

N2N TECHNOLOGIES LIMITED



ANNUAL REPORT

2015-2016

<p><u>Board of Directors</u></p> <p>01. Mr. Rahul Shah (DIN : 01545609) Director</p> <p>02. Mr. Nishant Upadhyay (DIN : 02128886) Non-Executive Independent Director</p> <p>03. Mr. Akhand Pratap Singh (DIN : 06927347) Non-Executive Independent Director</p> <p>04. Ms. Mahalakshmi Dandapani (DIN : 01250926) Non-Executive Independent Director</p>	<p><u>Board Committees</u></p> <p><u>Audit Committee</u></p> <ul style="list-style-type: none"> ➤ Mr. Nishant Upadhyay - Committee Chairman ➤ Ms. Mahalakshmi Dandapani ➤ Mr. Akhand Pratap Singh <p><u>Nomination & Remuneration Committee</u></p> <ul style="list-style-type: none"> ➤ Ms. Mahalakshmi Dandapani - Committee Chairman ➤ Mr. Nishant Upadhyay ➤ Mr. Akhand Pratap Singh <p><u>Stakeholders Relationship Committee</u></p> <ul style="list-style-type: none"> ➤ Ms. Mahalakshmi Dandapani - Committee Chairman ➤ Mr. Nishant Upadhyay ➤ Mr. Akhand Pratap Singh 																				
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<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, Suzlon One Earth, Opp. Magarpatta city,
Hadapsar, Pune -411 028
CIN: L72900PN1985PLC145004

AGM NOTICE

NOTICE is hereby given that the 31st Annual General Meeting of the members of N2N Technologies Limited will be held on Friday, December 30, 2016 at 1.00 P.M. at **Hotel Nandadeep, 135/A Tadiwala Road, Near Pune Railway Station, Pune – 411001, 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 31,2016 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, 2016 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, appointment of M/s DMKH & Co, Chartered Accountants, Mumbai, bearing ICAI Registration No. FRN 116886W, as the Auditors of the Company be and is hereby ratified to hold office from the conclusion of this Annual General Meeting till the conclusion of the 32nd Annual General Meeting held thereafter 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. Mahalakshmi Dandapani 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. Mahalakshmi Dandapani (DIN: 01250926) who was appointed as Additional Independent Director 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 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. Nishant Upadhyay 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. Nishant Upadhyay (DIN: 02128886) who was appointed as Additional Independent Director 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. Akhanda Pratap Singh 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.Akhanda Pratap Singh (DIN: 06927347) who was appointed as Additional Independent Director 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.”

7.Sale, Transfer or Disposal of the shares held by the company in DSR INFOTECH LIMITED (Associate Company): (Postal Ballot Resolution)

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

“RESOLVED THAT in accordance with provisions of section 180(1)(a), 188 and the applicable provision of the Companies Act, 2013 and Regulation 24 and other applicable

provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“LODR”), the rules there under, including any statutory modifications and amendments to each of the foregoing, and subject to provisions contained in the Memorandum and Articles of Association of the Company, the requisite approvals, if any, of any relevant statutory, regulatory or government authorities, and further subject to such terms and conditions as may be prescribed by any of the aforesaid authorities while granting such approvals, the consent, approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “Board”, which term shall include any committee of directors constituted by the Board) to sell or transfer or otherwise dispose of its investment either as a whole or in part in DSR Infotech Limited (“DSR”) at a price not lower than book value of DSR Infotech Limited.

RESOLVED FURTHER THAT consent of the Members of the Company is further accorded for related party transaction as may be required to enter by the Company with any of its Related Party for effecting sale of shares held by the Company in DSR Infotech Limited and this resolution shall be enabling resolution to Board to enter into Contract including but not limited to Related Party Contract.

RESOLVED FURTHER THAT the Company do utilize the sale proceeds for general corporate purposes of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things as may be necessary from time to time for giving effect to the above resolution.”

Place: Mumbai
Date: November 25, 2016

By Order of the Board of Directors

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 7 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 **December 24, 2016 to December 30, 2016** (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 2015-16 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. Your Company propose to pass the resolution at Item No.7 through postal ballot (pursuant to the provisions of Section 110 of the Companies Act, 2013 and rules specified thereunder, read with SEBI(LODR) Regulations,2015) for which a separate notice of postal ballot has been annexed hereto. Shareholders are requested to refer the annexure and the instructions thereunder for casting their vote for or against the proposed resolution.

13. 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 the Company is providing facility to exercise votes through electronic voting system through the e-voting platform provided by Central Depository Services (India) Limited (CDSL) in respect of the businesses to be transacted at the 31st Annual General Meeting ('AGM') scheduled to be held on **Friday, December 30, 2016 at 1.00 pm** and businesses to be transacted through Postal Ballots set out at Item No. 7 of the AGM notice.

The instructions for shareholders voting electronically are as under:

(i) The voting period ;

In respect of the businesses to be transacted at the 31st Annual General Meeting except business to be transacted vide agenda Item No. 7 :

Commencement of e-voting : From 9.00 A.M. (IST) on December 27, 2016
End of e-voting : Up to 5.00 P.M. (IST) on on December 29, 2016

In respect of the business to be transacted through Postal Ballot as set out at Item No. 7 of the AGM notice :

Commencement of e-voting : From 9.00 A.M. (IST) on December 1, 2016
End of e-voting : Up to 5.00 P.M. (IST) on on December 30, 2016

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 November 18, 2016 (for Resolution No.7 as given in AGM notice which is to be passed by Postal Ballot) & December 23, 2016 (for other Resolutions given in AGM notice) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

The cut-off date ("Record date" for the purpose of Rule 20(3)(vii) of the said Rules) is a date fixed for determining voting rights of shareholders entitled to participate in the e-voting/ballot process.

- (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 select the electronic voting sequence number (EVSN) along with <Company Name> from drop down menu and click on submit

EVSN for AGM : 161126002
EVSN for Postal Ballot : 161126001

- (vi) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vii) Next enter the Image Verification as displayed and Click on Login.
- (viii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (ix) 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 Postal ballot form as sr no affixed, 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).

- (x) After entering these details appropriately, click on "SUBMIT" tab.
- (xi) 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.

- (xii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xiii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiv) 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.
- (xv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xvi) 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.
- (xvii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xviii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xix) 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.
- (xx) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the updated app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xxi) **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.

(xxii) 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 as per instructions given above to cast vote.
- (B) The shareholders holding shares during the voting period and on the cut-off date (record date) as provided in E-voting instruction no. (i) above, 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 the cut-off date (record date) as provided in E-voting instruction no. (i) above,.
- The Company has appointed, **Mr. Hardik Savla, Practising Company Secretary**, as the Scrutinizer to scrutinize the e-voting/postal ballot 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.
- Shareholders who have received the this notice through email and who do not want to avail the electronic voting facility organized by CDSL may send request for obtaining the same with postal ballot form in physical form to the share registrar i.e Universal Capital Securities Private Limited, at 21/25 Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri(East),Mumbai-400093 or may write an email to investors@n2ntechno.com.
- 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 31st AGM of the Company and communicated to BSE where the shares of the Company are listed.

By Order of the Board of Directors

Place: Mumbai
Date: Nov 25, 2016

Rahul Shah
Director

ANNEXURE 'I' TO THE NOTICE: EXPLANATORY STATEMENT

The following Explanatory Statement, pursuant to Section 102, 110 of the Companies Act, 2013 ("Act"), sets out all materials facts relating to the special business mentioned in the accompanying Notice dated Nov 25, 2016:

Item No 4, 5 & 6: Appointment of Ms. Mahalakshmi Dandapani, Mr. Nishant Upadhyay, & Mr. Akhand Pratap Singh as an Independent Director of the Company

Mr. Nishant Upadhyay & Mr. Akhanda Pratap Singh was appointed as an Additional Director (independent) of the Company by the Board of Directors under Section 161 of the Act, Similarly Ms. Mahalakshmi dandapani was appointed as an Additional Director (independent) 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 a Members signifying their intention to propose them for appointment as an Independent Director.

As per sec.152, They are proposed to be appointed 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.

Mr. Nishant Upadhyay is an Advocate by Profession and is also a qualified company secretary & cost Accountant, has rich experience in the Investment banking compliance & Legal affairs , whereas Mr. Akhanda Pratap Singh is Management graduate having vast experience in the field of PR and Private equity, whereas Ms. Mahalakshmi Dandapani is a MBA (Marketing), MS (Psychotherapy and Counseling) and B.SC (Physics) has expertise in human resource management & marketing.

None of the above person holds any shares in the company except Mr. Nishant Upadhyay who holds 10 equity shares in the 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 of Non-Disqualification.

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.

Item No.7 : Sale, Transfer or Disposal of the shares held by the company in DSR INFOTECH LIMITED (Associate Company):

Kindly note that as per the provisions of the Companies Act, 2013 ('the Act'), special resolution set out at Item No. 7 of this notice is required to be passed by postal ballot.

Your Company holds 3,24,500 equity shares of Rs 100/- each in DSR INFOTECH LIMITED aggregating to 49% of equity share capital of DSR Infotech Limited.

