

**DIRECTORS' REPORT**

To  
The Members of  
**XELPMOC DESIGN AND TECH PRIVATE LIMITED**

Your Directors have pleasure in presenting the **1<sup>st</sup> Annual Report** of the Company and the audited Annual Accounts for the year ended **31<sup>st</sup> March, 2016**. The Company has been incorporated on 16<sup>th</sup> September, 2015 and this is the first financial year of the Company, hence the figures of last year could not be provided.

**1. FINANCIAL RESULTS AND APPROPRIATION OF PROFITS:**

(Amount in Rs.)	
Particulars	Period Starting from 16 <sup>th</sup> September, 2015 to 31 <sup>st</sup> March, 2016
Revenue from services	2,08,333
Other Income	—
<b>Total Revenue</b>	<b>2,08,333</b>
<b>Profit /Loss before Interest &amp; Depreciation</b>	<b>(1,63,46,052)</b>
Less : Interest	—
Less : Depreciation and amortization expenses	1,51,379
<b>Profit/Loss before Tax</b>	<b>(1,64,97,431)</b>
Less: Provision For Income Tax	—
<b>Profit/Loss After Tax</b>	<b>(1,64,97,431)</b>

**2. STATE OF COMPANY'S AFFAIRS, BUSINESS OVERVIEW AND FUTURE OUTLOOK**

In the first year, your Company has recorded sales of Rs.2,08,333/- and incurred a Net Loss of Rs.1,64,97,431/-.

Further your company is taking effective steps to strengthen the profitability and financial soundness of the Company.

During the period under review, there were no changes in Company's nature of business.

**3. CONSOLIDATION OF FINANCIAL STATEMENT:**

The Company does not have any Subsidiaries, Associates or Joint Ventures, hence Consolidation of Financial Statement could not be provided. However, the Audited Standalone Financial Statement as prepared in compliance with the Accounting Standards (AS) 21 shall be placed before the members at their ensuing Annual General Meeting for the approval.

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For Xelpmoc Design and Tech Limited

  
Chief Financial Officer

**XELPMOC DESIGN AND TECH PRIVATE LIMITED**

Office Address: #657, 17th E Main road, 5th A cross, 6th Block Koramangala, Bangalore-560095.  
Registered Address: # S-3, Prabhu Kunj, 2nd Main Road, Eshwara Layout, Indiranagar 2nd Stage, Bangalore-560038.  
Phone number: 080 2553 2664/65. www.xelpmoc.in

#### 4. SHARE CAPITAL

- The Authorised Share Capital of the Company has been increased from Rs.5,00,000/- (Rupees Five Lakhs Only) divided into 50,000 (Fifty Thousand) Equity Shares of Rs.10/- (Rupees Ten Only) each to Rs.5,00,00,000/- (Rupees Five Crores Only) divided into 50,00,000 (Fifty Lakhs) Equity Shares of Rs.10/- (Rupees Ten Only) each, during the period under review.
- The Paid-Up Share Capital of the Company has been increased from Rs.1,00,000/- to Rs.1,87,49,990/-, during the period under review. The Company has issued and allotted 18,64,999 Equity shares of Rs.10/- each, by way of Right Issue to the existing equity shareholders of the Company.
- The Company has not issued any equity shares with differential rights as to dividend, voting or otherwise, during the period under review.
- The Company has not issued any sweat equity shares to its directors or employees, during the period under review.

#### 5. TRANSFER TO RESERVES

The Company has incurred loss during the year under consideration; hence no amount could be transferred to general reserves.

#### 6. BOARD MEETINGS

During the period under review, 7(Seven) Board of Directors Meetings were held on 25<sup>th</sup> September, 2015, 15<sup>th</sup> October, 2015, 23<sup>rd</sup> October, 2015, 11<sup>th</sup> February, 2016, 27<sup>th</sup> February, 2016, 23<sup>rd</sup> March, 2016 and 31<sup>st</sup> March, 2016 after giving proper notices to all the directors and the proceedings of the Board Meetings and the resolutions passed thereat have been duly recorded in the Minutes Book maintained for the purpose.

The details of Director's attendance at Board Meetings are as follows:

Sr No.	Name of the Director	No. of Board Meeting Attended
1.	Mr. Sandipan Chattopadhyay	7
2.	Mr. Rajesh Dembla	7
3.	Mr. Srinivas Koora	7

#### 7. DETAIL OF SUBSIDIARIES

The Company did not have any subsidiary, joint venture or associate company, from the date of its inception, hence the requisite information could not be provided.

#### 8. DISCLOSURE ON EMPLOYEE STOCK OPTION/PURCHASE SCHEME

During the year under review, the Company has not issued or offered any shares under any Employee Stock Option / Purchase Scheme and also does not have any plans to introduce the same.

#### 9. EXTRACT OF ANNUAL RETURN

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act, 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Extract of the Annual Return, in Form MGT-9, prepared as at March 31, 2016, is forming part of this report as an **Annexure-A**.

