives. Remuneration paid should be reflective of the size of the Company, complexity of the sector/ industry/ Company's operations and the Company's capacity to pay the remuneration and be consistent with recognized best practices.

- The aggregate commission payable to all the NEDs and IDs will be recommended by the NRC to the Board based on Company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board. The NRC will recommend to the Board the quantum of commission for each Director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and Committee Meetings, individual contributions at the meetings and contributions made by Directors other than in meetings.
- The remuneration payable to Directors shall be inclusive of any remuneration payable for services rendered in any other capacity, unless the services rendered are of a professional nature and the NRC is of the opinion that the Director possesses requisite qualification for the practice of the profession.

Policy on Remuneration for Managing Director ('MD') / Executive Directors ('ED') / Key Managerial Personnel ('KMP')/ rest of the Employees:

- The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be market competitive, driven by the role played by the individual, reflective of the size of the Company, complexity of the sector/ industry/ Company's operations and the Company's capacity to pay, consistent with recognized best practices and aligned to any regulatory requirements. Basic/ fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.
- In addition, the Company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings. The Company also provides all employees with a social security net subject to limits, by covering medical expenses and hospitalization through re-imburements or insurance cover and accidental death and dismemberment through personal accident insurance. The Company provides retirement benefits as applicable.
- In addition to the basic/ fixed salary, benefits, perquisites and allowances as provided above, the Company provides MD/ EDs such remuneration by way of commission, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board, subject to the overall ceilings stipulated in Section 197 of the Companies Act, 2013. The specific amount payable to the MD/ EDs would be based on performance as evaluated by the NRC and approved by the Board.
- The Company provides the rest of the employees a performance linked bonus. The performance linked bonus would be driven by the outcome of the performance appraisal process and the performance of the Company.

Presently, no Directors or KMP of the Company is drawing any remuneration from the company

DIRECTORS' RESPONSIBILITY STATEMENT

The directors report that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss account of the company for that period.

- iii) The Directors have 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.
- iv) The Directors have prepared the annual accounts on a going concern basis.
- v) The Directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively and
- vi) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DECLARATION ON INDEPENDENT DIRECTORS

All the Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act. In the opinion of the Board, they fulfill the conditions of independence as specified in the Act and the Rules made there under and are independent of the management.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

Your company has one subsidiary namely 'DSR Infotech Limited'. Currently DSR is carrying its activities in offering services for Software designs/development, staffing, web content management etc. Idhasoft Limited is an Associate Company.

CONSOLIDATED FINANCIAL STATEMENT

In accordance with the Companies Act, 2013 ("the Act") and Accounting Standard (AS) - 21 on Consolidated Financial Statements read with AS - 23 on Accounting for Investments in Associates, your company's Consolidated Financial Statements duly audited by the Statutory Auditors, are presented in this Annual Report along with Form AOC-1.

POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE

The Company has zero tolerance for sexual harassment and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Company has not received any complaint of sexual harassment during the financial year 2014-15.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

No significant material orders have been passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

AUDITORS

(1) Statutory Auditors:

M/s. DMKH & Co., Chartered Accountants, Mumbai, are the statutory auditors of the Company and hold office till the conclusion of the ensuing Annual General Meeting (AGM). They have furnished a certificate, confirming that if re-appointed, the re-appointment will be in accordance with Section 139

read with Section 141 of the Act. Pursuant to the provisions of the Act and the Rules made there under, it is proposed to appoint them as the statutory auditors of the Company from the conclusion of the forthcoming AGM till the conclusion of the 32nd AGM, subject to ratification of their appointment at the AGM to be held in 2016. Members are requested to consider the re-appointment of M/s. DMKH & Co., Chartered Accountants, Mumbai and authorize the Board of Directors to fix their remuneration.

(2) Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s. Hardik Savla & Co, a Company Secretary in Practice to undertake the Secretarial Audit of the Company for the year ended 31st March, 2015. The Secretarial Audit Report is annexed to this report.

The Auditors' Report for the financial year ended 31st March, 2015 contains following qualification, reservation, adverse remark or disclaimer:

Sr. No.	Auditors qualification, reservation, adverse remark or disclaimer	Board's comments
1	As per Standalone Audit Report "Emphasis of Matter" regarding compliance of section 203 of companies act, 2013	Company is in process of making appointment of KMP's and will be announcing names of such employees by end of December 2015.
2.	As per Consolidated Audit Report "Emphasis of Matter" regarding Idhasoft Limited	Idhasoft Ltd is an associate company of N2N Technologies Limited. Idhasoft became associate in March 2015 and it has US subsidiaries of whose accounts were awaited and your company is expected to integrate Idhasoft completely is due course.

The Secretarial Auditors' Report for the financial year ended 31st March, 2015 contains following qualification, reservation, adverse remark or disclaimer :

Sr. No.	Secretarial Auditors qualification, reservation, adverse remark or disclaimer	Board's comments
1.	Regarding non appointment of KMP & delay	Company is in process of making appointment of KMP's and will be announcing names of such employees by end of December 2015. Delay in compliance of some provisions of listing agreement was due to inadvertence.

LISTING ON STOCK EXCHANGES

The Equity Shares of your Company are listed only with BSE Limited. The listing fees for the financial year 2015-2016 have not been paid.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. The Clause 49 of the Listing Agreement does not apply to the Company in Accordance with SEBI circular CIR/CFD/POLICYCELL/7/2014 dated 15-09-2014. Therefore no separate section on Management's Discussion and Analysis, Corporate governance is annexed.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186

During the year, the Company has not given any loan or guarantee, or provided security, or has made any investment which would be required to be reported under section 186 of the companies Act 2013.

The closing balances of investments which would be covered under Section 186 of the Companies Act, 2013, are disclosed in the Schedule of Non-Current Investments/Loans given in the Financial Statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 OF THE COMPANIES ACT, 2013

The contracts or arrangements as covered u/s188 of the Companies Act 2013, is entered into by the Company with Related Parties have been done at arm's length and are in the ordinary course of business and are immaterial in nature. Hence, no particulars are being provided in Form AOC-2 as mandated pursuant to the provisions of Section 134 of the Companies Act, 2013, read with Rule 8 (2) of the Companies (Accounts) Rules, 2014.

THE EXTRACT OF ANNUAL RETURN

Extracts of Annual return in form MGT-9 as per Section 134 (3) (a) of the Companies Act, 2013 read with Rule 8 of Companies Act (Accounts) Rules 2014 and Rule 12 of Companies (Management & Administration) Rules, 2014 is annexed hereto and forms part of this report.

MANAGERIAL REMUNERATION / PARTICULARS OF EMPLOYEES

Your company has not paid any managerial remuneration during the period under review, therefore no Disclosures in the Board Report as required under Rule 5 of Companies (Appointment & Remuneration) Rules, 2014 is provided and further your Company also has not employed any person at a remuneration in excess of the limit set out in the said Rules.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP) :

At the Annual General Meeting of the Company held on September 25, 2014, the Members had approved the appointment of Mr. Rajesh Shah, Mr. Haren Parekh & Mr. Jayesh Desai as an Independent Director for a term of five years as per the provisions of Companies Act 2013, however during the year all of them have resigned from their positions on Board & its committees with effect from 29th Jan 2015, 20th Feb 2015 & 13th April 2015 respectively.

To fill the said vacancies Board appointed Mr.Murtuza Ali Soomar & Mr.I Raghunath as an Additional Director (Independent) on February 20th, 2015. Further Board appointed Mrs. Maya Chandra as an Additional Director-Women (Independent) on April 13th, 2015. All the newly appointed directors are liable to vacate their office on the date of the AGM. Your board recommends their appointment for a term of five years as an Independent director of the company as required under the Companies' act 2013. Accordingly resolutions have been incorporated in the Notice for members approval in the ensuing AGM. The company still hasn't appointed or designated any key managerial personnel as per the requirements of section 203 of the Companies Act 2013.

In accordance with the provisions of Section 152 of the Act and in terms of Articles of Association of the Company, Mr. Rahul Shah retires and is eligible for re-appointment.

BOARD AND COMMITTEE MEETINGS

Five Board Meetings were convened and held during the year i.e. on May 30, 2014, August 14, 2014, November 17, 2014, February 20, 2015 & 18th March 2015. The Board re-constituted an Audit Committee with Mr. Murtaza Ali Somaar as Chairman and Mrs. Maya Chandra, Mr. I Raghunath as Members. Also the Stakeholders relationship committee & Remuneration Committee is re-constituted with Mr. I Raghunath as Chairman and Mrs. Maya Chandra, Mr. Murtuza ali Sommar as Members. There have not been any instances when recommendations of the Audit Committee were not accepted by the Board. The intervening gap between the Meetings was within the period prescribed under the Act.

DETAILS OF DEPOSITS WHICH ARE NOT IN COMPLIANCE WITH THE REQUIREMENTS OF CHAPTER V OF THE COMPANIES ACT, 2013:

Your Company has not accepted any fixed deposits covered under chapter V of the Companies Act, 2013 and, as such, no amount of principal or interest was outstanding on the date of Balance Sheet.

INTERNAL CONTROLS SYSTEMS AND ADEQUACY

The Company's internal audit systems are geared towards ensuring adequate internal controls commensurate with the size and needs of the business, with the objective of efficient conduct of operations through adherence to the Company's policies, identifying areas of improvement, evaluating the reliability of Financial Statements, ensuring compliances with applicable laws and regulations and safeguarding of assets from unauthorized use.

The Audit Committee along with Management oversees results of the internal audit and reviews implementation on a regular basis.

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation for the whole hearted and sincere co-operation the Company has received from its bankers and various Government agencies. Your Directors also wish to thank all the employees for their co-operation.

Place: New Delhi
Date: Sept 3, 2015

By Order of the Board of Directors
For N2N Technologies Limited

Rahul Shah
Director

Maya Chandra
Director

FORM AOC.1
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures
[Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]

Part "A": Subsidiaries

Sr. No:	Particulars	Name of the Subsidiary	
		(Rs. In lacs)	
		DSR Infotech Ltd	
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	
2	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N.A.	
3	Share capital	474.50	
4	Reserves & surplus	19.35	
5	Total Assets	2391.80	
6	Total Liabilities	2391.80	
7	Investments	988.74	
8	Turnover	213.15	
9	Profit/(Loss) Before Tax	(9.32)	
10	Provision for Taxation	2.73	
11	Profit/(Loss) after taxation	6.59	
12	Dividend (Including Dividend Distribution Tax)	0.00	
13	% of total shareholding held by parent company	68.39%	

Notes:

1. Reporting period and reporting currency of the above subsidiaries is the same as that of the Company.
2. Part B of the Annexure is not applicable as there are no associate companies/ joint ventures of the Company as on 31st March, 2015.

By Order of the Board of Directors
For N2N Technologies Limited

Place: New Delhi
Date: Sept 03, 2015

Rahul Shah Maya Chandra
Director Director

FORM MR-1
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
N2N TECHNOLOGIES LIMITED
(CIN: L72900PN1985PLC145004)
Sun Lounge-ground floor, One Earth,
Opp. Magarpatta city, Hadapsar,
Pune- 411 028

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by N2N Technologies Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon. Based on my 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2015 ('Audit Period') 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2015 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
- (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 to the Company during the Audit Period)**;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28 October 2014; **(Not applicable to the Company during the audit period)**.
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the audit period)**.
 - (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;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period)**; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period)**.

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India **(Not notified, hence not applicable to the Company during the audit period)**.

(ii) The Listing Agreements entered into by the Company with Stock Exchanges. *However, Company have held the quarterly meeting for financial results for quarter ended Sept 2014 & December 2014 beyond the prescribed period with a intimation to the stock exchange.*

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

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the general laws as applicable to all for carrying business activities and apart from above there is no statute(s') applicable specifically to the Company or industry in which it operates.

I further report that the Board of Directors of the Company was duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors however *after the enforcement of the provisions of Companies Act, 2013, the Company is required to appoint/designate Key managerial personnel in the Company in a manner laid down by the said Act, which company has not complied till date.*

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.

All decisions at Board Meetings are carried out with a requisite majority as recorded in the minutes of the meetings of the Board of Directors.

I 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.