During the current financial year, DSR Infotech Limited completed rights issue of its equity shares, due to which shareholding of your Company was diluted from 68.39% to 49% of paid up capital of DSR Infotech Limited. Your Directors feel it prudent to withdraw investment from the DSR Infotech Limited and your Board of Directors considers the proposed sale in the best interest of the Company. The proceeds from the proposal sale of investment shall be utilized for general corporate purposes.

Your Directors propose resolution under section 180(1)(a) and 188 of Companies Act, 2013 read with regulation 24 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 ("LODR") for the approval of the shareholders. Your Board recommends the Special Resolution at Item No.7 of the accompanying Notice for approval by the Members of the Company.

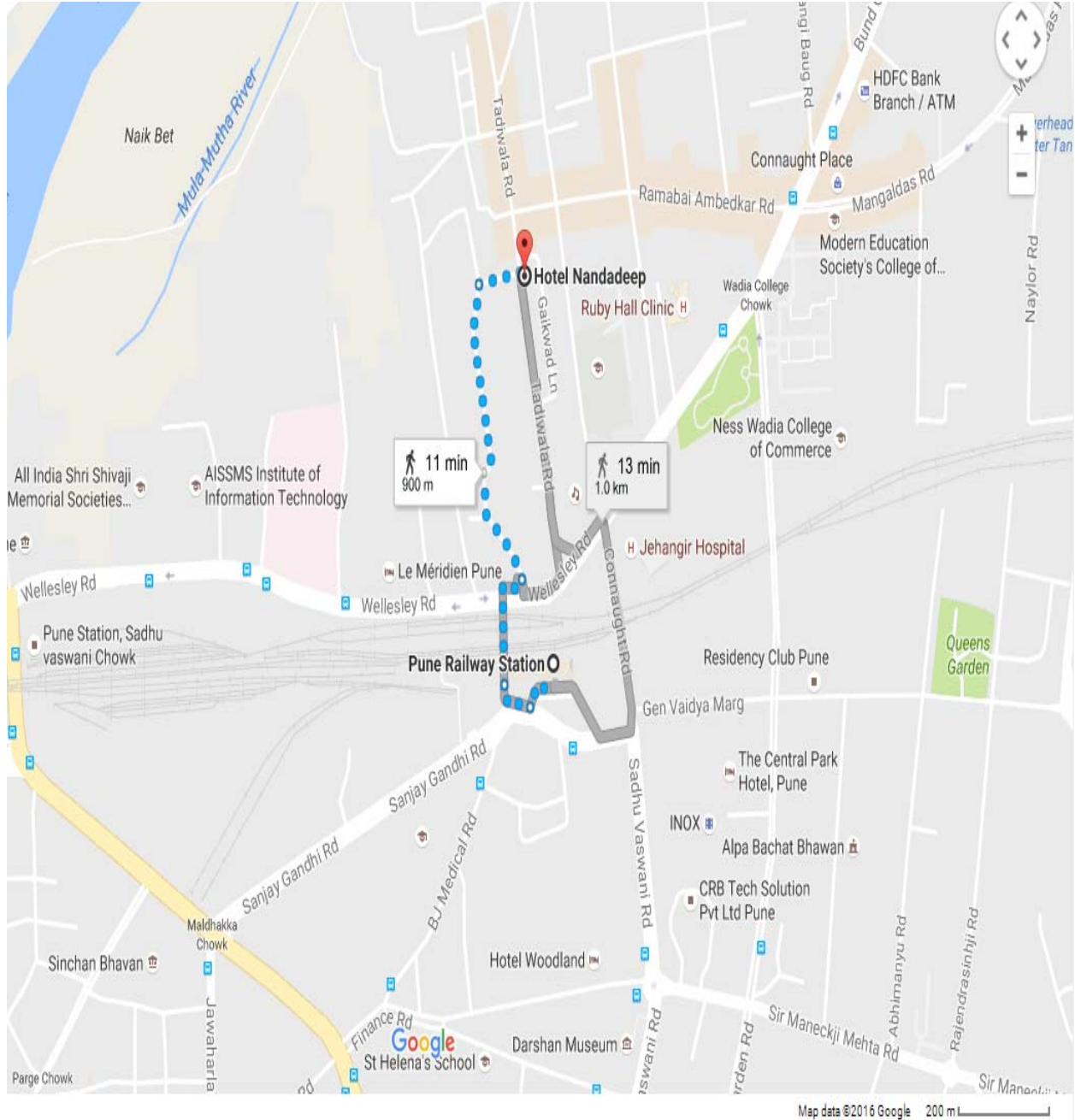
Shri Rahul Shah and Shri Akhand Pratap Singh, Directors of the Company are deemed to be interested or concerned in the transaction. Other Directors and Key Managerial Personnel of the Company or their respective relatives are not concerned or interested in the passing of the Resolution at Item No 7 of the accompanying Notice except to the extent of their shareholding in the company.

By Order of the Board of Directors

Place: Mumbai
Date: November 25, 2016

Rahul Shah
Director

Pune Railway Station to Hotel Nandadeep Walk 900 m, 11 min
DISTANCE BETWEEN PUNE RAILWAY STATION AND HOTEL NANDADEEP IS 1 KM



DIRECTOR'S REPORT

TO THE MEMBERS OF N2N TECHNOLOGIES LIMITED

Your Directors have pleasure to present 31st Annual Report and Audited Annual Accounts of your company for the year ended on 31st March 2016.

FINANCIAL HIGHLIGHTS: STANDALONE BASIS

Particulars	(Rs. IN LAKHS)			
	FY 2016	2015-	FY 2015	2014-
Total Income		17.83		14.18
Total Expenditure		19.89		21.64
Profit Before Tax (PBT)		(2.08)		(7.46)
Tax (deferred)		0.24		(0.30)
Profit After Tax (PAT)		(1.82)		(7.76)

PERFORMANCE REVIEW & FUTURE OUTLOOK:

During the current year, your Company has booked total income of Rs.17.83 Lakhs and Net Loss of Rs.1.82 Lakhs on standalone basis. The source of income is on account of interest received on Investment/advances.

SUBSIDIARY:

Your Company had strategic subsidiary as DSR Infotech Limited (DSR), which recently made rights issue of 189800 equity shares to raise funds for its working capital and other corporate expenses requirements, considering business portfolio and future business strategy as well as for unlocking true value of each enterprise, lack of liquidity in the company. Due to allotment of equity shares in the Rights Issue, the shareholding of your company in DSR diluted from 68.39% to 49%. The performance of DSR for the financial year 2015-2016 is as follows:

The total income of the DSR for the year ended March 31, 2016 stood at Rs.786.30 Lakhs and loss after tax stood at Rs.1591.37 Lakhs as compared to a loss after tax of Rs.6.59 Lakhs during the previous year. It is to be noted that the heavy losses for the current year is on account of written off amounts of Debtors & diminution in value of Investment.

Further your board recommends to sale ITS stake in the DSR in the overall interest of stakeholders of the company for which resolution shall be considered in the ensuing AGM.

Your Directors are confident that the policies, strategies adopted by your company will protect interest of the stakeholders.

DIVIDEND & RESERVES:

In view of the loss, your Directors expresses it inability to declare dividend for the year.

SHARE CAPITAL:

As at March 31, 2016, 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, 2016, 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

During the year, your company had one subsidiary namely 'DSR Infotech Limited'. DSR is carrying its activities in offering services for Software designs/development, staffing, web content management etc. DSR Infotech Limited is now an Associate company w.e.f. June 16, 2016.

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 2015-16.

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 32nd Annual General Meeting (AGM) subject to ratification at each intervening 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 ratify their appointment as the statutory auditors of the Company from the conclusion of the forthcoming AGM till the conclusion of the 32nd AGM. Members are requested to consider the ratification of their 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, 2016. The Secretarial Audit Report is annexed to this report.

The Auditors’ Report for the financial year ended 31st March, 2016 contains following qualification, reservation, adverse remark or disclaimer:

Sr.	Auditors qualification, reservation, adverse	Board’s comments
-----	--	------------------

No.	remark or disclaimer	
1	As per Standalone Audit Report “Emphasis of Matter” regarding compliance of section 203 of companies act, 2013	Company is looking for appointing a suitable candidates according to requirements of a company
2.	As per Consolidated Audit Report “Emphasis of Matter” regarding unavailability of consolidated accounts of the subsidiary ‘DSR Infotech Ltd’	For the various integration requirements accounts of step-subsiaries & Associates of subsidiary could not be finalized by such Companies management within the time frame as per Indian Accounting requirements.

The Secretarial Auditors’ Report for the financial year ended 31st March, 2016 contains following qualification, reservation, adverse remark or disclaimer:

Sr. No.	Secretarial Auditors qualification, reservation, adverse remark or disclaimer	Board’s comments
1.	Non-compliance of section 203 of Companies Act, 2013 and the consequent defaults	Company is looking for appointing a suitable candidates according to requirements of a company
2.	Non-compliance of regulations of SEBI (LODR) Regulations 2015 w.r.t. submission and publication of Annual Audited consolidated Accounts	For the various integration requirements accounts of step-subsiaries & Associates of subsidiary could not be finalized by such companies management within the time as per Indian Accounting requirements.