For Xelpmoc Design and Tech Limited

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*[Signature]*

#### 10. RISK MANAGEMENT POLICY

The is the first year of Incorporation, however the Board has identified and assessed all the element of material risks that may threaten the existence of the Company and ensured proper

Chief Financial Officer

policy, procedure and adequate infrastructure shall be in place for monitoring, mitigating and reporting risks on periodical basis, after commencement of Business of the Company.

**11. CORPORATE SOCIAL RESPONSIBILITY:**

Your company does not fall in the ambit of limit as specified in section 135 of the Companies Act, 2013 read with Rule framed there under in respect of Corporate Social Responsibility. However, the directors of the Company, in their personnel capacity, are engaged in philanthropy activities and participating for cause of upliftment of the society.

**12. PARTICULAR OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

During the period under review the Company has not given any guarantee under the provision of Section 186 of the Companies Act, 2013, however the Company has given loan and made investment during the period under review, the details of which are as below:

- Investment in equity instruments of Fortigo Network Logistic Private Limited and Gyankosh Solutions Private Limited.
- Loan of Rs.20,00,000/- to Nectar Consultancy Services Private Limited.

For further details, kindly refer the Note No. 9 and 12 of the Financial Statement of the Company.

**13. PARTICULAR OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES**

The Company has not enter into any transaction with related parties, which could attract the provision of section 188(1) of the Companies Act, 2013, during the year under consideration, hence the requisite information could not be provided.

**14. PARTICULAR OF EMPLOYEES**

The relations between the employees and the management remain cordial during the period under review. The Directors hereby place on record their appreciation of the efficient and dedicated services rendered by the employees of the Company at all levels.

The Company, being a Private Limited, the provisions of the section 197 of the Companies Act, 2013 and Rule made thereunder are not applicable, hence the information as required to be provided under section 197 of the Companies Act, 2013 and Rule made does not required to provide.

**15. DIVIDEND**

The Company has incurred loss, during the year under consideration; hence, your Board of Directors could not recommend any dividend this year. However, your Directors assure you that, barring unforeseen circumstances and the improvement in the operations of the Company in the current year, the management shall be able to offer a reasonable return on your investments.

**16. DEPOSITS**

During the year under review, the Company has not accepted any deposits within the meaning of Chapter V of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014, hence there is no details to disclose as required under Rule 8(5)(v) and (vi) of the Companies (Accounts) Rules, 2014.

However, the Company has taken unsecured loans from its directors, for its business purpose, the balance of which, as on **31<sup>st</sup> March, 2016**, stood at **Rs.16,34,059/-**.

**17. DIRECTORS**

Mr. Rajesh Dembla (DIN: 06587388), Mr. Srinivas Koora (DIN: 07227584) and Mr. Sandipan Samiran Chattopadhyay (DIN: 00794717) were the First Directors of the Company and shall

remain as the Director of the Company. During the period under consideration, there was no change among the Board of Directors of the Company.

#### **18. DIRECTOR RESPONSIBILITY STATEMENT**

In terms of provisions of Section 134(5) of the Companies Act, 2013, your Directors confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors had prepared the annual accounts on a going concern basis; and
- (e) 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.

#### **19. AUDITORS**

**M/s. Venu & Vijay CO.**, Chartered Accountants, the First Auditors of the Company, will retire from the said office at the forthcoming Annual General Meeting and were however eligible for re-appointment as such.

Your Directors recommend the re-appointment of the said **M/s. Venu & Vijay CO.**, Chartered Accountants, as the Auditors of the Company, to hold the said Office for the period of 5 years from the conclusion of this ensuing Annual General Meeting of the Shareholders of the Company, subject to the ratification by the shareholders annually, till the conclusion of the next 6<sup>th</sup> Annual General Meeting.

The Statutory Audit Report does not contain any qualification, reservation or adverse remark or disclaimer; hence do not call for any comments from the Board of the Company.

#### **20. DETAILS OF MATERIAL CHANGES AND COMMITMENTS**

There were no material changes and commitments, affecting the financial position of the Company which has occurred between the ends of the financial year of the Company, i.e. March 31, 2016 and the date of Directors' Report, i.e. September 02, 2016.

#### **21. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS**

During the year under review, there were no significant and material orders passed by the regulators/courts/tribunals, which may impact the going concern status and the Company's operations in future.

#### **22. PREVENTION OF SEXUAL HARASSMENT**

Though, the Company does not requires to constitute any Internal Complaints Committee as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, for the good Corporate Governance Practice, the Company has a mechanism to redress the complaint received as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has not received any complaint, during the year under review.

#### **23. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO**

The information required under Section 134(3) (m) of the Companies Act, 2013, read with the Rule 8(3) of the Companies (Accounts) Rules, 2014, with respect to these matters is submitted as an **Annexure-B** hereto.

4. **INTERNAL FINANCIAL CONTROL SYSTEM**

The Company has in place adequate standards, process and structures to implement internal financial control with reference to financial statements commensurate with the size and nature of business of the Company.