I further report that during the audit period, the company has not transacted any events /actions in the Board meeting(s') or General meeting(s') having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Hardik Savla
C P No: 8866
Date : Sept 3, 2015
Place: Mumbai

**FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31st March 2015

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

I. REGISTRATION AND OTHER DETAILS:

CIN:-	L72900PN1985PLC145004
Registration Date	January 30, 1985
Name of the Company	N2N TECHNOLOGIES LIMITED
Category / Sub-Category of the Company	Non-government -Public company limited by shares
Address of the Registered office and contact details	Sun Lounge-Ground floor, One Earth, Opp, Magarpatta city , Pune 411 028. Email Id : investors@n2ntechno.com
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any :	Universal Capital Securities Pvt. Ltd. 21, Shakil Niwas, Mahakali caves Rd Andheri East, Mumbai-400093 Tel: +91 (22) 2820 7203-05, www.unisec.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

S.no	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Investment in group companies	---	Not accounted as turnover
2.	IT & ITes		Non operational

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sr.no:	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of shares held	Applicable Section
1	DSR Infotech Ltd	U72900PN2005PLC021218	Subsidiary	68.39%	2(87)(ii)

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

i) Category-wise Share Holding

Sr. No.	Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
		In Physical form	In dematerialized form	Total	% of Total no. of Shares	in Physical form	In dematerialized form	Total	% of Total no. of Shares	
(A)	Shareholding of Promoter and Promoter Group²									
1	Indian									
(a)	Individuals/ Hindu Undivided Family	-	234500	234500	5.32	-	234500	234500	5.32	-
(b)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(d)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-
(e)	Any Others(Specify)	-	-	-	-	-	-	-	-	-
	Sub Total(A)(1)	-	234500	234500	5.32	-	234500	234500	5.32	-
2	Foreign									
a	Individuals (Non-Residents Individuals/ Foreign Individuals)	-	1378480	1378480	31.27	-	1378480	1378480	31.27	-
b	Bodies Corporate	-	-	-	-	-	-	-	-	-

c	Institutions	-	-	-	-	-	-	-	-	-
d	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
e	Any Others(Specify)	-	-	-	-	-	-	-	-	-
	Sub Total(A)(2)	-	1378480	1378480	31.27	-	1378480	1378480	31.27	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	-	1612980	1612980	36.59	-	1612980	1612980	36.59	-
(B)	Public shareholding									
1	Institutions									
(a)	Mutual Funds/ UTI	-	-	-	-	-	-	-	-	-
(b)	Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
(c)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(e)	Insurance Companies	-	-	-	-	-	-	-	-	-
(f)	Foreign Institutional Investors	-	-	-	-	-	-	-	-	-
(g)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(h)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(i)	Any Other (specify)	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(1)	-	-	-	-	-	-	-	-	-
B 2	Non-institutions									
(a)	Bodies Corporate	1165200	458486	1323686	36.83	1165200	452313	1617513	36.69	(0.14)
(b)	Individuals	-	-	-	-	-	-	-	-	-
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh	18570	274290	292860	6.64	18570	275612	294182	6.67	0.3
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	52600	662904	715504	16.23	52600	685018	737618	16.73	0.50
(c)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(d)	Any Other (specify)	-	-	-	-	-	-	-	-	-
(d-i)	Clearing Members	-	37786	37786	0.86	-	23603	23603	0.54	(0.32)
(d-ii)	NRI / OCBs	-	3200	3200	0.07	-	120	120	0.00	(0.07)
	Foreign National	55450	-	55450	1.26	55450	-	55450	1.26	-
	Foreign Corporate body	66600	-	66600	1.51	66600	-	66600	1.51	-
	Sub-Total (B)(2)	1358420	1436666	2795086	63.41	1358420	1436666	2795086	63.41	-
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	1358420	1436666	2795086	63.41	1358420	1436666	2795086	63.41	-
	TOTAL (A)+(B)	1358420	3049646	4408066	100.00	1358420	3049646	4408066	100.00	-
(C)	Shares held by Custodians and against which Depository									

	Receipts have been issued									
1	Promoter and Promoter Group	-	-	-	-	-	-	-	-	-
2	Public	-	-	-	-	-	-	-	-	-
	Sub-Total (C)	-	-	-	-	-	-	-	-	-
	GRAND TOTAL (A)+(B)+(C)	1358420	3049646	4408066	100.00	1358420	3049646	4408066	100.00	-

Note :

1) Fresh 1341400 equity shares issued on December 21, 2013 pursuant to Scheme of Amalgamation, listing & trading permission is awaited.

2) In promoter group, Mr.Rahul Shah (holding 1391480 shares) is only promoter of the company de-facto , whereas Ms. Rekha Rani Sarawagi(holding 234500 shares) is former promoter of company still shown in promoter category , cause her entire shareholding is still in process of transfer to Mr.Rahul Shah

(ii)Shareholding of Promoters

S.no	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of shares	% of total Shares of the company	%of Shares Pledged / encumbe red to total shares held	No. of shares	% of total Shares of the company	%of Shares Pledged / encumbe red to total shares held	
1	Rahul Shah	1378480	31.27	54.58	1378480	31.27	83.59	-
2	Rekha Sarawagi	234500	05.32	-	234500	05.32	-	-

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

There has been no change in the shareholding of the promoters during the year, hence details in prescribed form are not reported here.

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

Sr No.	Name of the Shareholders	Shareholding at the Beginning		Total cumulative Changes in shareholding during the year		shareholding at the end	
		No. of Shares	% of Total Shares	Increase	Decrease	No. of Shares	% of Total Shares
1.	SHASTHA ADVISORS PVT LTD	871400	19.77	-	-	871400	19.77
2.	VIJAY JAGSHIBHAI CHHEDA	266666	6.05	-	-	266666	6.05
3.	MAHENDRAN HOLDINGS PVT LTD	164450	3.73	-	-	164450	3.73
4.	PILOT CONSULTANTS PVT LTD	145000	3.29	-	-	145000	3.29
5.	GRANDSLAM INVESTMENTS PVT LTD	106650	2.42	-	-	106650	2.42
6.	RAMCHAND K. POPLY	99500	2.26	-	26	99474	2.26
7.	VISHAL JATIN SHAH	55000	1.25	-	-	55000	1.25
8.	NICHE FINANCIAL SERVICES PVT LTD#	53000	1.20	-	53000	-	-
9.	SUNDER IYER	52600	1.19	-	-	52600	1.19
10.	KARAN G MEHTA#	45800	1.04	-	45800	-	-

Note : 1. Top ten shareholders at the beginning of the year are taken as base

2. Considering vast data of minor sell/purchase of the shares overall cumulative changes during the year is provide. Also therefore date wise changes are given separately for major transactions involving sell/purchase above 5000 shares are given hereunder.

3. Karan Mehta Ceased to be in the list of Top 10 shareholders as on 31-03-2015. The same is reflected above since the shareholder was one of the Top 10 shareholder as on 01-04-2014.

Name of the Shareholders		Date wise changes in shareholding during the year	
		Sell	Purchase
NICHE FINANCIAL SERVICES PVT LTD#	23/05/2014	13901	-
	30/05/2014	18397	-
	06/06/2014	12381	-
		-	-
KARAN G MEHTA#	13/06/2014	45800	-

(vi) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	For Each of the Directors and KMP				
Rahul Shah (Director)	At the beginning of the year	1378480	31.27	1378480	31.27
	Date wise Increase / Decrease in Shareholding during the year	NIL	NIL	None of the Directors had any transaction in the shares of the Company during the year	
	At the End of the year	1378480	31.27		

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (In ₹ Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	NIL	2.5	NIL	2.5
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)		2.5		2.5
Change in Indebtedness during the financial year	NIL	NiL	NIL	NiL
• Addition				
• (Reduction)				
Net Change				
Indebtedness at the end of the financial year	NIL	2.5	NIL	2.5
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	NIL	2.5	NIL	2.5

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		----	---	---	----	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961					NIL
2.	Stock Option					NIL
3.	Sweat Equity					NIL
4.	Commission - as % of profit - others, specify...					NIL
5.	Others, please specify					NIL
	Total (A)					NIL
	Ceiling as per the Act					NIL

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors				Total Amount
		----	---	---	---	
	1. Independent Directors					NIL
	2. Other Non-Executive Directors					NIL
	Total (B)=(1+2)					NIL
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					N.A

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission - as % of profit -others, specify...	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL
	Total	NIL	NIL	NIL	NIL

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

Punishment			NIL		
Compounding			NIL		

Place: New Delhi
Date: Sept 3, 2015

By Order of the Board of Directors
For N2N Technologies Limited

Rahul Shah Maya Chandra
Director Director

DMKH & Co.

Chartered Accountants

C-9, Sanjay Apartment, S.V.P. Road,
Near Gokul Hotel, Borivali (West)
Mumbai -400092.

+91-2228916494/95

Email ID:-dmkhco@gmail.com/durgeshkabra@gmail.com



Independent Auditor's Report

To the Members of,

N2N TECHNOLOGIES LIMITED

Report on the Financial Statements

We have audited the accompanying standalone financial statements of **N2N TECHNOLOGIES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The 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 standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting principal generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules,2014. This responsibility also includes 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 internal financial controls , that were operating effectively for ensuring the accuracy and completeness of the accounting records relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the

Assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, and its loss and its cash flows for the year ended on that date.

Emphasis of Matter

As referred in note number 30 to the financial statement, the company have not complied with section 203 & section 134 (1) of Companies Act, 2013. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

- e) On the basis of the written representations received from the directors as on March 31, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance With Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us.
 - I. The Company does not have any pending litigations which would impact its financial position.
 - 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, DMKH & Co,
Chartered Accountants,
FRN : 116886W**

**CA. Devki Nandan Mantri
Partner
M.No. 162327
Place: Mumbai
Date: 03/09/2015**

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Referred to in Paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our report of even date

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that: -

- i. a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
b) We have been informed that the fixed assets of the Company have been physically verified by the management during the year and no material discrepancies have been noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regards to the size of the company and the nature of its assets.
- ii. a) As explained to us, inventories (shares in demat form) have been verified by the management during the year. In our opinion, the frequency of verification is reasonable.
b) In our opinion and according to the information and explanation given to us, the procedure of verification of Inventories referred to in 2(a) above followed by the management, are reasonable and adequate in relation to the size of the Company and the nature of its business.
c) In our opinion and according to the information and explanation given to us, the company has maintained proper records of inventories. As per the information and explanation provided to us and having regard to the size of the company, no material discrepancies were noticed on verification of inventory as compared to book records.
- iii. The company has granted interest free loan to one body corporate covered in the register maintained under section 189 of the companies act, 2013('the Act').
a) According to the information and explanation given to us such interest free loan given to Body corporate listed in the register maintained under section 189 of the companies Act, 2013 is prima facie prejudicial to the interest of the company to the extent interest not Charged. The terms of arrangements do not stipulate any repayment schedule and the Loans are repayable on demand. Accordingly, paragraph 3(iii)(a) of the Order is not Applicable to the Company in respect of repayment of the principal amount.
b) There are no overdue amounts of more than rupees one lakh in respect of the loan granted to the body corporate listed in the register maintained under section 189 of the Act.
- iv. In our opinion and according to the information and explanations given to us there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regards to the purchase of inventory (shares),fixed assets and sale of goods and services. During the course of our audit, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.

- v. The Company has not accepted any Deposits from any party, therefore following provisions of Companies Act Sec 73 to 76 and rules made thereunder and permission of Reserve Bank of India, the question does not arise.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for
- vii. a) According to the information and explanation given to us and the records of the company examined by us, in our opinion, the company is regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, wealth tax, service tax, Duty of custom, duty of excise, value added tax and other and other material statutory dues, as applicable, with the appropriate authorities except TDS amounting to Rs. 10192 and service tax on sitting fess to Rs. 8652 not deposit for a period of more than six months from the date they became payable.
b) According to the information and explanation given to us and the records of the company examined by us, there are no dues of income tax, sales-tax, wealth tax, service tax, Duty of custom, duty of excise, value added tax and cess which have not been deposited with the appropriate authorities on account of any dispute.
c) The are no amounts required to be transferred by the company to investor education and protection fund in accordance with the provisions of the Companies Act, 1956 and the rules made thereunder.
- viii. The company has no accumulated loss as at the end of the financial year and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- ix. According to the records of the company examined by us and the information and explanation given to us, The Company has not taken any loan form financial institution, bank or debenture holders. Therefore, the provision of clause 3(ix) of the said order is not applicable to the company.
- x. In our opinion, and According to the information and explanation given to us, the company has not given any guarantee for others for loans taken by them from banks and financial institutions during the year. Therefore, the provision of clause 3(x) of the said order is not applicable to the company.
- xi. There are no term loans taken by the company, therefore the question of applying the loans for the purpose for which loans taken does not arise.
- xii. According to the information and explanations given to us, no material fraud on or by the company has been noticed or reported during the course of audit.