LISTING ON STOCK EXCHANGES

The Equity Shares of your Company are listed only with BSE Limited. The listing fees for the financial year 2016-2017 is payable as on date.

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 certain regulations as to corporate governance do not apply to the Company in Accordance with SEBI (LODR) Regulations 2015. Accordingly 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 not entered into by the Company. 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.

UPDATES ON AMALGAMATION

Honorable Bombay High Court has passed an order dated September 29, 2016 amending the Scheme of Arrangement between N2N Technologies Limited and Leadsoft Softech Private Limited. The Scheme of Arrangement shall be amended pursuant to said order.

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 29, 2015, the Members had approved the appointment of Mr. Murtuza Ali Soomar, Mr. I Raghunath & Ms. Maya Chandra as an Independent Director for a term of five years as per the provisions of Companies Act 2013, however during the year Mr. I Raghunath & Ms. Maya Chandra have resigned from their positions on Board & its committees

The Board had appointed Mr. Nishant Upadhyay & Mr.Akhanda Pratap Singh as an Additional Director (Independent). Further Board appointed Ms. Mahalakshmi Dandapani as an Additional Director-Women (Independent) on March 18, 2016. 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 has been incorporated in the Notice for members approval in the ensuing AGM. Presently, no one is appointed or designated as 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 April` 13, 2015, September 03, 2015, November 14, 2015, February 13, 2016 & 18th March 2016. The Board re-constituted the Audit Committee with the appointment of Mr. Nishant Upadhyay as Chairman and Mr. Rahul Shah, Mr. Akhanda Singh as Members. Also the Stakeholders relationship committee & Remuneration Committee is re-constituted with Mr.Nishant Upadhyay as Chairman and Ms. Mahalaxmi Dandapani Mr. Akhanda Singh 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 except for meetings between second quarter & first quarter.

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.

By Order of the Board of Directors

Place: Mumbai
Date: November 12, 2016

Rahul Shah Nishant Upadhyay
Director 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*

(Rs. In lacs)

Sr. No:	Particulars	Name of the Subsidiary
		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	(1572.01)
5	Total Assets	1180.88
6	Total Liabilities	1180.88
7	Investments	90.13
8	Turnover	786.30
9	Profit/(Loss) Before Tax	(1591.37)
10	Provision for Taxation	0.00
11	Profit/(Loss) after taxation	(1591.37)
12	Dividend (Including Dividend Distribution Tax)	0.00
13	% of total shareholding held by parent company	68.39%

Notes:

1. The subsidiary company DSR Infotech Ltd (DSR) is now an associate company, Post allotment shares as per rights issue by DSR Infotech Limited in June 2016, N2N Technologies Limited currently holds 48.85% shares in DSR.
2. Reporting period and reporting currency of the above subsidiaries is the same as that of the Company.
3. Part B of the Annexure is not applicable as there are no associate companies/ joint ventures of the Company as on 31st March, 2016.

By Order of the Board of Directors

Place: Mumbai

Date: November 12, 2016

Rahul Shah
Director

Nishant Upadhyay
Director

FORM MR-1
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2016
[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 United Interactive 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 2016 ('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 2016 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) Reg-2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as applicable from time to time **(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 **(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
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges read with The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review so far the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above in general terms except the matters as given hereunder.

- *the Company is required to appoint/designate Key managerial personnel in the Company in a manner laid down by the Companies Act 2013, which company has not complied till date*
- *The company has failed to provide the completed consolidated Audited financial results within the time prescribed by The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 & by The Companies Act 2013.*
- *The company have not paid listing fees for the previous year till date.*

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 the Companies for carrying business activities except as mentioned hereunder and apart from above **there is no statute(s') applicable specifically to the Company or industry in which it operates.**

- *The company has not paid the Stamp duty on its merger with Leadsoft softech Pvt Ltd as per applicable provisions of Bombay stamp act.*

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

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 : Nov 12, 2016
Place: Mumbai

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

as on the financial year ended on 31st March 2016

[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	620	NIL

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 Group ²									
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	452313	1617513	36.69	1165200	395698	1560898	35.41	(1.28)

(b)	Individuals	-	-	-	-					
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh	18570	275612	294182	6.67	18570	274042	292612	6.64	(0.03)
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	52600	685018	737618	16.73	52600	717909	770709	17.48	0.75
(c)	Qualified Foreign Investor	-	-	-	-					
(d)	Any Other (specify)	-	-	-	-					
(d-i)	Clearing Members	-	23603	23603	0.54	-	48697	48697	1.10	0.56
(d-ii)	NRI / OCBs	-	120	120	0.00	-	120	120	0.00	-
	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	
------	--------------------	---	-------------------------------------	--

		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	% change in shareholding during the year
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	100	-	164550	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. POPLEY	99474	2.26	-	-	99474	2.26
7.	VISHAL JATIN SHAH	55000	1.25	-	-	55000	1.25
8.	SUNDER IYER	52600	1.19	-	-	52600	1.19
9.	ANJANA PROJECTS PVT LTD	45800	1.04	-	-	45800	1.04
10.	SUMAN GUPTA	33962	0.77			33962	0.77

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.

(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		

Note : Mr. Nishant Upadhyay (Independent Director) holds 15 shares of the company which he purchased as on 22nd Sept 2015.

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	10.00	NIL	10.00
• Addition				
• (Reduction)				
Net Change				
Indebtedness at the end of the financial year	NIL	12.50	NIL	12.50
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				

Total (i+ii+iii)	NIL	12.50	NIL	12.50
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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

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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		

By Order of the Board of Directors

Place: Mumbai
Date: November 12, 2016

Rahul Shah Nishant Upadhyay
Director Director



INDEPENDENT AUDITORS REPORT

**To,
The Members of,
N2N TECHNOLOGIES LIMITED
Report on the Financial Statements**

1. We have audited the accompanying financial statements of **N2N Technologies Limited** ('the company'), which comprises Balance Sheet as at 31st Mar 2016, the Statement of Profit and Loss account 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

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial Statements that give a true and fair view and are free from materials misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedure 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 assessment, 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 and the operating effectiveness of such control. An audit also includes evaluating the appropriateness of the 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

4. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March, 2016, and its loss and its cash flow for the year ended on that date.

Emphasis of Matter

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

Report on Other Legal and Regulatory Requirements

5. As required by the Companies (Auditor's Report) Order, 2016 (the Order) issued by the Central Government in terms of Section 143 (11) of the Act, we enclosed in the annexure a statement on matters specified in paragraph 3 & 4 of the said order.
6. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 and the Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the 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) In our opinion there are no observations or comments on the financial transactions, which may have an adverse effect on the functioning of the Company.
 - f) On the basis of the written representations received from the directors as on 31st Mar 2016 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st Mar 2016 from being appointed as a directors in terms of section 164(2) of the Act.
 - g) Report on the Internal Financial Controls under Clause (1) of Sub-section 3 of section 143 of the companies Act, 2013 ("the Act")- is enclosed an annexure to this report.

- h) 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. As informed to us 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For DMKH & CO.
CHARTED ACCOUNTANTS
FRN 0116886W**

**CA. Manish Kankani
M.No.158020
Place: Mumbai
Date: 30.05.2016**

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 maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
 - b. As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
 - c. The company does not have any immovable property.
- ii. As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
- iii. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (a), (b) and (c) of the order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, company has complied with the provision of section 185 and 186 of the Companies Act, 2013 In respect of loans, investment, guarantees, and security.
- v. The company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provision of sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules,2015 with regards to the deposits accepted from the public are not applicable.
- vi. As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- vii. According to information and explanations given to us and on basis of our examination of the books of account, and records, the company has been generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, value added tax, cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2016 for a period of more than six months from the date they became payable.
- viii. In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company has not taken any loan either from financial institutions or from the government and has not issued any debentures therefore this clause (viii) is not applicable.

- ix. Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) or taken any term loan during the year, therefore this clause (ix) is not applicable.
- x. According to the information and explanations given to us, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us, we report that managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- xii. The company is not a Nidhi Company. Therefore clause (xii) is not applicable to the company.
- xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.
- xiv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, therefore this clause (xiv) is not applicable.
- xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or person connected with him therefore this clause (xv) is not applicable.
- xvi. In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. And accordingly, therefore this clause (xvi) is not applicable.