25. **ACKNOWLEDGEMENTS**

Your Directors take the opportunity to express our deep sense of gratitude to all users, vendors, Government and non-governmental agencies and bankers for their continued support in Company's growth and look forward to their continued support in the future.

Your Directors would also like to express their gratitude to the shareholders for reposing unstinted trust and confidence in the management of the Company.

**For & on behalf of the Board of Director of  
XELPMOC DESIGN AND TECH PRIVATE LIMITED**

**Mr. Rajesh Dembla**  
Director (DIN 06587388)

**Mr. Srinivas Koora**  
Director (DIN 07227584)

Place: Bangalore  
Date : 02-09-2016



**ANNEXURE - A**

**Form No. MGT-9  
EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31<sup>st</sup> March, 2016

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

<b>I Registration and other details:</b>					
Sr. No.	Registration and Other Details				
1.	CIN				U72200KA2015PTC082873
2.	Registration Date				16-09-2015
3.	Name of the Company				XELPMOC DESIGN AND TECH PRIVATE LIMITED
4.	Category of the Company				Company Limited by Shares
5.	Sub-Category of the Company				Indian Non-Government Company
6.	Address of the Registered office				S-3, Prabhu Kunj, 2nd Main Road, Eshwara Layout, Opposite Citynest Club, Indiranagar 2nd Stage, Bangalore, KA 560038
7.	Contact details				080-25532663
8.	Whether listed company				No
9.	Name, Address and Contact details of Registrar and Transfer Agent, if any				Not Applicable
<b>II Principal business activities of the Company:</b>					
All the business activities contributing 10 % or more of the total turnover of the Company:					
Sr No.	Name and Description of the main products/service	NIC Code of the Product/ Service	% to total turnover of the company		
1.	Provide end to end technology solution	62099	100		
<b>III Particulars of holding, subsidiary and associate companies:</b> The Company did not have any holding, subsidiary, joint venture or associate company hence could not provide the details for the same.					
Sr No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
Not Applicable					

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IV Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)									
I) Category-wise Share Holding									
Category of Shareholders	No. of Shares held at the time of Incorporation i.e. on 16-09-2015				No. of Shares held at the end of the year [As on 31 <sup>st</sup> March, 2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	-	10,000	10,000	100	-	18,74,999	18,74,999	100	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub Total (A) (1): -</b>	-	<b>10,000</b>	<b>10,000</b>	<b>100</b>	-	<b>18,74,999</b>	<b>18,74,999</b>	<b>100</b>	-
<b>(2) Foreign</b>									
a) NRIs- Individual	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>Sub Total (A) (2): -</b>	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A)</b>	-	<b>10,000</b>	<b>10,000</b>	<b>100</b>	-	<b>18,74,999</b>	<b>18,74,999</b>	<b>100</b>	-
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt (s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-

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f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	-	-	-	-	-	-	-	-	-
<b>2. Non-Institutions</b>									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs.1 Lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 Lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	-	-	-	-	-	-	-	-	-
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	-	-	-	-	-	-	-	-	-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	-	10,000	10,000	100	-	18,74,999	18,74,999	100	-



ii) Shareholding of Promoter-								
Sr. No.	Name of the Promoters	Shareholding at time of Incorporation i.e. on 16-09-2015			Share holding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	% change during the year
1	Mr. Sandipan Samiran Chattopadhyay	3,334	33.34	-	9,98,333	53.24	-	19.90
2	Mr. Rajesh Ramlal Dembla	3,333	33.33	-	4,38,333	23.38	-	(9.95)
3	Mr. Srinivas Koora	3,333	33.33	-	4,38,333	23.38	-	(9.95)
	<b>Total</b>	<b>10,000</b>	<b>100.00</b>	<b>-</b>	<b>18,74,999</b>	<b>100.00</b>	<b>-</b>	<b>-</b>

iii) Change in Promoters' Shareholding (please specify, if there is no change):					
Sr. No.		Shareholding at time of Incorporation i.e. on 16-09-2015		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
	<b>At the time of Incorporation</b>	<b>10,000</b>	<b>100.00</b>	<b>-</b>	<b>-</b>
1	Mr. Sandipan Samiran Chattopadhyay Right Issue 31-03-2016	9,94,999	53.07	10,04,999	53.60
2	Mr. Rajesh Ramlal Dembla Right Issue 31-03-2016	4,35,000	23.20	14,39,999	76.80
3	Mr. Srinivas Koora Right Issue 31-03-2016	4,35,000	23.20	18,74,999	100.00
	<b>At the End of the year</b>	<b>18,74,999</b>	<b>100.00</b>	<b>-</b>	<b>-</b>

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): All the Shareholders of the Company are either the Director or the Promoter's of the Company, hence the Company does not have any other shareholders.					
Sr. No.	For Each of the Top 10 Shareholders	Shareholding at time of Incorporation i.e. on 16-09-2015		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	<b>Name of the Shareholders</b>				
	<b>At the time of Incorporation</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>