**For DMKH & Co,
Chartered Accountants,
FRN : 116886W**

**CA. Devki Nandan Mantri
Partner
M.No. 162327
Place: Mumbai
Date: 03/09/2015**

N2N TECHNOLOGIES LIMITED
(FORMERLY VISISTH MERCANTILE LIMITED)
BALANCE SHEET AS AT 31st MARCH, 2015

CIN:L72900PN1985PLC145004

Particulars		Note No.	As at 31 March, 2015	As at 31 March, 2014
			Rs.	Rs.
A	EQUITY AND LIABILITIES			
	1 Shareholders' funds			
	(a) Share capital	2	44,080,660	44,080,660
	(b) Reserves and surplus	3	142,624,276	143,414,157
			186,704,936	187,494,817
	2 Non-current liabilities			
	(a) Long-term borrowings	4	250,000	250,000
	(b) Deferred tax liabilities		-	-
	(c) Other long-term liabilities		-	-
	(d) Long-term provisions		-	-
			250,000	250,000
	3 Current liabilities			
	(a) Short-term borrowings	5	-	100
	(b) Trade payables	6	4,843,573	4,919,524
	(c) Other current liabilities	7	251,916	26,820
	(d) Short-term provisions	8	254,273	227,179
			5,349,762	5,173,623
	TOTAL		192,304,696	192,918,440
B	ASSETS			
	1 Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	9	94,535,032	95,353,847
	(ii) Intangible assets		-	-
	(iii) Capital work-in-progress		-	-
	(iv) Intangible assets under development		-	-
	(v) Fixed assets held for sale		-	-
			94,535,032	95,353,847
	(b) Non-current investments	10	32,450,000	32,450,000
	(c) Deferred tax assets (net)		2,725,048	2,755,445
	(d) Long-term loans and advances		-	-
	(e) Other non-current assets		-	-
			35,175,048	35,205,445
	2 Current assets			
	(a) Current investments		-	-
	(b) Inventories	11	181,637	544,390
	(c) Trade receivables	12	10,078,200	8,765,389
	(d) Cash and cash equivalents	13	82,045	94,499
	(e) Short-term loans and advances	14	52,252,734	52,506,928
	(f) Other current assets	15	-	447,942
			62,594,616	62,359,148
	TOTAL		192,304,696	192,918,440
	Significant Accounting Policies	1		
	The accompanying notes are an integral part of the financial statements			

In terms of our report attached.

For DMKH & Co.

Chartered Accountants

FRN:- 116886W

For and on behalf of the Board

CA. DEVKI NANDAN MANTRI

Partner

M.No.-162327

Place : MUMBAI

Date : 03/09/2015

RAHUL D. SHAH

Director

MAYA CHANDRA

Director

N2N TECHNOLOGIES LIMITED
(FORMERLY VISISTH MERCANTILE LIMITED)
STATEMENT FOR PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2015
CIN:L72900PN1985PLC145004

Particulars		Note No.	For the year ended	For the year ended
			31 March, 2015	31 March, 2014
			Rs.	Rs.
A	CONTINUING OPERATIONS			
1	Revenue from operations (gross)		-	-
2	Other income	16	1,418,779	912,037
3	Total revenue		1,418,779	912,037
4	Expenses			
	(a) Cost of Goods Sold	17	362,753	66,662
	(b) Employee benefits expense	18	367,500	292,636
	(d) Depreciation and amortisation expense	9	801,514	209,740
	(e) Other expenses	19	632,698	4,795,955
	Total expenses		2,164,465	5,364,993
5	Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)		(745,686)	(4,452,956)
6	Exceptional items		-	-
7	Profit / (Loss) before extraordinary items and tax (5 ± 6)		(745,686)	(4,452,956)
8	Prior Period Exp			49,545
9	Profit / (Loss) before tax (7 ± 8)		(745,686)	(4,502,501)
10	Tax expense:			
	(a) Current tax expense for current year			-
	(b) (Less): MAT credit (where applicable)		-	-
	(c) Current tax expense relating to prior years		-	-
	(d) Net current tax expense		-	-
	(e) Deferred tax		30,397	-
			(30,397)	0
11	Profit / (Loss) for the year		(776,082)	(4,502,501)
12	Earnings per share (of Rs. 10/- each):			
	(a) Basic		-0.18	-1.02
	(b) Diluted		-0.18	-1.02
	The accompanying notes are an integral part of the financial statements			

In terms of our report attached.

For DMKH & Co.

Chartered Accountants

FRN:- 116886W

For and on behalf of the Board

CA. DEVKI NANDAN MANTRI

Partner

M.No.-162327

Place : MUMBAI

Date : 03/09/2015

RAHUL D. SHAH

Director

MAYA CHANDRA

Director

N2N TECHNOLOGIES LIMITED
(FORMERLY VISISTH MERCANTILE LIMITED)

Cash Flow Statement for the year ended 31 March, 2015

Particulars	For the year ended 31 March, 2015		For the year ended 31 March, 2014	
	Rs.	Rs.	Rs.	Rs.
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		(776,082)		-4,506,001
<u>Adjustments for:</u>				
Depreciation and amortisation	801,514		209,740	
Interest income	(1,418,779)		(908,537)	
Dividend Income	-		-	
Deferred tax Asset	30,397		-	
		(586,869)		-698,797
Operating profit / (loss) before working capital changes		(1,362,951)		-5,204,798
<u>Changes in working capital:</u>				
<u>Adjustments for (increase) / decrease in operating assets:</u>				
Inventories	362,753		66,662	
Trade receivables	(1,312,811)		-817,684	
Short-term loans and advances	254,194		9,154,432	
Other current Assets	447,942		(90,853)	
<u>Adjustments for increase / (decrease) in operating liabilities:</u>				
Trade payables	(75,951)		(31,843)	
Other current liabilities	228,595		-664,616	
Other long-term liabilities	-		-	
Short-term provisions	27,094.00		-	
Long-term provisions				
Cash flow from extraordinary items		(68,184)		7,616,099
Cash generated from operations		-		-
Net income tax (paid) / refunds		(1,431,135)		2,411,300
Net cash flow from / (used in) operating activities (A)		(1,431,135)		2,411,300
B. Cash flow from investing activities				
Loans Taken				
-Loans repayment	(100)		-39,999,900	
Purchase of fixed assets - merger	-		-94,749,028	
Dividend Income	-		-	
Interest Income	1,418,779		908,537	
		1,418,679		-133,840,391
Cash flow from extraordinary items		-		-
Net income tax (paid) / refunds		1,418,679		-133,840,391
Net cash flow from / (used in) investing activities (B)		1,418,679		-133,840,391
C. Cash flow from financing activities				
Proceeds from issue of share capital/premium		-		131,402,896
Net cash flow from / (used in) financing activities (C)		-		131,402,896
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(12,454)		(26,193)
Cash and cash equivalents at the beginning of the year		94,499		120,692
Cash and cash equivalents at the end of the year		82,045		94,499
Reconciliation of Cash and cash equivalents with the Balance Sheet:		82,045		94,499

Notes:

(i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations.

See accompanying notes forming part of the financial statements

In terms of our report attached.

For DMKH & Co.

Chartered Accountants

FRN:- 116886W

For and on behalf of the Board

CA. DEVKI NANDAN MANTRI

Partner

M.No.-162327

Place : MUMBAI

Date:03/09/2015

RAHUL D. SHAH

Director

MAYA CHANDRA

Director

N2N TECHNOLOGIES LIMITED
(FORMERLY VISISTH MERCANTILE LIMITED)
Notes forming part of financial statements

ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS

NOTE 1:

SIGNIFICANT ACCOUNTING POLICIES:

Corporate Information:

A. Brief Business Activity:

- IT and IT Enabled Services- As per objects clause.

B. Place of Business:

- Office No.101, P1 Pentagon, Magarpatta City, Hadapsar, Pune – 411013.

C. Subsidiary Company

- The Company was acquired 3,24,500 shares of Rs.100/- each of DSR Infotech Limited against share application money of Rs. 3,24,50,000/- on 2nd November, 2012. As a result, N2N Technologies Limited holds 68.39% of DSR Infotech Limited. N2N Technologies Limited henceforth will be the Holding Company of DSR Infotech Limited.

Significant accounting policies:

(b) Basis of Preparation of Financial Statements

The financial statements have been prepared to comply in all material respects with the accounting standards notified by Companies (Accounting Standards) Rules 2006, (as amended) and the relevant provisions of the Companies Act, 2013 ("the Act"). The financial statements have been prepared under the historical cost convention on an accrual basis in accordance with accounting principles generally accepted in India. The accounting policies have been consistently applied by the Company and are consistent with those used in previous year.

(c) Use of Estimates

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. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

(d) Revenue recognition

All incomes and expenditure are recognized as per 'Accounting Standard- 9' accounted on accrual basis except where stated otherwise.

(e) Fixed Assets

(i) Tangible Assets

Tangible assets are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition price. Borrowing costs directly attributable to acquisition of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase be put to use.

(ii) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a basis which is estimated to be the useful life of the asset.

(f) Depreciation

Depreciation has been provided on Written down value Method at the rates and in the manner as prescribed in Schedule II of the Companies Act, 2013 as per useful life of assets from the date assets have been put to use.

(g) Impairment of assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized in accordance with Accounting Standard-28 "Impairment of Assets", for the amount by which the asset's carrying amount exceeds its recoverable amount as on the carrying date. The recoverable amount is higher of the asset's fair value less costs to sell vis-à-vis value in at the lowest levels for which there are separately identifiable cash flows.

(h) Investments

Long term investments are stated at cost. Provision for diminution in the value of long term investments is made only if such decline is of a permanent nature.

Current investments are carried individually, at the lower of cost and fair value. Costs of investments include acquisition charges such as brokerage, fees and duties.

(i) Inventories

Inventories are valued at cost or net realizable value whichever is lower.

(j) Taxation

Provision for current tax is made as per the provisions of the Income-tax Act, 1961.

Deferred tax for the year is recognized on timing difference, being the difference between taxable incomes and accounting income that originates in one period and is capable of reversal in one or more subsequent periods.

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance

sheet date. Deferred tax assets are recognized only to the extent there is a reasonable certainty that the assets can be realized in future, however when there is unabsorbed

Depreciation or carry forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets.

(k) Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the Notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

(l) Retirement Benefits

Liabilities in respect of bonus, gratuity, retirement benefit & leave encashment is being accounted for on cash basis.

(m) Earnings per Share

The earnings considered in ascertaining the company's EPS comprise of the net profit after tax as per Accounting Standard 20 on "Earnings Per Share", issued by the Institute of Chartered Accountants of India. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the period. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless the effect of the potential dilutive equity shares is anti-dilutive.