**For DMKH & CO.
CHARTED ACCOUNTANTS
FRN 0116886W**

**CA. Manish Kankani
M.No.158020
Place: Mumbai
Date: 30.05.2016**

Annexure 'B'

REPORT ON INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

We have audited the internal financial controls over financial reporting of **N2N TECHNOLOGIES LIMITED** ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For DMKH & CO.
CHARTED ACCOUNTANTS
FRN 0116886W**

**CA. Manish Kankani
M.No.158020
Place: Mumbai
Date: 30.05.2016**

N2N TECHNOLOGIES LIMITED
(FORMERLY VISISTH MERCANTILE LIMITED)
BALANCE SHEET AS AT 31st MARCH, 2016
CIN:L72900PN1985PLC145004

Particulars		Note No.	As at 31 March, 2016	As at 31 March, 2015
			Rs.	Rs.
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	2	44,080,660	44,080,660
	(b) Reserves and surplus	3	142,441,418	142,624,276
			186,522,078	186,704,936
2	Non-current liabilities			
	(a) Long-term borrowings	4	1,250,000	250,000
	(b) Deferred tax liabilities		-	-
	(c) Other long-term liabilities		-	-
	(d) Long-term provisions		-	-
			1,250,000	250,000
3	Current liabilities			
	(a) Short-term borrowings	5	-	-
	(b) Trade payables	6	4,721,000	4,843,573
	(c) Other current liabilities	7	284,116	251,916
	(d) Short-term provisions	8	242,444	254,273
			5,247,559	5,349,762
	TOTAL		193,019,637	192,304,696
B	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	9	322,682	435,410
	(ii) Intangible assets		93,450,216	94,099,622
	(iii) Capital work-in-progress		-	-
	(iv) Intangible assets under development		-	-
	(v) Fixed assets held for sale		-	-
			93,772,898	94,535,032
	(b) Non-current investments	10	32,450,000	32,450,000
	(c) Deferred tax assets (net)		2,749,276	2,725,048
	(d) Long-term loans and advances		-	-
	(e) Other non-current assets		-	-
			35,199,276	35,175,048
2	Current assets			
	(a) Current investments		-	-
	(b) Inventories	11	160,470	181,637
	(c) Trade receivables	12	11,674,071	10,078,200
	(d) Cash and cash equivalents	13	217,625	82,045
	(e) Short-term loans and advances	14	51,802,814	52,252,734
	(f) Other current assets	15	192,481	-
			64,047,462	62,594,616
	TOTAL		193,019,636	192,304,696
	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. MANISH KANKANI

Partner

M.No.-158020

Place : MUMBAI

Date : 30.05.2016

RAHUL D. SHAH

Director

DIN:01545609

NISHANT UPADHYAY

Director

DIN:02128886

N2N TECHNOLOGIES LIMITED
(FORMERLY VISISTH MERCANTILE LIMITED)
STATEMENT FOR PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2016
CIN:L72900PN1985PLC145004

Particulars		Note No.	For the year ended	For the year ended
			31 March, 2016	31 March, 2015
			Rs.	Rs.
A	CONTINUING OPERATIONS			
1	Revenue from operations (gross)		-	-
2	Other income	16	1,782,608	1,418,779
3	Total revenue		1,782,608	1,418,779
4	Expenses			
	(a) Cost of Goods Sold	17	21,167	362,753
	(b) Employee benefits expense	18	30,000	367,500
	(d) Depreciation and amortisation expense	9	762,134	801,514
	(e) Other expenses	19	1,176,393	632,698
	Total expenses		1,989,694	2,164,465
5	Profit / (Loss) before exceptional and extraordinary items and tax		(207,086)	(745,686)
6	Exceptional items		-	-
7	Profit / (Loss) before extraordinary items and tax (5 ± 6)		(207,086)	(745,686)
8	Prior Period Exp		-	-
9	Profit / (Loss) before tax (7 ± 8)		(207,086)	(745,686)
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		-24,228	30,397
			24,228	(30,397)
11	Profit / (Loss) for the year		(182,858)	(776,083)
12	Earnings per share (of Rs. 10/- each):			
	(a) Basic		-0.04	-0.18
	(b) Diluted		-0.04	-0.18
	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. MANISH KANKANI
Partner
M.No.-158020
Place : MUMBAI
Date : 30.05.2016

RAHUL D. SHAH **NISHANT UPADHYAY**
Director Director
DIN:01545609 DIN:02128886

N2N TECHNOLOGIES LIMITED (FORMERLY VISISTH MERCANTILE LIMITED)				
Cash Flow Statement for the year ended 31 March, 2016				
Particulars	For the year ended 31 March, 2016		For the year ended 31 March, 2015	
	Rs.	Rs.	Rs.	Rs.
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		(182,858)		-776,083
<i>Adjustments for:</i>				
Depreciation and amortisation	762,134		801,514	
Interest income	(1,759,320)		(1,418,779)	
Dividend Income	-		-	
Deferred tax Asset	(24,228)		30,397	
		(1,021,415)		-586,868
Operating profit / (loss) before working capital changes		(1,204,272)		-1,362,951
<i>Changes in working capital:</i>				
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Inventories	21,167		362,753	
Trade receivables	(1,595,871)		-1,312,811	
Short-term loans and advances	449,920		254,194	
Other current Assets	(192,481)		447,942	
<i>Adjustments for increase / (decrease) in operating liabilities:</i>				
Trade payables	(122,573)		(75,951)	
Other current liabilities	32,200		228,595	
Other long-term liabilities	1,000,000		-	
Short-term provisions	-11,829.00		27,094	
Long-term provisions				
Cash flow from extraordinary items		(419,467)		(68,184)
Cash generated from operations		-		-
Net income tax (paid) / refunds		(1,623,740)		(1,431,135)
Net cash flow from / (used in) operating activities (A)		(1,623,740)		(1,431,135)
B. Cash flow from investing activities				
Loans Taken				
-Loans repayment	0		-100	
Purchase of fixed assets - merger	-		-	
Dividend Income	-		-	
Interest Income	1,759,320		1,418,779	
		1,759,320		1,418,679
Cash flow from extraordinary items		-		-
Net income tax (paid) / refunds		1,759,320		1,418,679
Net cash flow from / (used in) investing activities (B)		1,759,320		1,418,679
C. Cash flow from financing activities				
Proceeds from issue of share capital/premium		-		-
Net cash flow from / (used in) financing activities (C)		-		-
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		135,580		(12,454)
Cash and cash equivalents at the beginning of the year		82,045		94,499
Cash and cash equivalents at the end of the year		217,625		82,045
Reconciliation of Cash and cash equivalents with the		217,625		82,045
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				
In terms of our report attached.				
For DMKH & Co. Chartered Accountants FRN:- 116886W			For and on behalf of the Board	
CA. MANISH KANKANI Partner M.No.-158020 Place : MUMBAI Date: 30.05.2016		RAHUL D. SHAH Director DIN:01545609		NISHANT UPADHYAY Director DIN:02128886

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:

- Sun lounge – right wing of ground floor, Suzlon one earth opposite Magarpatta city, Hadapsar Pune - 411028..

C. Subsidiary Company

- The Company was holding 3,24,500 shares of Rs.100/- each of DSR Infotech Limited constituting 68.39% as on 31st March 2016. Thus, Holding Company of DSR Infotech Limited. However, DSR Infotech Ltd has issued further 1,89,800 Shares to Other Shareholders, consequently Company's Holding is reduced to 48.85%. Therefore DSR Infotech Ltd is no longer a Subsidiary of the Company, as on Date.

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, 2016		As at 31 March, 2015	
	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	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, 2016		As at 31 March, 2015	
	Number of shares	Rs.	Number of shares	Rs.
Equity Shares				
At the beginning of the year	4,408,066	44,080,660	4,408,066	44,080,660
Issued during the year	-	-	-	-
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, 2016		As at 31 March, 2015	
	Number of shares	% Shareholding	Number of shares	% Shareholding
RAHUL DILIP SHAH	1,378,480	31.27	1,378,480	31.27
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]	2,751,046	62.41	2,751,046	62.41

Note : Apart from above promoter Mr.Rahul Shah is beneficial owner of 13000 shares as informed by management

(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, 2016	As at 31 March, 2015
	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	(3,579,810)	(2,786,429)
Add: Transferred from surplus in Statement of Profit and Loss	(182,858)	(776,082)
Less: Utilised / transferred during the year for:	0	(17,299)
Closing balance	(3,762,668)	(3,579,810)
(c) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	-	-
Add: Profit / (Loss) for the year	(182,858)	(776,082)
Less: Profit / (Loss) transfer to General Reserve	(182,858)	(776,082)
Closing balance	-	-
Total	142,441,418	142,624,276

NOTE 4 - LONG TERM BORROWINGS

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
(a) Other loans and advances (From Directors)		
Unsecured		
Rahul Shah	1,000,000	-
(b) Other loans and advances (From Corporate)		
Unsecured		
Tapas Pharmachem Ltd	250,000	250,000
Total	1,250,000	250,000

NOTE 5 - SHORT TERM BORROWINGS

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
(a) Bonds / debentures		
Unsecured		
Total	-	-

N2N TECHNOLOGIES LIMITED

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,2015	Additions/Deletions	Balance as at 31st March, 2016	Balance as at 1st Apr, 2015	Depreciation / amortisation expense for the year	Balance as at 31st March, 2016	Balance as at 31st March, 2016	Balance as at 31st March, 2015
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
	(a) Furniture and Fixtures	-	-	-	-	-	-	-	-
	(b) Vehicles-Motor Car	2,470,559	-	2,470,559	2,035,149	112,728	2,147,877	322,682	435,410
	(c) Printer	-	-	-	-	-	-	-	-
	(d) Computers	-	-	-	-	-	-	-	-
	(e) Air Conditioner	-	-	-	-	-	-	-	-
	Total	2,470,559	-	2,470,559	2,035,149	112,728	2,147,877	322,682	435,410
	Previous year	2,698,840	-	2,470,559	2,094,021	152,108	2,035,149	435,410	604,819

* Information regarding assets under lease (taken or given), where applicable, may also be given as a separate note for each class of asset.