Changes during the year	NA	NA	NA	NA
At the End of the year	NA	NA	NA	NA

v) Shareholding of Directors and Key Managerial Personnel:					
Sr. No.	Name of Directors	Shareholding at time of Incorporation i.e. on 16-09-2015		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>Mr. Sandipan Samiran Chattopadhyay</b>				
	<b>At the time of Incorporation</b>	<b>3,334</b>	<b>33.34</b>	-	-
	Right Issue 31-03-2016	9,94,999	53.07	9,98,333	53.24
	<b>At the End of the year</b>	<b>9,98,333</b>	<b>53.24</b>	-	-
2.	<b>Mr. Rajesh Rajesh Dembla</b>				
	<b>At the time of Incorporation</b>	<b>3,333</b>	<b>33.33</b>	-	-
	Right Issue 31-03-2016	4,35,000	23.20	4,38,333	23.38
	<b>At the End of the year</b>	<b>4,38,333</b>	<b>23.38</b>	-	-
3.	<b>Mr. Srinivas Koora</b>				
	<b>At the time of Incorporation</b>	<b>3,333</b>	<b>33.33</b>	-	-
	Right Issue 31-03-2016	4,35,000	23.20	4,38,333	23.38
	<b>At the End of the year</b>	<b>4,38,333</b>	<b>23.38</b>	-	-

V INDEBTEDNESS					
Indebtedness of the Company including interest outstanding/accrued but not due for payment					
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness	
<b>Indebtedness at the time of Incorporation</b>					
i) Principal Amount	NA	NA	NA	NA	
ii) Interest due but not paid	NA	NA	NA	NA	
iii) Interest accrued but not due	NA	NA	NA	NA	
<b>Total (i+ii+iii)</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	

<b>Change in Indebtedness during the financial year</b>				
• Addition	-	16,34,059	-	16,34,059
• Reduction	-	-	-	-
	-	<b>16,34,059</b>	-	<b>16,34,059</b>
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	16,34,059	-	16,34,059
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	<b>16,34,059</b>	-	<b>16,34,059</b>

**VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:** The Company does not pay any amount towards remuneration to any of its Directors, during the year under consideration.

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

Sr. No.	Particulars of Remuneration	Name of Director(s)	Total Amount
1.	Gross Salary	Not Applicable	Not Applicable
	(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		
2.	Stock Option		
3.	Sweat Equity		
4.	Commission – as % of profit Others, specify...		
5.	Others, please specify		
	<b>Total (A)</b>		
	<b>Celling as per the Act</b>		

**B. Remuneration to other Directors:** The Company does not have any directors as Independent or Non-Executive, during the year under consideration.

Sr. No.	Particulars of Remuneration	Name of Directors	Total Amount
1.	Independent Directors	Not Applicable	Not Applicable
	Fee for attending board / committee meetings		

	Commission		
	Others, please specify		
	<b>Total (1)</b>		
2.	Other Non-Executive Directors		
	Fee for attending board / committee meetings		
	Commission		
	Others, please specify		
	<b>Total (2)</b>		
	<b>Total (B)=(1+2)</b>		
	<b>Total Managerial Remuneration</b>		
	<b>Overall Ceiling as per the Act</b>		

**C. Remuneration to Key Managerial Personnel other than MD / MANAGER / WTD:** The Company is not required to appoint any KMP as per the provisions of section 203 of the Companies Act, 2013; hence the information in respect of the KMP could not be provided.

Sr No.	Particulars of Remuneration	Name of KMP'S	Total Amount
1.	<b>Gross salary</b>	Not Applicable	Not Applicable
	(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		
2.	Stock Option		
3.	<b>Sweat Equity</b>		
4.	<b>Commission – as % of profit Others, specify...</b>		
5.	<b>Others, please specify</b>		
	<b>Total</b>		

**VII PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:** The Company, its directors and officers do not require to pay any penalty, compounding fees or suffer any punishment, during the year consideration. Further, there is no proceeding and appeal pending before any authority or court against the Company, its Directors and officers, during the period under review.

Type	Sections of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>A. COMPANY – Not Applicable</b>					

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Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS – Not Applicable</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT – Not Applicable</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

CERTIFIED TRUE COPY  
 For Xelpmoc Design and Tech Limited  
  
 Chief Financial Officer

For & on behalf of the Board of Director of  
**XELPMOC DESIGN AND TECH PRIVATE LIMITED**



  
**Mr. Rajesh Dembla**      **Mr. Srinivas Koora**  
 Director (DIN 06587388)      Director (DIN 07227584)

Place: Bangalore  
 Date : 02-09-2016

**ANNEXURE – B**

Particulars Pursuant To Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies(Accounts) Rules, 2014 and forming part of the report:

<b>(A) CONSERVATION OF ENERGY</b>	
1.	<b>Step taken by the Company for conservation of energy:</b> The Company is engaged in the business of providing end to end technology solutions, hence does not required much energy, however has taken the steps such a) Use of LED Lights at the office space. b) Rationalization of usage of electrical equipment – Air-conditioning System, Office Illumination and Desktops. c) Regular monitoring of temperature inside the buildings and controlling the Air-conditioning System.
2.	<b>Steps taken by the company for utilizing alternate sources of energy:</b> The business operation of the Company are not energy-intensive, hence apart from steps mentioned above to conserve energy, there is no requirement to utilize the alternate source of energy. However, the Management is optimistic to explore the affordable alternate source of energy, as per the business requirement of the Company.
3.	<b>The capital investment on energy conservation equipments:</b> There is no capital investment on energy conservation equipments, during the year under review.
<b>(B) TECHNOLOGY ABSORPTION</b>	
1.	<b>The efforts made towards technology absorption:</b> The Company has been taking every step to use Indigenous Modern Technology for efficient management of product output and also has a sizeable Technology Team to evaluate technology developments on a continuous basis, keep the organization updated and caters the requirements of existing business as well as new products, services, designs, frameworks, processes and methodologies.
2.	<b>The benefits derived like product improvement, cost reduction, product development or import substitution:</b> The Company has been benefited immensely by usage of Indigenous Technology for business operation of the Company.
3.	<b>In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-</b> The Company has not imported any technology during last three years from the beginning of the financial year.
a	the details of technology imported; Not Applicable
b	the year of import Not Applicable
c	whether the technology been fully absorbed Not Applicable
d	if not fully absorbed, areas where absorption has not taken place, and the reasons thereof Not Applicable
4.	<b>The expenditure incurred on Research and Development:</b> The Company has not incurred any Research and Development expenditure, during the year under consideration.
<b>(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:</b> There were neither earnings nor outgo in foreign exchange, during the year under consideration.	

**CERTIFIED TRUE COPY**

For Xelpmoc Design and Tech Limited

*[Signature]*

Chief Financial Officer

**For & on behalf of the Board of Director of  
XELPMOC DESIGN AND TECH PRIVATE LIMITED**

*[Signature]*  


**Mr. Rajesh Dembla  
Director (DIN 06587388)**

*[Signature]*

**Mr. Srinivas Koora  
Director (DIN 07227584)**

**Place: Bangalore  
Date : 02-09-2016**

**CONFIDENTIAL**

**STATUTORY AUDIT REPORT FOR THE FINANCIAL YEAR 2015 - 16  
OF**

**XELPMOC DESIGN AND TECH PRIVATE LIMITED**

#657, 5th A cross, 17th E main road  
6th Block Koramangala  
BANAGALORE KARNATAKA 560095

Permanent account No. : AAACX1880G  
Signed Audit Report : 02/09/2016  
CIN No. : U72200KA2015PTC082873

M/s. Venu & Vinay  
Chartered Accountants  
161, 1<sup>st</sup> floor, 4<sup>th</sup> Main, 7<sup>th</sup> Cross  
Chamarajpet  
Bangalore 560 018  
Tel: 080 26676751 | 26671433 | Fax: +9180 26606498  
Mail: admin@vnuv.ca | URL: www.vnuv.ca

**CERTIFIED TRUE COPY**

For Xelpmoc Design and Tech Limited  
*[Signature]*  
Chief Financial Officer

**INDEX**

**XELPMOC DESIGN AND TECH PRIVATE LIMITED**

Sl. No	Particulars
1	Audit Report on Financial Statements
2	Report on Internal Financial Controls
3	<u>Financial Statements</u> Balance Sheet profit and Loss account Cash flow Statement Notes to Accounts Significant Accounting Polices
4	Management Representation Letter(MRL)



# *AUDITOR REPORT*



CERTIFIED TRUE COPY

INDEPENDENT AUDITOR'S REPORT

For XELPMOC Design and Tech Limited

TO  
THE MEMBERS OF XELPMOC DESIGN AND TECH PRIVATE LIMITED

Chief Financial Officer

**Report on the Financial Statements**

We have audited the accompanying standalone financial statements of XELPMOC DESIGN AND TECH PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2016, the Statement of Profit and Loss for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the 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 of the Company in accordance with the accounting principles generally accepted in India and, 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 provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

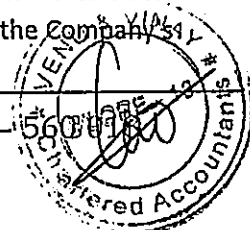
We conducted our audit in accordance with the Standards on auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's financial statements.

#161, 1st Floor, 4th Main, 7th Cross, Chamrajapet, Bangalore - 560018

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preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of 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 financial statements.

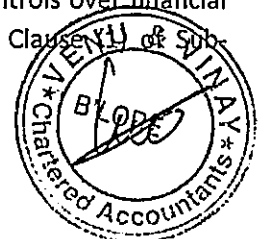
#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,

- a. In case of the Balance sheet, state of affairs of the Company as at 31 March 2016 and
- b. In case of the Statement of Profit & Loss, its loss for the year ended on that date.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub section 11 of section 143 of the Act, we give in the Annexure A, to the extent possible.
2. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
  - c. The Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the adequacy of the Internal Financial Controls over financial reporting of the company and operating effectiveness of such controls under Clause (v) of Sub-



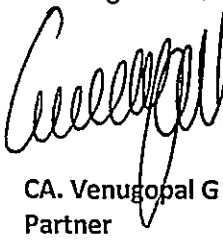


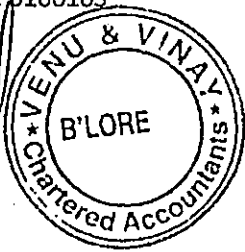
section 3 of section 143 of the companies Act, 2013 ("the Act") refer to our separate report in Annexure B.