(m) Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and 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. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**N2N TECHNOLOGIES LIMITED
(FORMERLY VISISTH MERCANTILE LIMITED)**

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE 2: SHARE CAPITAL

Particulars	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares	Rs.	Number of shares	Rs.
(a) Authorised: 55,00,000 Equity Shares of Rs. 10/- each (Previous year 55,00,000 Equity Shares of Rs 10/- each)	5,500,000	55,000,000	5,500,000	55,000,000
(b) Issued, subscribed and fully paid-up shares: 44,08,066 Equity Shares of Rs. 10/- each fully paid up (Previous Year 28,00,000 Equity Shares of Rs. 10/- each)	4,408,066	44,080,660	4,408,066	44,080,660
Total Issued, subscribed and fully paid-up shares	4,408,066	44,080,660	4,408,066	44,080,660

(a) Reconciliation of the shares outstanding at the beginning and end of the reporting year

	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares	Rs.	Number of shares	Rs.
Equity Shares				
At the beginning of the year	4,408,066	44,080,660	2,800,000	28,000,000
Issued during the year	-	-	1,608,066	16,080,660
Outstanding at the end of the year	4,408,066	44,080,660	4,408,066	44,080,660

(b) Shares held by each shareholder holding more than 5% of equity share capital:

Name of the shareholder	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares	% Shareholding	Number of shares	% Shareholding
NISHI KANT SARAWGI	-	-	201,000	7.18
RAHUL DILIP SHAH	1,391,480	31.57	1,258,840	44.96
REKHA RANI SARAWGI	234,500	5.32	234,500	8.38
SHASHTHA ADVISORS PRIVATE LIMITED	871,400	19.77	-	-
VIJAY CHHEDA	266,666	6.05	-	-
TOTAL [5% & above]	2,764,046	62.71	1,694,340	60.52

(c) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting. In event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The Distribution will be in proportion to the number of equity shares held by the shareholders.

N2N TECHNOLOGIES LIMITED
(FORMERLY VISISTH MERCANTILE LIMITED)

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE 3: RESERVES AND SURPLUS

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rs.	Rs.
(a) Securities premium account (As per last Balance Sheet)	146,204,086	146,204,086
Closing balance	146,204,086	146,204,086
(b) General reserve		
Opening balance	(2,786,429)	1,716,072
Add: Transferred from surplus in Statement of Profit and Loss	(776,082)	(4,506,001)
Less: Utilised / transferred during the year for:	(17,299)	-
Closing balance	(3,579,810)	-2,789,929
(c) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	-	-
Add: Profit / (Loss) for the year	(776,082)	(1,104,526)
Less: Profit / (Loss) transfer to General Reserve	(776,082)	(1,104,526)
Closing balance	-	-
Total	142,624,276	143,414,157

NOTE 4 - LONG TERM BORROWINGS

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rs.	Rs.
(b) Other loans and advances (From Corporate)		
Unsecured Tapas Pharmachem Ltd	250,000	250,000
Total	250,000	250,000

NOTE 5 - SHORT TERM BORROWINGS

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rs.	Rs.
(a) Bonds / debentures		
Unsecured Optionally Convertible Debentures-Vijay Chheda (Refer Note-22) Vijay Chheda		100,000
Total		100,000

NOTE- 6 TRADE PAYABLES

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rs.	Rs.
Trade payables:		
Acceptances	-	-
Other than Acceptances		
Abdul Karim Kazi	10,250	
DMKH & Co.	166,493	166,493
D S Moraya & Co.	14,383	102,832
Professional Fees Payable	16,545	16,545
Proglie Corporate Services	2,248	
Prime Time Management Pvt. Ltd.	8,273	8,273
Sharukh N Tara	4,625,381	4,625,381
Total	4,843,573	4,919,524

NOTE-7 OTHER CURRENT LIABILITIES

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rs.	Rs.
(a) Unpaid dividends	-	-
(b) Other payables		
Statutory remittances	75,098	8,804
Expenses Payable	5,518	18,016
Others Payable	103,800	-
Audit Fees Payable	67,500	-
Total	251,916	26,820

NOTE-8 SHORT TERM PROVISIONS

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rs.	Rs.
Provision - Others:		
(i) Provision for tax	227,179	227,179
(ii) Provision - others	27,094	-
Total	254,273	227,179

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE-9 FIXED ASSETS

A.	Tangible assets	Gross Block			Accumulated depreciation and impairment			Net block	
		Balance as at 1st April,2014	Additions/Deletions	Balance as at 31st March, 2015	Balance as at 1st Apr, 2014	Depreciation / amortisation expense for the year	Balance as at 31st March, 2015	Balance as at 31st March, 2015	Balance as at 31st March, 2014
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
	(a) Furniture and Fixtures	91,351	-	-	90,349	-	-	-	1,002
	(b) Vehicles-Motor Car	2,470,559	-	2,470,559	1,883,041	152,108	2,035,149	435,410	587,518
	(c) Printer	10,250	-	-	10,216	-	-	-	34
	(d) Computers	26,720	-	-	23,515	-	-	-	3,205
	(e) Air Conditioner	99,960	-	-	86,900	-	-	-	13,060
	Total	2,698,840	-	2,470,559	2,094,021	152,108	2,035,149	435,410	95,353,847
	Previous year	2,698,840	-	-	1,884,281	209,740	2,094,021	95,353,847	814,559

B.	Intangible assets	Gross Block			Amortisation			Net block	
		Balance as at 1st April,2014	Additions/Deletions	Balance as at 31st March, 2015	Balance as at 1st Apr, 2014	Depreciation / amortisation expense for the year	Balance as at 31st March, 2015	Balance as at 31st March, 2015	Balance as at 31st March, 2014
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
	(a) Goodwill	3,247,028	-	3,247,028	-	649,406	649,406	2,597,622	3,247,028
	(b) IPR	91,502,000	-	91,502,000	-	-	-	91,502,000	91,502,000
	Total	94,749,028	-	94,749,028	-	649,406	649,406	94,099,622	94,749,028
	Previous year	94,749,028	-	94,749,028	-	-	-	94,749,028	-

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE-10 NON CURRENT INVESTMENT

Particulars	As at 31 March, 2015			As at 31 March, 2014		
	Quoted Rs.	Unquoted Rs.	Total Rs.	Quoted Rs.	Unquoted Rs.	Total Rs.
A.Long Term Investments						
(a) Investment in equity instruments: Subsidiary (Unquoted) - At Cost						
DSR Infotech Private Limited (3,24,500 shares of Rs.100/- each) (Refer Note:-21)	-	32,450,000	32,450,000	-	32,450,000	32,450,000
	-	32,450,000	32,450,000	-	32,450,000	32,450,000

NOTE- 11 INVENTORIES

(At lower of cost and net realisable value)

Particulars	As at 31 March,	As at 31 March,
	Rs.	Rs.
(a) Stock-in-trade of Shares	181,637	544,390
ELPRO International Limited(6 shares @ Rs.315)		
JMD TELEFILMS INDUSTRIES LIMITED (70,000 shares @ Rs.7.75)		
Total	181,637	544,390

NOTE- 12 TRADE RECEIVABLES

Particulars	As at 31 March,	As at 31 March,
	2015 Rs.	2014 Rs.
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Secured, considered good	-	-
Unsecured, considered good	10,078,200	8,765,389
Doubtful	-	-
	10,078,200	8,765,389
Less: Provision for doubtful trade receivables	-	-
	10,078,200	8,765,389
Total	10,078,200	8,765,389

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE- 13 CASH & CASH EQUIVALENTS

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rs.	Rs.
(a) Cash on hand	15,626	17,647
(b) Balances with banks		
(i) In current accounts	61,149	71,582
(ii) In earmarked accounts		
- Unpaid dividend accounts	5,270	5,270
Total	82,045	94,499

(The company has liabilities in respect of Unpaid Dividend account for the year 2005-06 of Rs.12,835 and the said amount has been deposited in Indian Bank at OSHIWARA Branch at Mumbai, the present account balance is of Rs.18,105. The Unpaid Dividend has now been deposited in the Investor Protection Fund. As per management explanation difference of Rs.5270 is due to amount deposited at the time of account opening.)

NOTE- 14 SHORT TERM LOANS & ADVANCES

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rs.	Rs.
(a) Loans and advances to related parties		
DSR Infotech Private Limited	25,363,942	26,171,946
	25,363,942	26,171,946
(b) Others-(Recoverable in cash or kind)		
Unsecured, considered good		
Rushi Construction	1,000,000	1,000,000
Soni & Associates	500,000	500,000
Sanjog Developers	18,989,222	18,989,222
Inga Capital Private Limited	-	-
Leadsoft Softech Private Ltd	-	-
Leadsoft Solutions Pvt Ltd	968,581	968,581
SDL Trading Pvt Ltd	2,500,000	2,500,000
Tisya Financial Services Private Limited	2,150,000	2,150,000
Macwell Services	-	-
NEHA RAJEN GADA	-	-
MAT Credit entitlement	227,179	227,179
Tds A.Y. 2012-13	248,477	
Tds A.Y. 2013-14	108,612	
Tds A.Y. 2014-15	90,853	
Tds A.Y. 2015-16	105,868	
Doubtful	-	-
	26,888,792	26,334,982
Less: Provision for other doubtful loans and advances	-	-
	26,888,792	26,334,982
Total	52,252,734	52,506,928

NOTE- 15 OTHER CURRENT ASSETS

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rs.	Rs.
(d) Others		
(iv) Others (specify nature)		
TDS Receivable		447,942
Total	-	447,942

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE- 16 OTHER INCOME

	Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
		Rs.	Rs.
(a)	Interest income (TDS Rs.1,08,612/-)	1,418,779	908,537
(b)	Dividend income	-	-
(c)	Other non-operating income	-	-
	Total	1,418,779	908,537

NOTE -17 COST OF GOODS SOLD

	Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
		Rs.	Rs.
(a)	Opening Stock	544,390	611,052
	Add: Purchases	-	-
		544,390	611,052
	Less: Closing Stock	181,637	544,390
	Cost of Goods Sold	362,753	66,662
	Total	362,753	66,662

NOTE- 18 EMPLOYEE BENEFIT EXPENSES

	Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
		Rs.	Rs.
(a)	Salaries and wages	367,500	292,636
(b)	Staff Welfare Expenses	-	-
		367,500	292,636

NOTES FORMING PART OF FINANCIAL STATEMENTS**NOTE- 19 OTHER EXPENSES**

Particulars	For the year ended 31	For the year ended 31
	March, 2015	March, 2014
	Rs.	Rs.
AGM/Shareholding Meeting Expenses	-	12,322
Advertisement Expenses	68,224	159,662
Audit Fee (as per below note (i))	75,000	90,164
Bank Charges	168	13,483
BSE Listing Fees	-	16,854
Annual Custody Fees	19,100	13,482
Profession Tax	2,500	2,500
Filing Fees	34,035	44,973
Office Exp	11,451	14,309
Postage & courier Chareges	9,323	9,206
Printing & Stationary	11,966	29,717
Legal & Professional Expenses	97,318	647,092
Travelling Expenses	1,760	2,613,000
RTA Charges	-	32,196
Director Sitting Fees	250,000	349,328
Rates & Taxes	33,400	87,032
Penalties	18,453	35,000
Assets written off	-	625,635
Total	632,698	4,795,955

NOTES TO ACCOUNTS:

- 20.** Balances of Debtors, Loans and Advances, Secured & Unsecured Loans, Sundry Creditors & Others are subject to confirmation and reconciliation and consequential adjustments, if any.
- 21.** In the opinion of the Board & to the best of their knowledge & belief the value of realization of current assets, loans & advances in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet & the provisions for all the loans & determined liabilities is adequate and not in excess of the amount.
- 22.** Provision for retirement benefits to employees was not provided on accrual basis, which is not in conformity with Accounting Standard-15 issued by ICAI and the amount has not been quantified because actuarial valuation report is not available. However, in the opinion of the management the amount involved is negligible and has no material impact on the Statement of Profit & Loss.
- 23.** According to the opinion of the management, there is no impairment in the carrying cost of cash generating units of the Company in terms of accounting standards-28 issued by the Institute of Chartered Accountants of India.
- 24.** The Company has not received the required information from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosures, if any, relating to amounts unpaid as at the yearend together with interest paid/payable as required under the said Act have not been made.
- 25.** Company has not appointed women director as at 31st March 2015, it was appointed on dated 13th April 2015.
- 26.** Segment Information (AS-17)
Company has only one segment of activity namely "IT & IT Enabled Services". Since there is No export turnover, there are no reportable geographical segments. The company has not indulged in share trading activity.
- 27.** Related Party Disclosure (AS-18)
As per the Accounting Standard 18 on "Related Party Disclosures" issued by ICAI the related parties of the company and nature of relationship are as follows:

Related Party	Nature of Relationship
Rahul Dilip Shah	Director
DSR Infotech Ltd	One Common Director

Note: Related Party Relationship is identified by the Management & relied upon by the Auditor.