? Asset disposals through demergers and amounts written off on reduction of capital should be disclosed separately for each class of assets.

? Also give details such as gross book value of revalued assets, method adopted to compute revalued amounts, nature of indices used, year of appraisal, involvement of external valuer as long as the concerned assets are held by the Company.

B.	Intangible assets	Gross Block			Amortisation			Net block	
		Balance as at 1st April,2015	Additions/Deletions	Balance as at 31st March, 2016	Balance as at 1st Apr, 2015	Depreciation / amortisation expense for the year	Balance as at 31st March, 2016	Balance as at 31st March, 2016	Balance as at 31st March, 2015
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
	(a) Goodwill	3,247,028	-	3,247,028	649,406	649,406	1,298,812	1,948,216	2,597,622
	(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	1,298,812	93,450,216	94,099,622
	Previous year	94,749,028	-	94,749,028	-	649,406	649,406	94,099,622	94,749,028

N2N TECHNOLOGIES LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE-10 NON CURRENT INVESTMENT

Particulars	As at 31 March, 2016			As at 31 March, 2015		
	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, 2016	As at 31 March, 2015
	Rs.	Rs.
(a) Stock-in-trade of Shares	160,470	181,637
ELPRO International Limited (6 shares @ Rs.315)		
JMD TELEFILMS INDUSTRIES LIMITED (70,000 shares @ Rs.7.75)		
Total	160,470	181,637

Market Value as on 31.03.16 - 28.35/-
Market Value as on 31.03.16 - 2.29/-

NOTE- 12 TRADE RECEIVABLES

Particulars	As at 31 March, 2016	As at 31 March, 2015
	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	11,674,071	10,078,200
Doubtful	-	-
	11,674,071	10,078,200
Less: Provision for doubtful trade receivables	-	-
	11,674,071	10,078,200
Total	11,674,071	10,078,200

N2N TECHNOLOGIES LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE- 13 CASH & CASH EQUIVALENTS

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
(a) Cash on hand	15,626	15,626
(b) Balances with banks		
(i) In current accounts	196,729	61,149
(ii) In earmarked accounts		
- Unpaid dividend accounts	5,270	5,270
Total	217,625	82,045

(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, 2016	As at 31 March, 2015
	Rs.	Rs.
(a) Loans and advances to related parties		
DSR Infotech Private Limited	25,027,081	25,363,942
	25,027,081	25,363,942
(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	244,030	248,477
Tds A.Y. 2013-14	-	108,612
Tds A.Y. 2014-15	90,853	90,853
Tds A.Y. 2015-16	105,868	105,868
Doubtful	-	-
	26,775,733	26,888,792
Less: Provision for other doubtful loans and advances	-	-
	26,775,733	26,888,792
Total	51,802,814	52,252,734

NOTE- 15 OTHER CURRENT ASSETS

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
(d) Others		
(iv) Others (specify nature)		
TDS Receivable	163,449	-
Service Tax Input Credit	29,032	
Total	192,481	-

N2N TECHNOLOGIES LIMITED

NOTE- 16 OTHER INCOME

	Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
		Rs.	Rs.
(a)	Interest income (TDS Rs. 1,63,449/-)	1,759,320	1,418,779
(b)	Dividend income	-	
(c)	Other non-operating income	23,288	-
	Total	1,782,608	1,418,779

NOTE -17 COST OF GOODS SOLD

	Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
		Rs.	Rs.
(a)	Opening Stock	181,637	544,390
	Add: Purchases	-	-
		181,637	544,390
	Less: Closing Stock	160,470	181,637
	Cost of Goods Sold	21,167	362,753
	Total	21,167	362,753

NOTE- 18 EMPLOYEE BENEFIT EXPENSES

		For the year ended 31 March, 2016	For the year ended 31 March, 2015
		Rs.	Rs.
(a)	Salaries and wages	30,000	367,500
(b)	Staff Welfare Expenses	-	-
		30,000	367,500

N2N TECHNOLOGIES LIMITED**NOTES FORMING PART OF FINANCIAL STATEMENTS****NOTE- 19 OTHER EXPENSES**

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
	Rs.	Rs.
AGM/Shareholding Meeting Expenses	-	-
Advertisement Expenses	35,520	68,224
Audit Fee (as per below note (i))	75,000	75,000
Bank Charges	119	168
BSE Listing Fees	-	-
Annual Custody Fees	14,000	19,100
Profession Tax	-	2,500
Filing Fees	16,350	34,035
Office Exp	-	11,451
Postage & courier Chareges	506	9,323
Printing & Stationary	41,520	11,966
Legal & Professional Expenses	121,800	97,318
Travelling Expenses	-	1,760
RTA Charges	-	-
Director Sitting Fees	-	250,000
Rates & Taxes	423	33,400
Penalties	871,155	18,453
Assets written off	-	-
Total	1,176,393	632,698

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.** 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.
- 26.** 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, 2016

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)		--		
Loan/Advance				
Gross Loans/Advance Given			--	--
Loans Given – Refund Received	1,00,000 4,36,861			
Debit Balance as on 31.03.2016	2,50,27,081		--	--

27. 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	2015-16 Amt (Rs.)	2014-15 Amt (Rs.)
Net profit/(Loss) after Tax as per P & L Account	(1,82,858)	(7,76,082)
Weighted Average No. of equity share outstanding	44,08,066	44,08,066
Basic Earnings per Share	(0.04)	(0.18)
Diluted Earnings per share	(0.04)	(0.18)

28. 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	2015-16 Amt (Rs.)	2014-15 Amt (Rs.)
Opening Balance of Deferred Tax Assets	27,25,048	27,55,445
Add: Deferred Tax liability during the Year	(24228)	(30397)
Closing Deferred Tax Asset/(Liability)	27,49,276	27,25,048

29. 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.

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

For and on behalf of the Board

**CA. Manish Kankani
Partner
M. No. 158020
Place : Mumbai
Date : 30.05.2016**

**Rahul D.
Shah
Director
Din:01545609**

**Nishant
Upadhyay
Director
Din:02128886**



**CONSOLIDATED
FINANCIAL STATEMENTS**

2015-2016



**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, comprising of the Consolidated Balance Sheet as at 31st March, 2016, 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 in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 thereunder.

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

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.

Basis of Qualified Opinion

We draw attention to Note 1 to the consolidated financial statements regarding non availability of Financial Statements of Associates Companies (IDHA Group), Katlyst Technologies INC. 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, **except for the effects of the matter described in the Basis of Qualified Opinion paragraph**, 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, as at 31st March, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

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 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) *Except for the effects of the matter described in the Basis of Qualified Opinion Paragraph*, 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) In respect of matter having adverse effect on functioning of Company refer Basis of Qualified Opinion**
- f) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the report of the statutory audit of its subsidiary company, none of the directors of the Group is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- g) Report on the Internal Financial Controls under Clause (1) of Sub-section 3 of section 143 of the companies Act, 2013 ("the Act")- is enclosed an annexure to this report
- h) 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.
 - 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
 - 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. Manish Kankani
Partner
M.No.158020
Place: Mumbai
Date: 12.11.2016

Annexure 'A'

REPORT ON INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

We have audited the internal financial controls over financial reporting of **N2N TECHNOLOGIES LIMITED** ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to

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

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For DMKH & Co.
Chartered Accountants
FRN – 116886W

CA. Manish Kankani
Partner
M.No.158020
Place: Mumbai
Date: 12.11.2016

N2N TECHNOLOGIES LIMITED
(FORMERLY VISISTH MERCANTILE LIMITED)
CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2016