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

1. The Company does not have any pending litigations which would impact its financial position.
2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Venu & Vinay  
Chartered Accountants  
Firm Registration: 010010S

  
CA. Venugopal G  
Partner



Membership No: 212378

Place: Bangalore  
Date: 02/09/2016



**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT**

In respect of the Annexure referred to in paragraph of our report to the Members of XELPMOC DESIGN AND TECH PRIVATE LIMITED (' the Company ') as of 31-Mar-2016 we report that:

**1. Fixed assets**

- a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. The fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- c. According to the information and explanation given to us and on the basis of our examination of the records of the company, title deeds of immovable properties are held in the name of the company

**2. Inventory**

The Company is a service company, primarily rendering app and web designing services. Accordingly, it does not hold any physical inventories

**3. Granting loans to certain parties covered u/s 189**

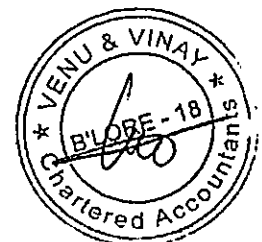
- a. The Company has not granted loans to parties (directors) covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act')
- b. In case of loan granted the borrowers have been regular in the payment of the interest as stipulated. The terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly, paragraph 3(iii)(b) of the Order is not applicable to the Company in respect of repayment of the principal amount.
- c. There are no overdue amounts of more than rupees one lakh in respect of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act.

**4. Loans and Investments**

In our opinion and according to the information and explanation given to us, the company has no transactions to which the provision of section 185 applies. The Company has complied with the provisions of section 186 of the act, with respect to the loans, investments, guarantees and security. An Investment is made by the company in Nector Consultancy services private limited for which the company don't possess the agreement or the share certificates.

**5. Deposits from public**

In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits from the public.





6. Cost Records

The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

7. Undisputed Statutory Dues

- a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, VAT, wealth tax, service tax, duty of customs, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.
- b. According to the information and explanations given to us, there are no disputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.

Amount payable under	Amount Due for a period as on 31th March 2016	
	> 6 months	< 6 months
The Income Tax Act, 1961 (TDS)	56,000	6,96,113
The Finance Act, 1994 (Service tax)	-	31,664
The Karnataka tax on professions, trades, callings and Employment act, 1976 (Professional Tax)	-	20,000

According to the information and explanations given to us the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Act and rules there under has been transferred to such fund within time.

8. Loan from Banks or Public Financial Institutions

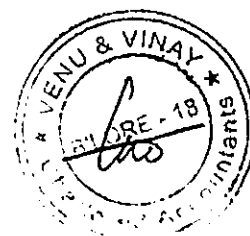
According to the information and explanations given to us the company did not have any outstanding dues to financial institutions, banks or debenture holders during the year.

9. Application of funds

According to the information and explanations given to us the company did not raise money by-way of initial public offer or further public offer (including debt instruments) during the year. In our opinion and according to the information and explanations given to us term loans were applied for the purposes for which those are raised.

10. Frauds

According to the information and explanations given to us no fraud by the company or on the Company by its officers or employees has been noticed or reported during the course of our audit.





**11. Managerial Remuneration**

In our opinion and according to the information and explanations given to us this paragraph is not applicable to this company.

**12. Nidhi Company**

In our opinion and according to the information and explanations given to us the company is not a nidhi company

**13. Related Parties**

According to the information and explanations given to us and based on our examination of the records of the company the transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013.

**14. Preferential allotment or Private placement of shares**

According to the information and explanations given to us the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

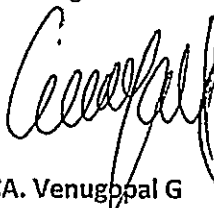

**15. Non-Cash transactions**

According to the information and explanations given to us and based on our examination of the records of the company has not entered into any non-cash transactions with directors or persons connected with him.