Nature and volume of transaction carried out with the above related parties in the ordinary course of business for the year ended 31st March, 2015

Particulars	Subsidiary Company	Director and Key Management Personnel	Relative of Key Management Personnel	Investment in Partnership firm
Remuneration and Incentives	--		--	--
Directors Sitting Fees (including Service Tax)		2,80,900		
Loan/Advance				
Gross Loans/Advance Given	50,000		--	--
Loans Given – Refund Received	8,58,004			
Debit Balance as on 31.03.2015	2,53,63,942		--	--

28. Earnings Per Share (AS-20)

The Earning per Share computed as per the requirement under Accounting Standard 20 on Earning Per Share issued by The Institute of Chartered Accountant of India, is as under:

Particulars	2014-15 Amt (Rs.)	2013-14 Amt (Rs.)
Net profit/(Loss) after Tax as per P & L Account	(7,76,082)	(45,02,501)
Weighted Average No. of equity share outstanding	44,08,066	44,08,066
Basic Earnings per Share	(0.18)	(1.02)
Diluted Earnings per share	(0.18)	(1.02)

29. Accounting for taxes on income(AS-22):

Break up of Net Deferred Tax liability into major components of the respective balance is as follows:

Deferred Tax Liability	2014-15 Amt (Rs.)	2013-14 Amt (Rs.)
Opening Balance of Deferred Tax Assets	27,55,445	27,55,445
Add: Deferred Tax liability during the Year	(30397)	-
Closing Deferred Tax Asset/(Liability)	27,25,048	27,55,445

30. The company being listed company required to follow section 203 & 134 (1), However, the view of absence of appropriate candidate for filing vacancy of Company Secretary have not appointed. The said Key Managerial Personnel as per section 203 and to the extent 134(1) Signing of financial statement have been considered only by director. However, the management has considered the matter in the process of appointing company Secretary.

31. The company has not appointed internal auditor required as per section 138 of companies Act, 2013.

**For DMKH & CO.
Chartered Accountants
Firm Registration No.116886W**

For and on behalf of the Board

**CA. Devki Nandan Mantri
Partner
M. No. 162327
Place : Mumbai
Date : 03/09/2015**

**Rahul D. Shah
Director**

**Maya Chandra
Director**

**CONSOLIDATED
FINANCIAL
STATEMENTS
(DSR Infotech Pvt Ltd)**





Independent Auditors' Report

TO THE MEMBERS OF

N2N TECHNOLOGIES LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of N2N TECHNOLOGIES LIMITED (hereinafter referred to as “the Holding Company”) and its subsidiary, its associates and jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

Management's Responsibility for the Consolidated Financial Statements

The Holding Company’s Board of Directors is responsible for the preparation of these consolidated 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 consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and jointly controlled entities as at 31st March, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 1 to the consolidated financial statements regarding non availability of Financial Statements of Associates Companies (IDHA Group) of DSR Infotech Limited for consolidation purpose hence the Consolidated Profit and Loss Account is subject to further adjustment and reconciliation with the profit / loss from associate companies. Our opinion is qualified in respect of this matter.

Other Matters

We did not audit the financial statements of one associates of subsidiary company whose profit is merged for consolidation purpose having net profit amounting to INR 6.27 CR. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding Company, subsidiary companies, associate companies and jointly controlled companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the directors of the Group companies, its associate companies and jointly controlled companies incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us: i.e.
- The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities - Nil
 - Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts: Nil
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and jointly controlled companies incorporated in India.

For DMKH & Co.
Chartered Accountants
FRN – 116886W

CA Devki Nandan Mantri
Partner
M. No. 162327
Place: Mumbai
Date: 03-09-2015

Referred to in Paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our report of even date to the Members of N2N Technology Limited on the Consolidated Financial Statements for the year ended as on March 31, 2015

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that: -

- i. a) The Group and its subsidiaries has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) We have been informed that the fixed assets of the Group and its subsidiary & their associates have been physically verified by the management during the year and no material discrepancies have been noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regards to the size of the company and the nature of its assets.
- ii. a) As explained to us, inventories have been verified by the management of the Group and its subsidiaries & their associates during the year. In our opinion, the frequency of verification is reasonable.
 - b) In our opinion and according to the information and explanation given to us, the procedure of verification of Inventories referred to in 2(a) above followed by the management, are reasonable and adequate in relation to the size of the Group and its subsidiaries & their associates and the nature of its business.
 - c) In our opinion and according to the information and explanation given to us, the Group and its subsidiaries & their associates has maintained proper records of inventories. As per the information and explanation provided to us and having regard to the size of the Group and its subsidiaries & their associates, no material discrepancies were noticed on verification of inventory as compared to book records.
- iii. The Group and its subsidiaries & their associates have granted interest free loans to directors listed in the register maintained under section 189 of the Act which is prejudicial to the interest of the company to the extent interest not charged and the intergroup interest free loan given to subsidiary by holding company. The terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly, paragraph3(iii)(a) of the Order is not applicable.
- iv. In our opinion and according to the information and explanations given to us there are adequate internal control procedures commensurate with the size of the Group and its subsidiaries & their associates and the nature of its business with regards to the purchase of inventory (shares),fixed assets and sale of goods and services. During the course of our audit, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v. The Group and its subsidiaries & their associates has not accepted any Deposits from any party, therefore following provisions of Companies Act Sec 73 to 76 and rules made thereunder and permission of Reserve Bank of India, the question does not arise.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for the Group and its subsidiaries & their associates
- vii. a) According to the information and explanation given to us and the records of the Group and its subsidiaries & their associates examined by us, in our opinion, the company is regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, wealth tax, service tax, Duty of custom duty of excise, value added tax and other and other material statutory dues, as applicable, with the appropriate authorities except TDS amounting to Rs. 10192 and service tax on sitting fess to Rs. 8652 not deposit for a period of more than six months from the date they became payable in case of holding company.

b) According to the information and explanation given to us and the records of the Group and its subsidiaries & their associates examined by us, there are no dues of income tax, sales-tax, wealth tax, service tax, Duty of custom, duty of excise, value added tax and cess which have not been deposited with the appropriate authorities on account of any disputes except the matters are pending for subsidiary company (DSR Infotech Limited) as listed hereunder:

Name of the statute	Nature of the dues	Amount (Rs.)	Period to which the amount related	Forum where dispute pending
Income Tax Act, 1961	Income Tax	66,000/-	A.Y. 2009-2010	I.T. Ward Pune
Income Tax Act, 1961	Income Tax	1,01,420/-	A.Y. 2010-2011	I.T. Ward Pune
Income Tax Act, 1961	Income Tax	57,572/-	A.Y. 2011-2012	I.T. Ward Pune
Income Tax Act, 1961	Fringe Benefit Tax	1,195/-	A.Y. 2009-2010	I.T. Ward Pune

c) There are no amounts required to be transferred by the Group and its subsidiaries & their associates to investor education and protection fund in accordance with the provisions of the Companies Act, 1956 and the rules made thereunder.

- viii. The Group and its subsidiaries & their associates has no accumulated loss as at the end of the financial year and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- ix. According to the records of the Group and its subsidiaries & their associates examined by us and the information and explanation given to us, the Group and its subsidiaries & their associates has not defaulted in repayment of dues to financial institution, bank or debenture holders.
- x. According to the information and explanation given to us, the Holding Company and its subsidiaries & their associates have not given any guarantee for others for loans taken by them from banks and financial institutions, and accordingly, the provision of clause (X) of paragraph 3 of the order are not applicable to the respective entities.
- xi. According to the information and explanation given to us, the Holding Company and its subsidiaries & their associates have not obtained any term loans during the year, and accordingly, the provisions of clause (Xi) of paragraph 3 of the order are not applicable to the respective entities.
- xii. According to the information and explanations given to us, no material fraud on or by the Group and its subsidiaries & their associates has been noticed or reported during the course of audit.

For DMKH & Co.
Chartered Accountants
FRN – 116886W

CA Devki Nandan Mantri
Partner
M. No. 162327
Place: Mumbai
Date: 03-09-2015

N2N TECHNOLOGIES LIMITED
(FORMERLY VISISTH MERCANTILE LIMITED)
CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2015

Particulars		Note No.	As at 31 March, 2015	As at 31 March, 2014
			Rs.	Rs.
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	2	44,080,660	44,080,660
	(b) Reserves and surplus	3	186,800,983	199,478,541
	(c) Minority Interest		35,562,838	15,888,551
			266,444,481	259,447,752
2	Non-current liabilities			
	(a) Long-term borrowings	4	1,535,222	793,110
	(b) Deferred tax liabilities		-	-
	(c) Other long-term liabilities	5	-	-
	(d) Long-term provisions		-	-
			1,535,222	793,110
3	Current liabilities			
	(a) Short-term borrowings	6	145,000,000	45,356,590
	(b) Trade payables	7	8,545,182	11,430,859
	(c) Other current liabilities	8	14,390,766	2,378,280
	(d) Short-term provisions	9	438,678	227,179
			168,374,626	59,392,908
	TOTAL		436,354,329	319,633,770
B	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	10	4,199,764	4,765,142
	(ii) Intangible assets		94,315,154	94,793,662
	(iii) Capital work-in-progress		23,100,000	23,100,000
	(iv) Intangible assets under development		-	-
	(v) Fixed assets held for sale		-	-
			121,614,918	122,658,804
	(b) Non-current investments		161,557,675	54,702,353
	(c) Deferred tax assets (net)		2,997,664	2,755,445
	(d) Long-term loans and advances	11	1,273,750	1,273,750
	(e) Other non-current assets	12	-	-
			165,829,089	58,731,548
2	Current assets			
	(a) Current investments		-	-
	(b) Inventories	13	181,637	544,390
	(c) Trade receivables	14	74,211,326	69,767,799
	(d) Cash and cash equivalents	15	7,215,851	259,479
	(e) Short-term loans and advances	16	66,520,519	66,996,629
	(f) Other current assets	17	780,989	675,121
			148,910,322	138,243,418
	TOTAL		436,354,329	319,633,770
	Significant Accounting Policies	1		
	The accompanying notes are an integral part of the financial statements		0	-0

In terms of our report attached.

For DMKH & Co.
Chartered Accountants
FRN:- 116886W

For and on behalf of the Board

CA. Devki Nandan Mantri
Partner
M.No : 162327
Place : MUMBAI
Date : 03/09/2015

Rahul Shah
Director

Maya Chandra
Director

N2N TECHNOLOGIES LIMITED
(FORMERLY VISISTH MERCANTILE LIMITED)
CONSOLIDATED STATEMENT FOR PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2015

Particulars		Note No.	For the year ended	For the year ended
			31 March, 2015	31 March, 2014
			Rs.	Rs.
A	CONTINUING OPERATIONS			
1	Revenue from operations (gross)	18	21,314,799	25,484,458
2	Other income	19	1,553,779	6,462,117
3	Total revenue		22,868,578	31,946,575
4	Expenses			
	(a) Cost of Goods Sold	20	362,753	66,662
	(d) Employee benefits expense	21	13,384,703	12,786,696
	(e) Finance costs	22	225,561	349,787
	(f) Depreciation and amortisation expense	10	2,639,851	1,725,713
	(g) Other expenses	23	7,933,153	22,788,521
	Total expenses		24,546,021	37,717,379
5	Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)		-1,677,443	-5,770,804
6	Exceptional items - Prior Period Expenses			49,545
7	Profit / (Loss) before extraordinary items and tax (5 ± 6)		-1,677,443	-5,820,349
8	Extraordinary items		-	-
9	Profit / (Loss) before tax (7 ± 8)		-1,677,443	-5,820,349
10	Tax expense:			
	(a) Current tax expense for current year		-	-
	(b) (Less): MAT credit (where applicable)		-	-
	(c) Current tax expense relating to prior years		-	-
	(d) Net current tax expense		-	-
	(e) Deferred tax		242,221.00	-
			-242,221	-
11	Profit / (Loss) After tax		-1,435,222	-5,820,349
	Share of profit from Joint Venture		62,683,775	54,138,453
	Minority Interest		19,605,987	-416,572
12	Profit / (Loss) for the year		41,642,566	48,734,676
13	Earnings per share (of Rs. 10/- each):			
	(a) Basic		9.45	10.96
	(b) Diluted		9.45	10.96
	The accompanying notes are an integral part of the financial statements	1		

In terms of our report attached.