Particulars		Note No.	As at 31 March, 2016	As at 31 March, 2015
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	2	44,080,660	44,080,660
	(b) Reserves and surplus	3	35,048,880	186,800,983
	(c) Minority Interest		-34,691,407	35,562,838
			44,439,333	266,444,481
2	Non-current liabilities			
	(a) Long-term borrowings	4	162,927,815	146,535,222
	(b) Deferred tax liabilities		-	-
	(c) Other long-term liabilities	5	-	-
	(d) Long-term provisions		-	-
			162,927,815	146,535,222
3	Current liabilities			
	(a) Short-term borrowings	6	-	-
	(b) Trade payables	7	8,139,587	8,545,182
	(c) Other current liabilities	8	32,456,366	14,390,766
	(d) Short-term provisions	9	5,667,444	438,678
			46,263,398	23,374,626
	TOTAL		253,630,546	436,354,329
B	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	10	4,898,368	4,199,764
	(ii) Intangible assets		93,666,672	94,315,154
	(iii) Capital work-in-progress		-	23,100,000
	(iv) Intangible assets under development		-	-
	(v) Fixed assets held for sale		-	-
			98,565,040	121,614,918
	(b) Non-current investments		9,576,834	161,557,675
	(c) Deferred tax assets (net)		3,021,892	2,997,664
	(d) Long-term loans and advances	11	8,044,380	1,273,750
	(e) Other non-current assets	12	-	-
			20,643,106	165,829,089
2	Current assets			
	(a) Current investments			
	(b) Inventories	13	160,470	181,637
	(c) Trade receivables	14	11,674,071	74,211,326
	(d) Cash and cash equivalents	15	452,781	7,215,851
	(e) Short-term loans and advances	16	121,942,596	66,520,519
	(f) Other current assets	17	192,481	780,989
			134,422,400	148,910,322
	TOTAL		253,630,545	436,354,329
	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. MANISH KANKAN

Partner

M.No.-158020
Place : MUMBAI
Date : 12.11.2016

RAHUL D. SHAH **NISHANT UPADHYAY**
Director Director
DIN:01545609 DIN:02128886

N2N TECHNOLOGIES LIMITED
(FORMERLY VISISTH MERCANTILE LIMITED)
CONSOLIDATED STATEMENT FOR PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2016

Particulars		Note No.	For the year ended	For the year ended
			31 March, 2016	31 March, 2015
			Rs.	Rs.
A	CONTINUING OPERATIONS			
1	Revenue from operations (gross)	18	78,630,147	21,314,799
2	Other income	19	1,782,608	1,553,779
3	Total revenue		80,412,755	22,868,578
4	Expenses			
	(a) Cost of Goods Sold	20	21,167	362,753
	(d) Employee benefits expense	21	64,148,224	13,384,703
	(e) Finance costs	22	1,266,021	225,561
	(f) Depreciation and amortisation expense	10	2,281,404	2,639,851
	(g) Other expenses	23	19,834,093	7,933,153
	Total expenses		87,550,909	24,546,021
5	Profit / (Loss) before exceptional and extraordinary items and		-7,138,154	-1,677,443
6	Exceptional items - Debtors written off		61,076,672	
	- Current Investments Written off		91,130,774	
7	Profit / (Loss) before extraordinary items and tax (5 ± 6)		-159,345,600	-1,677,443
8	Extraordinary items		-	-
9	Profit / (Loss) before tax (7 ± 8)		-159,345,600	-1,677,443
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		-24,227.87	242,221.00
			24,228	-242,221
11	Profit / (Loss) After tax		-159,321,372	-1,435,222
	Share of profit from Joint Venture		-	62,683,775
	Minority Interest		-50,303,305	19,605,987
12	Profit / (Loss) for the year		-109,018,067	41,642,566
13	Earnings per share (of Rs. 10/- each):			
	(a) Basic		-2.47	9.45
	(b) Diluted		-2.47	9.45
	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. MANISH KANKANI

Partner

M.No.-158020

Place : MUMBAI

Date : 12.11.2016

RAHUL D. SHAH

Director

DIN:01545609

NISHANT UPADHYAY

Director

DIN:02128886

N2N TECHNOLOGIES LIMITED
(FORMERLY VISISTH MERCANTILE LIMITED)

Consolidated Cash Flow Statement for the year ended 31 March, 2016

Particulars	For the year ended 31 March, 2016		For the year ended 31 March, 2015	
	Rs.	Rs.	Rs.	Rs.
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax	-7,136,954	-		-1,677,443
<i>Adjustments for:</i>				
Foreign currency translation difference				
Depreciation and amortisation	2,281,404		2,639,851	
Profit/ Loss on Sale of Assets			163,190	
Interest paid	1,266,021		225,561	
Interest income	-1,759,320		-1,418,779	
Minority Interest	-70,254,245		-612,762	
Changes in Reserves and Surplus	-144,613,948			
Dividend Income	-		-	
		-220,217,043		997,061
Operating profit / (loss) before working capital changes		-220,217,043		-680,382
<i>Changes in working capital:</i>				
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Inventories	21,167		362,753	
Trade receivables	62,537,255		-4,443,527	
Long- term loans and advances	-		-	
Short-term loans and advances	-55,422,077		476,110	
Other Non current Assets	-24,228		-	
Other current Assets	588,508		-105,868	
<i>Adjustments for increase / (decrease) in operating liabilities:</i>				
Short - Term Borrowings	-		99,643,410	
Trade payables	-405,595		-2,885,677	
Other current liabilities	18,065,600		12,012,486	
Short-term provisions	5,228,766		211,499.00	
Long-term provisions	-		-	
		30,589,396		105,271,186
Cash flow from extraordinary items		152,207,446		-
Cash generated from operations		-37,420,201		104,590,804
Net income tax (paid) / refunds				
Net cash flow from / (used in) operating activities (A)		-37,420,201		104,590,804
B. Cash flow from investing activities				
Advances Given	-6,770,630			
- Others	-		742,112	
Loan Repayment				
Investment in equity shares	151,980,841		-98,873,900	
Dividend Income	-		-	
Purchase of Assets	-2,331,526		-2,562,160	
Sale of Assets	23,100,000		1,866,298	
Interest Income	1,759,320		1,418,779	
Business purchase				
		167,738,005		-97,408,871
Cash flow from extraordinary items		-152,207,446		
		15,530,559		-97,408,871
Net income tax (paid) / refunds		-		-
Net cash flow from / (used in) investing activities (B)		15,530,559		-97,408,871
C. Cash flow from financing activities				
Proceed from long term borrowings				
Repayment Of Car Loan				

Particulars	For the year ended 31 March, 2016		For the year ended 31 March, 2015	
	Rs.	Rs.	Rs.	Rs.
Interest On Loan/Debentures	-1,266,021		-225,561	
Share Application Money/Issue of fresh shares	-		-	
Share Premium on Issue of Fresh Shares	-		-	
Foreign Exchange Fluctuation	-		-	
Capital Reserve on Consolidation	-		-	
Transfer to Minority Interest				
Repayment of Long term Borrowings				
Repayment of Long term liabilities				
Increase in Long term liabilities	16,392,593			
		15,126,572		-225,561
Net cash flow from / (used in) financing activities (C)		15,126,572		-225,561
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		-6,763,070		6,956,372
Cash and cash equivalents at the beginning of the year		7,215,851		259,479
Cash and cash equivalents at the end of the year		452,781		7,215,851
Reconciliation of Cash and cash equivalents with the		0		7,215,851

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

In terms of our report attached.

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

For and on behalf of the Board

CA. MANISH KANKANI
Partner
M.No.-158020
Place : MUMBAI
Date : 12.11.2016

RAHUL D. SHAH
Director
DIN:01545609

NISHANT UPADHYAY
Director
DIN:02128886

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 company 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.

- **Following company 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%

Note : After the balance sheet date , DSR Infotech Ltd had issued shares on rights basis to its shareholders in June 2016 to which N2N Technologies Ltd (N2N) have not subscribed , consequently the shareholding of N2N has come down to 48.85%

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
Idhasoft Limited	India	IT & IT Enabled Services	Subsidiary of DSR Infotech Limited. DSR Infotech Ltd holds 77% Shares.
Idhasoft Inc, Delaware	U.S.A.	IT & IT Enabled Services	Wholly owned subsidiary of The Idhasoft Limited
Apposite solutions Inc	U.S.A.	IT & IT Enabled Services	Wholly owned subsidiary of The Idhasoft Limited
Codesoft International Inc	U.S.A.	IT & IT Enabled Services	Wholly owned subsidiary of The Idhasoft Limited
Prodilink Solutions Inc	U.S.A.	IT & IT Enabled Services	Wholly owned subsidiary of The Idhasoft Limited
Roundbox Media S.A.	U.S.A.	IT & IT Enabled Services	Wholly owned subsidiary of The Idhasoft Limited
Idhalnc,	Canada	IT & IT Enabled Services	Wholly owned subsidiary of The Idhasoft Limited
Semafor Technologies Inc	U.S.A.	IT & IT Enabled Services	Wholly owned subsidiary of The Idhasoft Limited
Katalyst Technologies Inc	U.S.A.	IT & IT Enabled Services	Associate of DSR Infotech Limited. DSR Infotech Ltd holds 45% in Katalyst Technologies Inc

- 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, 2013. 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**

Subsidiary company has written off capital work-in-progress of Rs. 2,31,00,000 by passing a special resolution in Board Meeting. **Refer Note No. 24.**

- **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 as per information provided by management.