**16. Registration with RBI**

According to the information and explanations given to us the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Venu & Vinay  
Chartered Accountants  
Firm Registration: 0100105

CA. Venugopal G  
Partner  
Membership No: 212378

Place: Bangalore  
Date: 02/09/2016

**ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT**

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 XELPMOC DESIGN AND TECH PRIVATE LIMITED (' the Company ') as of 31-Mar-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**

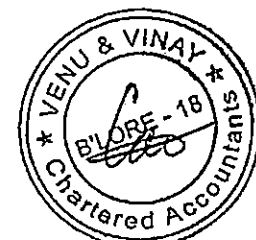
The Company's management is responsible for establishing and maintaining internal financial control based on the internal control over financial reporting criteria established by the company considering the essential components of internal controls stated in the Guidance note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountants of India('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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**

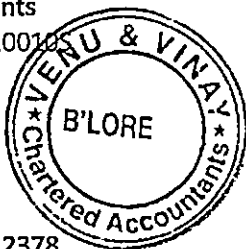
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal 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 Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31-Mar-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 Venu & Vinay  
Chartered Accountants  
Firm Registration: 0100105

  
CA. Venugopal G  
Partner  
Membership No: 212378



Place: Bangalore  
Date: 02/09/2016

*FINANCIAL*  
*STATEMENT*

**XELPMOC DESIGN AND TECH PRIVATE LIMITED**  
BALANCE SHEET AS ON 31ST MARCH 2016

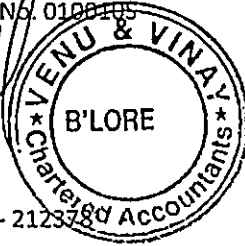
Particulars	Note No.	As on 31-03-2016
<b>I. EQUITY AND LIABILITIES</b>		
<b>1. Shareholders' funds</b>		
(a) Share capital	2	18,749,990
(b) Reserves & Surplus	3	(16,497,431)
<b>2. Share application money pending allotment</b>		
-		
<b>3. Non-current liabilities</b>		
(a) Long-term borrowings	4	1,620,659
<b>4. Current liabilities</b>		
(a) Trade payables	5	628,424
(b) Other current liabilities	6	772,113
(c) Short term provisions	7	79,314
<b>TOTAL</b>		<b>5,353,069</b>
<b>II. ASSETS</b>		
<b>1. Non-current assets</b>		
(a) Fixed assets		
(i) Tangible assets	8	1,239,340
(b) Non-current investments	9	2,044,051
<b>2. Current assets</b>		
(a) Trade receivables	10	208,333
(b) Cash and cash equivalents	11	1,712,979
(c) Short-term loans and advances	12	148,366
<b>TOTAL</b>		<b>5,353,069</b>
Significant accounting policies	1	

See accompanying notes forming part of the financial statements

In terms of our report attached.

For Venu and Vinay  
Chartered Accountants  
Firm Registration No. 0100105

CA. Venugopal G  
Partner  
Membership No. - 2123780  
Place: Bangalore  
Date: 02/09/2016



For Xelpmoc Design and Tech Pvt. Ltd.  
CIN : U72200KA2015PTC082873

RAJESH RAJESH DEMBLA  
Director  
DIN: 06587388  
Place: Bangalore  
Date: 02/09/2016


SRINIVAS KOORA  
Director  
DIN: 07227584  
Place: Bangalore  
Date: 02/09/2016

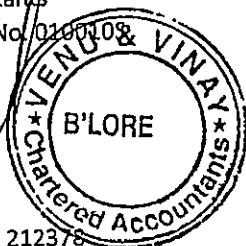
**XELPMOC DESIGN AND TECH PRIVATE LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31<sup>ST</sup> MARCH, 2016**

Particulars		Note No.	For the period ended 31st Mar 2016
I	Revenue from operations	13	208,333
II	Other income		-
III	<b>Total Revenue (I + II)</b>		<b>208,333</b>
IV	Expenses:		
	Employee benefits expense	14	13,452,372
	Depreciation and amortization expense	8	151,379
	Other expenses	15	3,102,013
	<b>Total expenses</b>		<b>16,705,764</b>
V	Profit before exceptional and extraordinary items and tax (III - IV)		(16,497,431)
VI	Exceptional items		-
VII	Profit before extraordinary items and tax (V - VI)		(16,497,431)
VIII	Extraordinary items		-
IX	Profit before tax (VII- VIII)		(16,497,431)
X	Tax expense:		
	(1) Current tax		-
	(2) Deferred tax		-
XI	Profit (Loss) for the period from continuing operations (VII-VIII)		(16,497,431)
XII	Profit/(loss) from discontinuing operations		-
XIII	Tax expense of discontinuing operations		-
XIV	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-
XV	<b>Profit (Loss) for the period (XI + XIV)</b>		<b>(16,497,431)</b>
XVI	Earnings per share	17	
	Basic/Diluted		(849.54)
	Significant accounting policies	1	

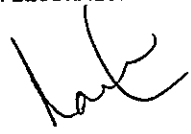
See accompanying notes forming part of the financial statements  
 In terms of our report attached.