For DMKH & Co.

Chartered Accountants

FRN:- 116886W

For and on behalf of the Board

CA. Devki Nandan Mantri

Partner

M.No : 162327

Place : MUMBAI

Date : 03/09/2015

Rahul Shah
Director

Maya Chandra
Director

N2N TECHNOLOGIES LIMITED
(FORMERLY VISISTH MERCANTILE LIMITED)
Consolidated Cash Flow Statement for the year ended 31 March, 2015

Particulars	For the year ended 31 March, 2015		For the year ended 31 March, 2014	
	Rs.	Rs.	Rs.	Rs.
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		-1,677,443		48,734,676
<i>Adjustments for:</i>				
Foreign currency translation difference			-	
Depreciation and amortisation	2,639,851		1,691,338	
Profit/ Loss on Sale of Assets	163,190		-152,716	
Interest paid	225,561		349,787	
Interest income	-1,418,779		-908,537	
Minority Interest	-612,762		-	
Dividend Income	-		-3,500	
		997,061		976,372
Operating profit / (loss) before working capital changes		-680,382		49,711,048
<i>Changes in working capital:</i>				
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Inventories	362,753		66,662	
Trade receivables	-4,443,527		504,860,363	
Short-term loans and advances	476,110		22,593,310	
Other Non current Assets	-		5,707,500	
Other current Assets	-105,868		90,581,030	
<i>Adjustments for increase / (decrease) in operating liabilities:</i>				
Short - Term Borrowings	99,643,410		-386,829,756	
Trade payables	-2,885,677		-26,304,471	
Other current liabilities	12,012,486		-11,371,750	
Short-term provisions	211,499,000		-	
		105,271,186		199,302,888
Cash flow from extraordinary items		-		-
Cash generated from operations		104,590,804		249,013,936
Net income tax (paid) / refunds		-		-
Net cash flow from / (used in) operating activities (A)		104,590,804		249,013,936
B. Cash flow from investing activities				
Loans Taken				
- Others	742,112		-	
Investment in equity shares	-98,873,900		-54,702,353	
Dividend Income	-		3,500	
Purchase of Assets	-2,562,160		-95,505,704	
Sale of Assets	1,866,298		977,248	
Interest Income	1,418,779		908,537	
Business purchase	-		-124,705,731	
		-97,408,871		-273,024,503
Cash flow from extraordinary items		-		-
Net income tax (paid) / refunds		-97,408,871		-273,024,503
Net cash flow from / (used in) investing activities (B)		-97,408,871		-273,024,503
C. Cash flow from financing activities				
Proceed from long term borrowings				
Interest On Loan/Debentures	-225,561		-349,787	
Share Application Money/Issue of fresh shares	-		16,080,660	
Share Premium on Issue of Fresh Shares	-		115,322,236	
Foreign Exchange Fluctuation	-		140,930	
Capital Reserve on Consolidation	-		-34,205,006	
Transfer to Minority Interest	-		-1,305,123	
Repayment of Long term Borrowings	-		-71,180,611	
Repayment of Long term liabilities	-		-20,396,250	
		-225,561		4,107,049
Net cash flow from / (used in) financing activities (C)		-225,561		4,107,049
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		6,956,372		-19,903,519
Cash and cash equivalents at the beginning of the year		259,479		20,162,998
Cash and cash equivalents at the end of the year		7,215,851		259,479
Reconciliation of Cash and cash equivalents with the Balance Sheet:		7,215,851		259,479

Notes:

- (i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations
(ii) These earmarked account balances with banks can be utilised only for the specific identified purposes

See accompanying notes forming part of the financial statements

In terms of our report attached.

For DMKH & Co.
Chartered Accountants
FRN:- 116886W

For and on behalf of the Board

CA. Devki Nandan Mantri

Partner
M.No : 162327
Place : MUMBAI
Date: 03/09/2015

Rahul Shah **Maya Chandra**
Director Director

N2N TECHNOLOGIES LIMITED

Notes forming part of Consolidated financial statements

Note 1: Significant Accounting Policies

- Principles of consolidation

The consolidated financial statements relate to N2N Technologies Limited ('the Company') and its subsidiary companies. The consolidated financial statements have been prepared on the following basis:

- a) The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after full eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements"
- b) In case of foreign subsidiaries, being non-integral foreign operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognized in the exchange fluctuation reserve. In case of Joint Ventures, the share of profit/(loss) of the Company is considered in the Consolidated Financial Statements.
- c) The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.
- d) Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
- e) Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.
- f) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements. In the books of DSR Infotech Private Limited Deferred Tax asset has not been considered on account of prudence whereas in books of N2N Technologies Limited Deferred Tax asset has been considered.

-Following companies have been considered for the purpose of consolidation:

Name of the enterprise	Country of Incorporation	Nature of Business	Relationship	Share holding/Controlling Interest
DSR Infotech Limited	India	IT & IT Enabled Services	Subsidiary	68.39%
Katalyst Technologies Inc	U.S.A.	IT & IT Enabled Services	Associate of The DSR	50% held by DSR Infotech Limited

Whereas due to unavailability of Finalized Accounts and reasonably estimated financial provisions & figures of the following companies, the same has not been considered for consolidation.

Name of the enterprise	Country of Incorporation	Nature of Business	Relationship	Share holding/Controlling Interest
Idhasoft Limited	India	IT & IT Enabled Services	Associate of DSR Infotech Limited	37.08%
Idhasoft Inc, Delaware	U.S.A.	IT & IT Enabled Services	Wholly owned subsidiary of The Idhasoft Limited	100%
Apposite solutions Inc	U.S.A.	IT & IT Enabled Services	Wholly owned subsidiary of The Idhasoft Limited	100%
Codesoft International Inc	U.S.A.	IT & IT Enabled Services	Wholly owned subsidiary of The Idhasoft Limited	100%
Prodilink Solutions Inc	U.S.A.	IT & IT Enabled Services	Wholly owned subsidiary of The Idhasoft Limited	100%
Roundbox Media S.A.	U.S.A.	IT & IT Enabled Services	Wholly owned subsidiary of The Idhasoft Limited	100%
Idha Inc,	Canada	IT & IT Enabled Services	Wholly owned subsidiary of The Idhasoft Limited	100%
Semafor Technologies Inc	U.S.A.	IT & IT Enabled Services	Wholly owned subsidiary of The Idhasoft Limited	100%

- **Basis of Accounting**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. The Company follows the accrual system of accounting on a going concern basis.

- **Use of estimates**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

- **Inventories**

Stock of Shares is valued at the lower of cost determined on FIFO basis or market value.

- **Fixed assets**

Fixed assets comprise the following:

• **Tangible assets:**

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Depreciation is provided on the "Written down Value" method at the rates specified in Schedule II of the Companies Act, 2013

• **Intangible assets:**

Intangible assets are stated at cost less accumulated amortization and impairment loss, if any. Cost includes all expenses incurred for acquisition of assets. Computer software is amortized over their license period. However when there is no license period, it is amortized at a rate applicable to that class of assets under the Schedule II of the Companies Act, 2013

- **Capital work-in-progress**

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

- **Revenue Recognition**

Revenue is primarily derived from Software and Information Technology related services. Arrangements with customers are either on a monthly estimated basis, fixed-price, and fixed-timeframe or on a time-and-material basis.

Revenue from cost-plus services are recognized on monthly estimated basis. Annual Technical Services revenue and revenue from fixed-price maintenance contracts are recognized ratably over the period in which services are rendered. Revenue from time-and-material contracts are recognized as the related services are performed and revenue from the end of the last billing to the Balance Sheet date is recognized as unbilled revenue.

- **Foreign Currency Transactions**

The Company is exposed to currency fluctuation on foreign currency transactions. Transactions denominated in foreign currency are recorded at the exchange rate prevailing rate on the date of transaction.

Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of profit and loss of the year.

- **Translation**

Monetary assets and liabilities in foreign currency, which are outstanding as at the year-end, are translated at the year-end at the closing exchange rate and the resultant exchange difference are recognized in the statement of profit and loss. Non-monetary items are stated in the Balance sheet using the exchange rate at the date of transaction.

- **Retirement Benefits**

Defined contribution plans

The company makes Provident Fund contributions to defined contribution plans (“the Schemes”) for qualifying employees. Under the schemes, the company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the company are at rates specified in the rules of the Schemes.

The company does not have any defined retirement benefit scheme. AS 15 issued by the ICAI is not considered applicable as none of employee has completed five years of services.

- **Cash flow statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and 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. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

- **Borrowing Cost**

Borrowing costs directly attributable to the acquisition and construction of qualifying fixed assets are capitalized as part of the cost of the assets, up to the date the asset is put to use. Other borrowing costs are charged to the Statement of Profit and Loss.

- **Earnings per share**

The earnings considered in ascertaining the company’s EPS comprise of the net profit after tax as per Accounting Standard 20 on “Earnings per Share”, issued by the Institute of Chartered Accountants of India. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the period. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless the effect of the potential dilutive equity shares is anti-dilutive.

- **Preliminary Expenditure**

Preliminary Expenditure is apportioned in five equal installments, commencing from the year in which the expenditure has been incurred.

- **Taxes on Income**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

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 Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax arising on account of timing differences and which are capable of reversal in one or more subsequent periods is recognized using the tax rates and tax laws that have been enacted or substantively enacted. Deferred tax assets are not recognized unless there is virtual certainty with respect to the reversal of the same in future years.

- **Impairment of assets**

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized in accordance with Accounting Standard-28 "Impairment of Assets", for the amount by which the asset's carrying amount exceeds its recoverable amount as on the carrying date. The recoverable amount is higher of the asset's fair value less costs to sell vis-à-vis value in at the lowest levels for which there are separately identifiable cash flows.

- **Provisions and contingencies**

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

A Contingent Liability is disclosed where there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources.

- **Insurance claims**

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

- **Other Accounting Policies**

Accounting Policies not specifically referred to are in accordance with Generally Accepted Accounting principles.

N2N TECHNOLOGIES LIMITED
(FORMERLY VISISTH MERCANTILE LIMITED)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2: SHARE CAPITAL

Particulars	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares	Rs.	Number of shares	Rs.
(a) Authorised: 55,00,000 Equity Shares of Rs. 10/- each (Previous year 55,00,000 Equity Shares of Rs 10/- each)	5,500,000	55,000,000	5,500,000	55,000,000
(b) Issued, subscribed and fully paid-up shares: 44,08,066 Equity Shares of Rs. 10/- each fully paid up (Previous Year 28,00,000 Equity Shares of Rs. 10/- each)	4,408,066	44,080,660	4,408,066	44,080,660
Total Issued, subscribed and fully paid-up shares	4,408,066	44,080,660	4,408,066	44,080,660

(a) Reconciliation of the shares outstanding at the beginning and end of the reporting year

	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares	Rs.	Number of shares	Rs.
Equity Shares				
At the beginning of the year	4,408,066	44,080,660	2,800,000	28,000,000
Issued during the year	-	-	1,608,066	16,080,660
Outstanding at the end of the year	4,408,066	44,080,660	4,408,066	44,080,660

(b) Shares held by each shareholder holding more than 5% of equity share capital:

Name of the shareholder	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares	% Shareholding	Number of shares	% Shareholding
NISHI KANT SARAWGI	-	-	-	-
RAHUL DILIP SHAH	1,391,480	31.57	1,391,480	31.57
REKHA RANI SARAWGI	234,500	5.32	234,500	5.32
SHASHTHA ADVISORS PRIVATE LIMITED	871,400	19.77	871,400	19.77
VIJAY CHHEDA	266,666	6.05	266,666	6.05
TOTAL [5% & above]	2,764,046	62.71	2,764,046	62.71

(c) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting. In event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The Distribution will be in proportion to the number of equity shares held by the shareholders.