- **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, 2016		As at 31 March, 2015	
	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, 2016		As at 31 March, 2015	
	Number of shares	Rs.	Number of shares	Rs.
Equity Shares				
At the beginning of the year	4,408,066	44,080,660	4,408,066	44,080,660
Issued during the year	-	-	-	-
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, 2016		As at 31 March, 2015	
	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 their share of the 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.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3: RESERVES AND SURPLUS

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
(a) General reserve		
Opening balance	-1,644,038	24,553
Add: Profit During the year	-109,018,067	41,642,566
Less: Transferred to Capital Reserve on Consolidation	-1,323,874	-1,922,431
Less: Transferred to Minority Interest	-611,898	-888,551
Adjustment against consolidation	118,797	
Adjustment against fixed Asset	-	-147,770
Utilised/ Transferred during the year	-	-33,900
Closing balance	-112,479,080	38,674,467
(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	1,323,874	1,922,430
Less: Utilised / transferred during the year	-	-
Closing balance	1,323,874	1,922,430
Total	35,048,880	186,800,983

NOTE 4 - LONG TERM BORROWINGS

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
(a) Term loans		
From banks	997,242	
Secured - Debentures	145,000,000	146,210,222
Secured - Others	16,602,815	-
(b) Other loans and advances		
Unsecured	75,000	75,000
Tapas Pharmachem Ltd	250,000	250,000
Others - Rahul Shah	1,000,000	-
Total	162,927,815	146,535,222

NOTE 5 - OTHER LONG-TERM LIABILITIES

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
(a) Others		
Unsecured	-	-
Total	-	-

**N2N TECHNOLOGIES LIMITED
(FORMERLY VISISTH MERCANTILE LIMITED)
NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS**

N2N TECHNOLOGIES LIMITED
(FORMERLY VISISTH MERCANTILE LIMITED)
NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE 6 - SHORT TERM BORROWINGS

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
(a) Loans repayable on demand		
From banks		
Secured	-	-
(b) Loans and advances from related parties		
Unsecured		
Others		
(c) Other loans and advances		
Bonds / debentures		
Unsecured	-	
Optionally Convertible Debentures-Vijay Chheda	-	-
Vijay Chheda	-	-
Debentures	-	-
Debenture Application Money	-	-
Total	-	-

NOTE- 7 TRADE PAYABLES

Particulars	As at 31 March,	As at 31 March,
	Rs.	Rs.
Trade payables:		
Other than		
Abdul Karim Kazi	10,250	10,250
Proglie Corporate Services	2,248	2,248
DMKH & Co.	-	166,493
Salary Payable	16,601	14,383
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	3,460,289	3,701,609
Total	8,139,587	8,545,182

NOTE-8 OTHER CURRENT LIABILITIES

Particulars	As at 31 March,	As at 31 March,
	Rs.	Rs.
(a) Unpaid dividends		
(b) Other payables		
Statutory remittances(TDS payable)	1,405,778	5,559,957
Expenses Payable	5,518	5,518
Other Current Liability	8,445,070	6,325,291
Bank overdraft	-	-
Advance from customers	2,500,000	2,500,000
Interest accrued & due on debentures	-	-
Advance from Katalyst Technologies Ltd	20,100,000.00	-
(c) Share Application Money	-	-
Total	32,456,366	14,390,766

*Received by Katalyst Technologies Inc

**N2N TECHNOLOGIES LIMITED
(FORMERLY VISISTH MERCANTILE LIMITED)
NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS**

NOTE-9 SHORT TERM PROVISIONS

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
Provision - Others:		
(i) Provision for tax	227,179	227,179
(ii) Provision - others	5,440,265	211,499
Total	5,667,444	438,678

N2N TECHNOLOGIES LIMITED
(FORMERLY VISISITH MERCANTILE LIMITED)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE-10 FIXED ASSETS

A.	Tangible assets	Gross block						Balance as at 31 March, 2015	Balance as at 31 March, 2015
		Balance as at 1 April, 2015	Additions	Disposals	Borrowing cost capitalised	Other adjustments	Balance as at 31 March, 2016		
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		
	(a) Furniture and Fixtures	3,154,506	-	-	-	-	3,154,506	3,154,506	
	(b) Vehicles-Motor Car	4,145,088	-	-	-	-	4,145,088	4,145,088	
	(c) Printer	10,250	-	-	-	-	10,250	10,250	
	(d) Computers	3,964,365	2,116,179	-	-	-	6,080,544	3,964,365	
	(e) Air Conditioner	99,960	-	-	-	-	99,960	99,960	
	(f)Office equipments	657,390	177,997	-	-	-	835,387	657,390	
	(g)Electrical Installation	473,884	7,100	-	-	-	480,984	473,884	
	(h)Leasehold Improvement	1,376,163	-	-	-	-	1,376,163	1,376,163	
	(i)Building	-	-	-	-	-	-	-	
	(j)Land	-	-	-	-	-	-	-	
	Total	13,881,606	2,301,276	-	-	-	16,182,882	13,881,606	
B.	Intangible assets	Gross block						Balance as at 31 March, 2015	Balance as at 31 March, 2015
		Balance as at 1 April, 2015	Additions	Disposals	Borrowing cost capitalised	Other adjustments	Balance as at 31 March, 2016		
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		
	(k)Softwares	91,752,797	30,250	-	-	-	91,783,047	91,752,797	
	(l) Goodwill	3,247,028	-	-	-	-	3,247,028	3,247,028	
	Total	94,999,825	30,250	-	-	-	95,030,075	94,999,825	

NOTE-10 FIXED ASSETS (CONTD.)

A.	Tangible assets	Accumulated depreciation and impairment			Net block		Net block	
		Balance as at 1 April, 2015	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Balance as at 31 March, 2016	Balance as at 31 March, 2016	Balance as at 31 March, 2015	
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
	(a) Furniture and Fixtures	1,827,238	343,370	-	2,170,608	982,896	1,326,266	
	(b) Vehicles-Motor Car	2,394,340	568,108	-	2,962,448	1,325,452	1,893,560	
	(c) Printer	10,216	-	-	10,216	-	-	
	(d) Computers	3,387,805	493,248	-	3,881,053	2,196,286	573,355	
	(e) Air Conditioner	86,900	-	-	86,900	-	-	
	(f)Office equipments	459,122	142,878	-	602,000	233,387	198,268	
	(g)Electrical Installation	265,569	55,068	-	320,637	160,347	208,315	
	(h)Leasehold Improvement	412,849	-	-	412,849	-	-	
	(i)Building	-	-	-	-	-	-	
	(j)Land	-	-	-	-	-	-	
	Total	8,844,039	1,602,672	-	10,446,711	4,898,368	4,199,764	
B.	Intangible assets	Accumulated depreciation and impairment			Net block		Net block	
		Balance as at 1 April, 2015	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Balance as at 31 March, 2016	Balance as at 31 March, 2016	Balance as at 31 March, 2015	
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
	(k)Softwares	35,265	29,326	-	64,591	91,718,456	91,717,532	
	(l) Goodwill	649,406	649,406	-	1,298,812	1,948,216	2,597,622	
	Total	684,671	678,732	-	1,363,403	93,666,672	94,315,154	

**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, 2016	As at 31 March, 2015
	Rs.	Rs.
(a) Security deposits		
Secured, considered good		
Unsecured, considered good		
Magarpatta Office	1,200,000	1,200,000
VSNL & Vodafone	78,750	73,750
Suzlon Energy Limited	6,760,000	
With MSEDCL	5,630	
Total	8,044,380	1,273,750

NOTE-12 OTHER NON CURRENT ASSETS

Particulars	As at 31 March, 2016	As at 31 March, 2015
		Rs.
(a) Unamortised expenses		
Board Share Project		-
Total		-

NOTE- 13 INVENTORIES

(At lower of cost and net realisable value)

Particulars	As at 31 March, 2016	As at 31 March, 2015
		Rs.
(a) Stock-in-trade of Shares		
ELPRO International Limited(6 shares @ Rs.315)	160,470	181,637
JMD TELEFILMS INDUSTRIES LIMITED (70,000 shares @ Rs.7.75)		
Total	160,470	181,637

NOTE- 14 TRADE RECEIVABLES

Particulars	As at 31 March, 2016	As at 31 March, 2015
	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	11,674,071	61,400,526
Doubtful	-	-
	11,674,071	61,400,526
Less: Provision for doubtful trade receivables	-	-
	11,674,071	61,400,526
Other Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	-	12,810,800
Doubtful	-	-
	-	12,810,800
Less: Provision for doubtful trade receivables	-	-
	-	12,810,800
Total	11,674,071	74,211,326

**N2N TECHNOLOGIES LIMITED
(FORMERLY VISISTH MERCANTILE LIMITED)
NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS**

NOTE- 15 CASH & CASH EQUIVALENTS

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
(a) Cash on hand	39,258	28,907
(b) Balances with banks		
(i) In current accounts	402,254	7,181,674
(ii) In deposit accounts	6,000	
(iii) In earmarked accounts		
- Unpaid dividend accounts	5,270	5,270
Total	452,781	7,215,851

(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

NOTE- 16 SHORT TERM LOANS & ADVANCES

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
(a) Loans and advances to related parties		
Rahul Shah	95,098,183	39,805,889
	95,098,183	39,805,889
(b) Prepaid expenses - Unsecured, considered good	68,680	606,827
(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	-	-
(ii) Income Tax	440,751	-
(iii) MAT Credit Entitlement	227,179	-
	667,930	-
Total	121,942,596	66,520,519