N2N TECHNOLOGIES LIMITED
(FORMERLY VISISTH MERCANTILE LIMITED)

Consolidated Cash Flow Statement for the year ended 31 March, 2015

Particulars	For the year ended 31 March, 2015		For the year ended 31 March, 2014	
	Rs.	Rs.	Rs.	Rs.
B. Cash flow from investing activities				
Loans Taken				
- Others	742,112		-	
Loan Repayment				
Investment in equity shares	-98,873,900		-54,702,353	
Dividend Income	-		3,500	
Purchase of Assets	-2,562,160		-95,505,704	
Sale of Assets	1,866,298		977,248	
Interest Income	1,418,779		908,537	
Business purchase			-124,705,731	
		-97,408,871		-273,024,503
Cash flow from extraordinary items				-
		-97,408,871		-273,024,503
Net income tax (paid) / refunds		-		-
Net cash flow from / (used in) investing activities (B)		-97,408,871		-273,024,503

N2N TECHNOLOGIES LIMITED
(FORMERLY VISISTH MERCANTILE LIMITED)

Consolidated Cash Flow Statement for the year ended 31 March, 2015

Particulars	For the year ended 31 March, 2015		For the year ended 31 March, 2014	
	Rs.	Rs.	Rs.	Rs.
C. Cash flow from financing activities				
Proceed from long term borrowings				
Repayment Of Car Loan			-	
Interest On Loan/Debentures	-225,561		-349,787	
Share Application Money/Issue of fresh shares	-		16,080,660	
Share Premium on Issue of Fresh Shares	-		115,322,236	
Foreign Exchange Fluctuation	-		140,930	
Capital Reserve on Consolidation	-		-34,205,006	
Transfer to Minority Interest			-1,305,123	
Repayment of Long term Borrowings			-71,180,611	
Repayment of Long term liabilities			-20,396,250	
		-225,561		4,107,049
Net cash flow from / (used in) financing activities (C)		-225,561		4,107,049
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		6,956,372		-19,903,519
Cash and cash equivalents at the beginning of the year		259,479		20,162,998
Cash and cash equivalents at the end of the year		7,215,851		259,479
Reconciliation of Cash and cash equivalents with the Balance Sheet:		7,215,851		259,479

Notes:

- (i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations.
(ii) These earmarked account balances with banks can be utilised only for the specific identified purposes.

See accompanying notes forming part of the financial statements

In terms of our report attached.

For DMKH & Co.

Chartered Accountants

FRN:- 116886W

For and on behalf of the Board

CA. Devki Nandan Mantri

Partner

M.No : 162327

Place : MUMBAI

Date: 03/09/2015

Rahul Shah
Director

Maya Chandra
Director

N2N TECHNOLOGIES LIMITED
(FORMERLY VISISTH MERCANTILE LIMITED)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3: RESERVES AND SURPLUS

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rs.	Rs.
(a) General reserve		
Opening balance	24,553	5,844,902
Add: Profit During the year	41,642,566	48,734,676
Less: Transferred to Capital Reserve on Consolidation	-1,922,431	(2,823,707)
Less: Transferred to Minority Interest	-888,551	(1,305,123)
Adjustment against fixed Asset	-147,770	
Utilised/ Transferred during the year	-33,900	
Closing balance	38,674,466	50,450,748
(c) Securities premium account (As per last Balance Sheet)	146,204,086	146,204,086
Closing balance	146,204,086	146,204,086
(d) Foreign currency translation reserve		
Opening balance	-	-
Add / (Less): Effect of foreign exchange rate variations during the year	-	-
Closing balance	-	-
(e) Capital reserve		
Opening balance	-	-
Add: Additions during the year (Katalyst Technologies Inc)	-	-
Less: Utilised / transferred during the year	-	-
Closing balance	-	-
(f) Capital Reserve on consolidation		
Opening balance	-	-
Add: Additions during the year	1,922,431	2,823,707
Less: Utilised / transferred during the year	-	-
Closing balance	1,922,431	2,823,707
Total	186,800,983	199,478,541

NOTE 4 - LONG TERM BORROWINGS

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rs.	Rs.
(a) Term loans		
From banks		
Secured	1,210,222	543,110
(b) Other loans and advances (From Corporate)		
Unsecured	75,000	
Tapas Pharmachem Ltd	250,000	250,000
Others		
Total	1,535,222	793,110

NOTE 5 - OTHER LONG-TERM LIABILITIES

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rs.	Rs.
(a) Others		
Unsecured		
Others	-	-
Total	-	-

NOTE 6 - SHORT TERM BORROWINGS

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rs.	Rs.
(a) Loans repayable on demand	65	

N2N TECHNOLOGIES LIMITED
(FORMERLY VISISTH MERCANTILE LIMITED)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

From banks		
Secured	-	141,490
(b) Loans and advances from related parties		
Unsecured		
Others		215,000
(c) Other loans and advances		
Bonds / debentures		
Unsecured		
Optionally Convertible Debentures-Vijay Chheda	-	-
Vijay Chheda	-	100
Debentures	145,000,000	45,000,000
Debenture Application Money	-	-
Total	145,000,000	45,356,590

NOTE- 7 TRADE PAYABLES

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rs.	Rs.
Trade payables:		
Other than Acceptances		
Abdul Karim Kazi	10,250	-
Proglie Corporate Services	2,248	-
DMKH & Co.	166,493	166,493
Salary Payable	14,383	102,832
Professional Fees Payable	16,545	16,545
Prime Time Management Pvt. Ltd.	8,273	8,273
Sharukh N Tara	4,625,381	4,625,381
Others	3,701,609	6,511,335
Total	8,545,182	11,430,859

NOTE-8 OTHER CURRENT LIABILITIES

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rs.	Rs.
(a) Unpaid dividends		-
(b) Other payables		
Statutory remittances(TDS payable)	5,559,957	184,951
Expenses Payable	5,518	18,016
Other Current Liability	6,325,291	-
Bank overdraft	-	-
Advance from customers	2,500,000	2,175,313
Interest accrued & due on debentures	-	-
(c) Share Application Money		-
Total	14,390,766	2,378,280

*Received by Katalyst Technologies Inc

NOTE-9 SHORT TERM PROVISIONS

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rs.	Rs.
Provision - Others:		
(i) Provision for tax	227,179	227,179
(ii) Provision - others	211,499	-
Total	438,678	227,179

N2N TECHNOLOGIES LIMITED
(FORMERLY VISISTH MERCANTILE LIMITED)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE-10 FIXED ASSETS

A.	Tangible assets	Gross block					
		Balance as at 1 April, 2014	Additions	Disposals	Borrowing cost capitalised	Other adjustments	Balance as at 31 March, 2015
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
	(a) Furniture and Fixtures	3,154,506	-	-	-	-	3,154,506
	(b) Vehicles-Motor Car	3,554,519	1,674,529	1,083,960	-	-	4,145,088
	(c) Printer	10,250	-	-	-	-	10,250
	(d) Computers	3,568,601	611,834	216,070	-	-	3,964,365
	(e) Air Conditioner	99,960	-	-	-	-	99,960
	(f) Office equipments	632,390	25,000	-	-	-	657,390
	(g) Electrical Installation	473,884	-	-	-	-	473,884
	(h) Leasehold Improvement	1,376,163	-	-	-	-	1,376,163
	(i) Building	-	-	-	-	-	-
	(j) Land	-	-	-	-	-	-
	Total	12,870,273	2,311,363	1,300,030	-	-	13,881,606
B.	Intangible assets	Gross block					
		Balance as at 1 April, 2014	Additions	Disposals	Borrowing cost capitalised	Other adjustments	Balance as at 31 March, 2015
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
	(k) Softwares	92,068,268	250,797	566,268	-	-	91,752,797
	(l) Goodwill	3,247,028	-	-	-	-	3,247,028
	Total	95,315,296	250,797	566,268	-	-	94,999,825

NOTE-10 FIXED ASSETS (CONTD.)

A.	Tangible assets	Accumulated depreciation and impairment			Net block		Net block
		Balance as at 1 April, 2014	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Balance as at 31 March, 2015	Balance as at 31 March, 2015	Balance as at 31 March, 2014
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
	(a) Furniture and Fixtures	1,617,570	209,668	-	1,827,238	1,326,266	1,536,936
	(b) Vehicles-Motor Car	2,135,999	511,299	252,958	2,394,340	1,893,560	1,418,520
	(c) Printer	10,216	-	-	10,216	-	34
	(d) Computers	2,850,381	537,424	-	3,387,805	573,355	718,220
	(e) Air Conditioner	86,900	-	-	86,900	-	13,060
	(f) Office equipments	250,111	209,011	-	459,122	198,268	382,279
	(g) Electrical Installation	190,640	74,929	-	265,569	208,315	283,244
	(h) Leasehold Improvement	963,314	412,849	963,314	412,849	-	412,849
	(i) Building	-	-	-	-	-	-
	(j) Land	-	-	-	-	-	-
	Total	8,105,131	1,955,180	1,216,272	8,844,039	4,199,764	4,765,142
B.	Intangible assets	Accumulated depreciation and impairment			Net block		Net block
		Balance as at 1 April, 2014	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Balance as at 31 March, 2015	Balance as at 31 March, 2015	Balance as at 31 March, 2014
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
	(k) Softwares	521,634	35,265	521,634	35,265	91,717,532	91,546,634
	(l) Goodwill	-	649,406	-	649,406	2,597,622	3,247,028
	Total	521,634	684,671	521,634	684,671	94,315,154	94,793,662

N2N TECHNOLOGIES LIMITED
(FORMERLY VISISTH MERCANTILE LIMITED)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE-11 LONG TERM LOANS AND ADVANCES

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rs.	Rs.
(a) Security deposits		
Secured, considered good		
Unsecured, considered good		
Magarpatta Office	1,200,000	1,200,000
VSNL & Vodafone	73,750	73,750
Total	1,273,750	1,273,750

NOTE-12 OTHER NON CURRENT ASSETS

Particulars	As at 31 March, 2014	As at 31 March, 2014
	Rs.	Rs.
(a) Unamortised expenses		
Board Share Project	-	-
Total	-	-

NOTE- 13 INVENTORIES

(At lower of cost and net realisable value)

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rs.	Rs.
(a) Stock-in-trade of Shares		
ELPRO Internationa;l Limited(6 shares @ Rs.315)	181,637	544,390
JMD TELEFILMS INDUSTRIES LIMITED (70,000 shares @ Rs.7.75)		
Total	181,637	544,390

NOTE- 14 TRADE RECEIVABLES

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rs.	Rs.
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Secured, considered good		
Unsecured, considered good	61,400,526	59,696,185
Doubtful	-	-
	61,400,526	59,696,185
Less: Provision for doubtful trade receivables	-	-
	61,400,526	59,696,185
Other Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	12,810,800	10,071,614
Doubtful	-	-
	12,810,800.00	10,071,614
Less: Provision for doubtful trade receivables	-	-
	12,810,800	10,071,614
Total	74,211,326	69,767,799

N2N TECHNOLOGIES LIMITED
(FORMERLY VISISTH MERCANTILE LIMITED)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE- 15 CASH & CASH EQUIVALENTS

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rs.	Rs.
(a) Cash on hand	28,907	22,497
(b) Balances with banks		
(i) In current accounts	7,181,674	231,712
(ii) In earmarked accounts - Unpaid dividend accounts	5,270	5,270
Total	7,215,851	259,479

(The company has deposited the liabilities in respect of Unpaid Dividend account for the year 2005-06 of Rs.12,835 in Investor Protection Fund and the present account balance is of Rs.5,270. As per management explanation difference of Rs.5270 is due to account deposited at the time of account opening.)