NOTE- 17 OTHER CURRENT ASSETS

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
(a) Others		
(i) Others (specify nature)		
(i) Service Tax credit receivable	29,032	227,179
(ii) TDS receivable	163,449	553,810
Others		
Total	192,481	780,989

N2N TECHNOLOGIES LIMITED
(FORMERLY VISISTH MERCANTILE LIMITED)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE- 18 REVENUE FROM OPERATIONS

	Particulars	As at 31 March, 2016	As at 31 March, 2015
		Rs.	Rs.
(a)	Professional service rendered	78,630,147	-
(b)	Software Development Charges	-	21,314,799
	Total	78,630,147	21,314,799

NOTE- 19 OTHER INCOME

	Particulars	As at 31 March, 2016	As at 31 March, 2015
		Rs.	Rs.
(a)	Interest income	1,759,320	1,418,779
(b)	Dividend income	-	-
(c)	Other non-operating income	23,288	135,000
	Total	1,782,608	1,553,779

NOTE -20 COST OF GOODS SOLD

	Particulars	As at 31 March, 2016	As at 31 March, 2015
		Rs.	Rs.
(a)	Opening Stock	181,637	544,390
	Add: Purchases		
		181,637	544,390
	Less: Closing Stock	160,470	181,637
	Cost of Goods Sold	21,167	362,753
(b)	Cost of Sales		
	Total	21,167	362,753

NOTE- 21 EMPLOYEE BENEFIT EXPENSES

	Particulars	As at 31 March, 2016	As at 31 March, 2015
		Rs.	Rs.
(a)	Salaries and wages	63,979,488	13,233,650
(b)	Staff Welfare Expenses	168,736	151,053
	Total	64,148,224	13,384,703

N2N TECHNOLOGIES LIMITED
(FORMERLY VISISTH MERCANTILE LIMITED)
NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

NOTE- 22 FINANCE COST

Particulars	As at 31 March,	As at 31 March,
	2016	2015
	Rs.	Rs.
(a) Interest expense on:		
(i) Borrowings	1,222,485	123,466
(ii) Others	43,536	102,095
Total	1,266,021	225,561

NOTE- 23 OTHER EXPENSES

Particulars	As at 31 March,	As at 31 March,
	2016	2015
	Rs.	Rs.
Advertisement Expenses	53,720	68,224
Audit Fee (as per below note (i))	155,000	153,750
Bank Charges	42,948	22,318
BSE Listing Fees	-	-
Electricity Charges	952,812	795,820
Travelling Expenses	1,300,421	515,884
Communication Expenses	295,195	110,631
Filing Fees	92,194	71,975
Misc Expenditure	321,617	355,965
Postage & courier Charges	506	9,323
Printing & Stationary	291,776	83,463
Vehicles Expenses	71,022	68,703
Insurance	237,819	-
Legal & Professional Expenses	1,367,121	675,685
Amalgamation/Merger Expenses	-	-
RTA Charges	-	-
Director Sitting Fees	-	250,000
Computer & Internet Expenses	2,066,555	1,076,745
Recritment Expenses	1,184,885	-
Office Expenses	487,916	527,771
Rent	7,754,503	2,270,808
Repairs and maintenance -Others	122,831	123,867
Charitable contributions	-	-
Annual Custody Fees	14,000.00	-
Security Services	123,347.00	-
Sales & Marketing	-	-
PF Employer Contribution	885,139.00	-
Subscriptions & Dues	-	-
Income Tax Paid - Compounding Fees	1,116,511.00	-
Sec. 234E Fees Paid	4,837.00	-
Input Tax Paid - Swachha Bharat Abhiyan	20,263.00	9,134
Profession Tax	-	5,000
Penalties	871,155	18,453
Boardshare Project W/off	-	44,634
Bad Debts	-	675,000
Total	19,834,093	7,933,153

NOTE- 22 FINANCE COST

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
(a) Interest expense on:		
(i) Borrowings	1,222,485	123,466
(ii) Others	43,536	102,095
Total	1,266,021	225,561

Note 23 Other expenses (contd.)

Notes:

Particulars	As at 31 March, 2016	As at 31 March, 2015
	Rs.	Rs.
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditors - statutory audit	155,000	153,750
For taxation matters		
For company law matters		
For management services		
For other services		
Reimbursement of expenses		
Total	155,000	153,750

N2N TECHNOLOGIES LIMITED

Notes forming part of Consolidated financial statements

24. 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 was 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, it has been decided in the board meeting on 1st Sept 2016 that the whole amount of **capital WIP is to be written off by passing a special resolution.**

25. Exceptional Items

a) Debtors balance of Rs. 6,10,76,672 has been written off by passing a Board resolution on 1st September 2016 in DSR, No specific reason has been given by management.

b) Investment made in Idhasoft Ltd (Subsidiary of DSR Infotech Ltd.) has been written off by 91% amounting to Rs. 91,130,774 and payment for all the expenses have been made on behalf of Idhasoft Ltd by DSR. No specific reason has been given by management.

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

27. 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.

28. 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.

29. 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.

30. 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.

31. 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 Technologies Inc	Associate company of DSR infotech Limited
Idhasoft Ltd	Subsidiary 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	78518626
2	Unsecured Loan Received / Received Back	10,00,000/-	Nil
3	Trade Advance Taken	Nil	2,01,00,000/-
4	Unsecured Loan given		5,75,00,000/-
5	Loans Recovered	38,80,000/-	
6	Balances as on March 31, 2016		
7	Trade Receivables due to Related Parties (Receivable from Katalyst by DSR)	Nil	Nil
8	Loans Given	3,60,63,744/-	5,68,61,055/-
9	Loans / Advances Received	10,00,000/-	2,01,00,000/-

32. 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	Nil
Outside India	7,86,30,147/-
Total	7,86,30,147/-

33. Earnings in Foreign Currency :

Professional services and software development charges Rs. 7,86,30,147/- (Previous Year – Rs.2,13,14,799/-)

34. 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	2015-16 Amt (Rs.)	2014-15 Amt (Rs.)
Net profit/(Loss) after Tax as per P & L Account	-109016867	41642566
Weighted Average No. of equity share outstanding	4408066	4408066
Basic Earnings per Share	-2.47	9.45
Diluted Earnings per share	-2.47	9.45

35. 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)	2015-16 Amt (Rs.)	2014-15 Amt (Rs.)
Opening Balance of Deferred Tax Asset/(Liability)	29,97,664	27,55,445
Add: Deferred Tax Asset during the Year	24,228	2,42,219
Closing Deferred Tax Asset/(Liability)	30,21,892	29,97,664

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.	235.71	18,65,22,078	(0.167)	(1,82,858)
DSR Infotech Ltd	-138.55	- 10,96,32,742	145.87	(15,90,18,514)

Minority Interest – Rs. (-) 3,46,91,407/-

For D M K H & CO.

Chartered Accountants
Firm Registration No.116886W

For and on behalf of the Board

CA. Manish Kankani
Partner
M. No. 158020

Rahul Shah
Director
DIN:01545609

Nishant
Upadhyay
Director
DIN:02128886

Place : Mumbai
Date : 12.11.2016

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N2N TECHNOLOGIES LIMITED

Registered Office: Sun Lounge-Ground floor, Suzlon One Earth, Opp. Magarpatta city , Hadapsar, 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 31st Annual General Meeting of the Company held on Friday, December 30, 2016 at 1.00 p.m. Hotel Nandadeep, 135/A Tadiwala Road, Near Pune Railway Station, Pune – 411001., Maharashtra 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, Suzlon One Earth, Opp. Magarpatta city , Hadapsar, 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 31st Annual General Meeting of the Company to be held on Friday, December 30, 2016 at 1.00 p.m. at Hotel Nandadeep, 135/A Tadiwala Road, Near Pune Railway Station, Pune – 411001.,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
Ordinary Business :			
1	To receive, consider and adopt the Balance Sheet for the year ended March 31, 2016 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, 2016 along with the Auditors' Report thereon		
2	Re-appointment of Mr Rahul Shah, as Director who retires by rotation		
3	Ratification of the Appointment of M/s. DMKH & Co, Chartered Accountants, as Statutory Auditors .		
Special Business :			
4	Appointment of Ms.Mahalakshmi Dandapani as an Independent Director		
5	Appointment of Mr.Nishant Upadhyay as an Independent Director of the Company		
6	Appointment of Mr. Akhand Pratap Singh as an Independent Director of the Company		
7	Sale, Transfer or Disposal of the shares held by the company in DSR INFOTECH LIMITED (Associate Company): (Postal Ballot Resolution)	XX	XX

*This is optional
XX Not Applicable

Signed the _____ day of _____ 2016
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

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N2N TECHNOLOGIES LIMITED

ANNUAL REPORT

2015-2016

To,

If undelivered, please return to:

Universal Capital Securities Private Limited

UNIT: N2N TECHNOLOGIES LIMITED

21/25 Shakil Niwas, Opp. Satya Saibaba Temple,

Mahakali Caves Road, Andheri (East), Mumbai - 400 093