NOTE- 16 SHORT TERM LOANS & ADVANCES

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rs.	Rs.
(a) Loans and advances to related parties		
Rahul Shah	39,805,889	40,335,744
	39,805,889	40,335,744
(b) Prepaid expenses - Unsecured, considered good	606,827	4,757
(c) Others-(Recoverable in cash or kind)		
Unsecured, considered good		
Rushi Construction	1,000,000	1,000,000
Soni & Associates	500,000	500,000
Sanjog Developers	18,989,222	18,989,222
Inga Capital Private Limited	-	-
Leadsoft Softech Private Ltd	-	-
Leadsoft Solutions Pvt Ltd	968,581	968,581
SDL Trading Pvt Ltd	2,500,000	2,500,000
Tisya Financial Services Private Limited	2,150,000	2,150,000
Macwell Services	-	-
NEHA RAJEN GADA	-	-
	26,107,803	26,107,803
Less: Provision for other doubtful loans and advances	-	-
	26,107,803	26,107,803
(d) Balances with government authorities		
Unsecured, considered good		
(i) Service Tax credit receivable	-	250,435
(ii) Income Tax	-	297,890
	-	548,325
Total	66,520,519	66,996,629

NOTE- 17 OTHER CURRENT ASSETS

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rs.	Rs.
(a) Others		
(i) Others (specify nature)		
MAT Credit entitlement	227,179	227,179
TDS Receivable	553,810	447,942
Others		-
Total	780,989	675,121

N2N TECHNOLOGIES LIMITED
(FORMERLY VISISTH MERCANTILE LIMITED)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE- 18 REVENUE FROM OPERATIONS

	Particulars	As at 31 March, 2015	As at 31 March, 2014
		Rs.	Rs.
(a)	Professional service rendered	-	2,070,866
(b)	Software Development Charges	21,314,799	23,413,592
	Total	21,314,799	25,484,458

NOTE- 19 OTHER INCOME

	Particulars	As at 31 March, 2015	As at 31 March, 2014
		Rs.	Rs.
(a)	Interest income	1,418,779	908,537
(b)	Dividend income	-	3,500
(c)	Other non-operating income	135,000	5,550,080
	Total	1,553,779	6,462,117

NOTE -20 COST OF GOODS SOLD

	Particulars	As at 31 March, 2015	As at 31 March, 2014
		Rs.	Rs.
(a)	Opening Stock	544,390	611,052
	Add: Purchases	-	-
		544,390	611,052
	Less: Closing Stock	181,637	544,390
	Cost of Goods Sold	362,753	66,662
(b)	Cost of Sales	-	-
	Total	362,753	66,662

NOTE- 21 EMPLOYEE BENEFIT EXPENSES

	Particulars	As at 31 March, 2015	As at 31 March, 2014
		Rs.	Rs.
(a)	Salaries and wages	13,233,650	12,350,922
(b)	Staff Welfare Expenses	151,053	435,774
	Total	13,384,703	12,786,696

N2N TECHNOLOGIES LIMITED
(FORMERLY VISISTH MERCANTILE LIMITED)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE- 22 FINANCE COST

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rs.	Rs.
(a) Interest expense on:		
(i) Borrowings	123,466	101,624
(ii) Others	102,095	248,163
Total	225,561	349,787

NOTE- 23 OTHER EXPENSES

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rs.	Rs.
Advertisement Expenses	68,224	159,662
Audit Fee (as per below note (i))	153,750	188,664
Bank Charges	22,318	37,891
BSE Listing Fees	-	16,854
Electricity Charges	795,820	663,267
Travelling Expenses	515,884	307,816
Communication Expenses	110,631	112,476
Filing Fees	71,975	72,415
Misc Expenditure	355,965	32,328
Postage & courier Charges	9,323	9,206
Printing & Stationary	83,463	64,310
Vehicles Expenses	68,703	152,603
Insurance	-	-
Legal & Professional Expenses	675,685	1,183,321
Amalgamation/Merger Expenses	-	2,613,000
RTA Charges	-	32,196
Director Sitting Fees	250,000	349,328
Computer & Internet Expenses	1,076,745	1,813,019
Contractual Services	-	-
Office Expenses	527,771	106,775
Rent	2,270,808	2,270,808
Repairs and maintenance -Others	123,867	384,563
Charitable contributions	-	-
Non recurring expense	-	-
Sales & Marketing	-	-
Subscriptions & Dues	-	-
Visa amortisation	-	-
Project expenses amortised	-	-
Audit out of pocket expenses	9,134	20,056
Profession Tax	5,000	25,000
Penalties	18,453	35,000
Boardshare Project W/off	44,634	5,707,500
Bad Debts	675,000	6,430,463
Total	7,933,153	22,788,521

Note 23 Other expenses (contd.)

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rs.	Rs.
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditors - statutory audit	153,750	188,664
For taxation matters	-	-
For company law matters	-	-
For management services	-	-
For other services	-	-
Reimbursement of expenses	-	-
Total	153,750	188,664

N2N TECHNOLOGIES LIMITED

Notes forming part of Consolidated financial statements

24. Company has allotted 13,41,400 equity shares of Rs. 10/- each @ Rs.68.14 per share (including premium of Rs. 58.14 per share) to shareholders and Debenture holders of LeadsoftSoftech Pvt. Ltd. Pursuant to the order of Hon. Mumbai High Court however the listing of the same shares is still pending with BSE.

25. Unsecured Optionally Convertible Debentures: DSR Infotech Private Limited had issued 450000 Debentures of Rs 100 each through private placement and as per the terms and conditions of the same has been modified to make it compulsorily convertible on or before May 15, 2018.

Further the company has issued optionally fully convertible debentures amounting to INR 10,00,00,000/- during the year which is redeemable after 5 years from the date of allotment i.e. 20th March 2015.

26. Capital Work-in-progress:

DSR Infotech Limited has acquired SAP license for Rs. 2,31,00,000/- from Lead Soft Solution Pvt. Ltd. Since the legal ownership of the software is not transferred in the name of DSR Infotech Limited due to non-payment of balance consideration and also non completion of technical formalities for transfer of SAP license the same will be capitalized on completion of aforesaid formalities.

27. Balances of Debtors, Loans and Advances, Secured & Unsecured Loans, Sundry Creditors & Others are subject to confirmation and reconciliation and consequential adjustments, if any.

28. In the opinion of the Board & to the best of their knowledge & belief the value of realization of current assets, loans & advances in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet & the provisions for all the loans & determined liabilities is adequate and not in excess of the amount.

29. Provision for retirement benefits to employees was not provided on accrual basis, which is not in conformity with Accounting Standard-15 issued by ICAI and the amount has not been quantified because actuarial valuation report is not available. However, in the opinion of the management the amount involved is negligible and has no material impact on the Statement of Profit & Loss.

30. According to the opinion of the management, there is no impairment in the carrying cost of cash generating units of the Company in terms of accounting standards-28 issued by the Institute of Chartered Accountants of India.

31. The Company has not received the required information from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosures, if any, relating to amounts unpaid as at the yearend together with interest paid/payable as required under the said Act have not been made.

32. Related Party Disclosure (AS-18)

As per the Accounting Standard 18 on “Related Party Disclosures” issued by ICAI the related parties of the company and nature of relationship are as follows:

Related Party	Nature of Relationship
Rahul Dilip Shah	Director
Katalyst Technologist Inc	Associate company of DSR infotech Limited

Transactions with related parties referred in (I) above, in ordinary course of business:

Sr. No.	Nature of Transactions	Directors and Relatives	Enterprise in which key management personnel have significant influence
1	Services Provided to Katalyst Tech by DSR Infotech	Nil	21314799
2	Unsecured Loan Received / Received Back	12,92,000/-	Nil
3	Unsecured Loan Paid / Given	Nil	Nil
4	Balances as on March 31, 2015		
5	Trade Receivables due to Related Parties (Receivable from Katalyst by DSR)	Nil	2,42,77,735
6	Loans Given	3,90,43,744/-	Nil
7	Loans Received	Nil	Nil

33. Segment Reporting:

The Company's and Its Subsidiary's operation predominantly relates to software product development, hence no reportable primary segment information is made. The secondary segment reporting of the company's revenues are as follows:

Basis of Segmentation	Turnover (Amount in Rs.)
Within India	15,53,679/-
Outside India	2,13,14,799/-
Total	2,28,68,478/-

34. Earnings in Foreign Currency :

Professional services and software development charges Rs.2,13,14,799(Previous Year – Rs.2,34,13,592)

35. Earnings Per Share (AS-20)

The Earning Per Share of Holding Company computed as per the requirement under Accounting Standard 20 on Earning Per Share issued by The Institute of Chartered Accountant of India, is as under:

Particulars	2014-15 Amt (Rs.)	2013-14 Amt (Rs.)
Net profit/(Loss) after Tax as per P & L Account	41642566	4,83,18,104
Weighted Average No. of equity share outstanding	4408066	44,08,066
Basic Earnings per Share	9.45	10.96
Diluted Earnings per share	9.45	10.96

36. Accounting for taxes on income(AS-22):

Break up of Net Deferred Tax liability into major components of the respective balance is as follows:

Deferred Tax Asset/(Liability)	2014-15 Amt (Rs.)	2013-14 Amt (Rs.)
Opening Balance of Deferred Tax Asset/(Liability)	27,55,445	27,55,445
Add: Deferred Tax Asset during the Year	2,42,219	
Closing Deferred Tax Asset/(Liability)	29,97,664	27,55,445

41. Additional information of entities consolidated as Subsidiaries & Associates as required under schedule III to the Companies Act 2013:

Particulars	Net Assets		Share in Profit/(Loss)	
	As % of The Consolidated net Assets	Amount (Rs.)	As % of The Consolidated Profit/(Loss)	Amount (Rs.)
N2N Technologies Ltd.	80.87	186704936	(1.27)	(776082)
DSR Infotech Ltd	21.39	49385772	(1.08)	(659140)
Katalyst Technologies Inc.	N.A.	N.A	200	125367549

For D M K H & CO.

Chartered Accountants
Firm Registration No.116886W

For and on behalf of the Board

CA. Devki Nandan Mantri
Partner
M. No. 162327

Rahul Shah
Director

Maya Chandra
Director

Place : Mumbai
Date : 03/09/2015

N2N TECHNOLOGIES LIMITED

Registered Office: Sun Lounge-Ground floor, One Earth, Opp. Magarpatta city , Pune 411 028
CIN: L72900PN1985PLC145004

ATTENDANCE SLIP

I / We, being the Registered Shareholder / Proxy for the Registered Shareholder* of the Company, hereby record my / our presence at the 30th Annual General Meeting of the Company held on Tuesday, September 29, 2015 at 1 p.m. at the abovementioned Registered office of the company and at any adjournment(s) thereof.

Full Name & Registered Address of the Member	
Full Name of the Proxy	
Folio No. / DP Id – Client Id*	
No. of Equity Shares held	

* Strike whichever is not applicable

Member's/Proxy's Signature _____

Note: Shareholder / proxy holder wishing to attend the meeting must handover the duly signed attendance slip at the entrance.

N2N TECHNOLOGIES LIMITED

Registered Office: Sun Lounge-Ground floor, One Earth, Opp. Magarpatta city , Pune 411 028
CIN: L72900PN1985PLC145004

PROXY FORM

I/We _____ of _____ in the district of _____ being member / members of the company hereby appoint(s) _____ of _____ in the district of _____ of failing him / her _____ of _____ in the district of _____ as my/our proxy to vote for me/us on my/our behalf at the 30th Annual General Meeting of the Company to be held on Tuesday, September 29, 2015 at 1 p.m. at the abovementioned registered office of the company in respect of following resolutions.

* I wish my/our above Proxy to vote in the manner as indicated in the box below:

No.	Resolutions	For	Against
1	To receive, consider and adopt the Balance Sheet for the year ended March 31, 2015 and the Statement of Profit & Loss Account as on that date together with reports of the Directors and the Auditors thereon and the Consolidated Financial Statements for year ended March 31, 2015 along with the Auditors' Report thereon		
2	Re-appointment of Mr Rahul Shah, as Director who retires by rotation		
3	Appointment of M/s. DMKH & Co, Chartered Accountants, as Statutory Auditors and fixing their remuneration.		
Special Business :			
4	Appointment of Mrs. Maya Chandra as an Independent Director of the Company.		
5	Appointment of Mr. I Raghunath as an Independent Director of the Company		
6	Appointment of Mr. Murtuza ali Soomar as an Independent Director of the Company		

*This is optional

Signed the _____ day of _____ 2015
Folio No/DP ID/Client ID: _____
Shareholder
No. of Shares held: _____
Signature of Proxy: _____

Signature of

Re.1
Revenue
Stamp

Note: The proxy form duly completed must be deposited at the Registered Office of the Company not less than 48 hours before the time of holding of the meeting. The proxy need not be a member of the Company

N2N TECHNOLOGIES LIMITED
30TH ANNUAL REPORT
FY 2014-2015



If undelivered, please return to:
N2N TECHNOLOGIES LIMITED
Sun lounge, Ground floor(Right wing)
One earth, opp. Magarpatta city,
Hadapsar
Pune- 411 028