For Venu and Vinay  
 Chartered Accountants  
 Firm Registration No. 0190108

  
 CA. Venugopal G  
 Partner  
 Membership No. - 212378  
 Place: Bangalore  
 Date: 02/09/2016



For Xelpmoc Design and Tech Pvt. Ltd.  
 CIN : U72200KA2015PTC082873

  
 RAJESH RAJESH DEMBLA  
 Director  
 DIN: 06587388  
 Place: Bangalore  
 Date: 02/09/2016

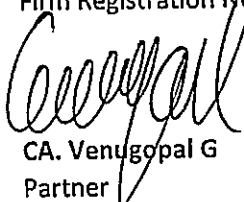


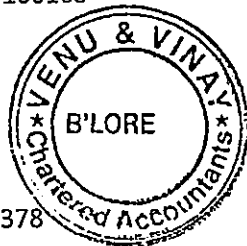
SRINIVAS KOORA  
 Director  
 DIN: 07227584  
 Place: Bangalore  
 Date: 02/09/2016

**XELPMOC DESIGN AND TECH PRIVATE LIMITED**  
**CASH FLOW STATEMENT FOR THE PERIOD ENDED 31<sup>ST</sup> MARCH, 2016**

Particulars	For the period ended 31st Mar 2016
<b>A) Cash Flow from Operating Activity</b>	
Net Profit / (Loss) before extraordinary items and tax	(16,497,431)
<u>Adjustments for</u>	
Add/(Less): Depreciation	151,379
Add/(Less): Deferred tax	-
	(16,346,052)
<u>Changes in Working Capital</u>	
Increase/(Decrease) Short Term Provisions	79,314
Increase/(Decrease) Other Current Liabilities	772,113
Increase/(Decrease) trade payables	628,424
(Increase)/Decrease trade receivables	(208,333)
(Increase)/Decrease short term loans and advances	(148,366)
	1,123,152
<b>Cash Generated/(Used) from Operating Activity</b>	<b>(15,222,900)</b>
<b>B) Cash Flow from Investing Activity</b>	
Proceed/(Investment) from Other investment	(2,044,051)
Sale/(Purchase) of Tangible Assets	(1,390,719)
<b>Cash Generated/(Used) from Investing Activity</b>	<b>(3,434,770)</b>
<b>C) Cash Flow from Finance activity</b>	
Proceeds/(Redemption) from issue of shares	18,749,990
Proceeds/(Redemption) from long term borrowings	1,620,659
<b>Cash Generated/(Used) from Finance Activity</b>	<b>20,370,649</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>1,712,979</b>
Cash and Cash equivalent at the beginning of the period	-
Cash and Cash equivalent at the end of the period	1,712,979
Cash and Cash equivalent as per Balance sheet (note-11)	1,712,979
Differene	-

For Venu and Vinay  
Chartered Accountants  
Firm Registration No. 010010S

  
CA. Venugopal G  
Partner



Membership No. - 212378  
Place: Bangalore  
Date: 02/09/2016

For Xelpmoc Design and Tech Pvt. Ltd.  
CIN : U72200KA2015PTC082873



RAJESH RAJESH DEMBLA  
Director  
DIN: 06587388  
Place: Bangalore  
Date: 02/09/2016



SRINIVAS KOORA  
Director  
DIN: 07227584  
Place: Bangalore  
Date: 02/09/2016

**XELPMOC DESIGN AND TECH PRIVATE LIMITED**

**Notes to Balance sheet**

**2 A. Share capital**

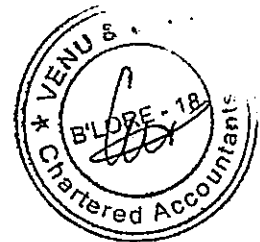
PARTICULARS	As at 31-03-2016	
	No. of Shares	In Rupees
Authorised share capital Equity shares of Rs. 10 each	5,000,000	50,000,000
Issued, subscribed, paid - up capital Equity shares of Rs. 10 each	1,874,999	18,749,990
<b>Total</b>	<b>1,874,999</b>	<b>18,749,990</b>

**B. Reconciliation**

PARTICULARS	As at 31-03-2016	
	No. of Shares	In Rupees
Equity shares of Rs. 10 each		
Opening Balance	-	-
Add: Fresh issue	1,874,999	18,749,990
Add/(Less) Other Changes	-	-
Closing Balance	1,874,999	18,749,990

**C. Details of shares held by each shareholder holding more than 5 % shares**

Name of Share Holder	As at 31-03-2016	
	No. of Shares	% of holding
Rajesh Rajesh Dembla	438,333	23.38%
Sandipan Samiran Chattopadhyay	998,333	53.24%
Srinivas Koora	438,333	23.38%
<b>Total</b>	<b>1,874,999</b>	<b>100.00%</b>



## 3 Reserves and surplus

PARTICULARS	As at 31-03-2016
Surplus / (Deficit) in Statement of Profit and Loss	
Opening balance	-
Profit and Loss a/c - Current period	(16,497,431)
Closing balance	(16,497,431)

## 4 Long term borrowings

PARTICULARS	As at 31-03-2016
Unsecured	
Loans and advance from related parties	
Loan From Directors	1,620,659
Total	1,620,659

## 5 Trade payables

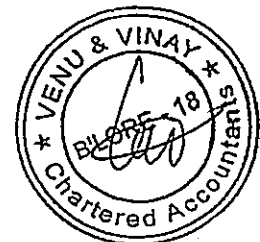
PARTICULARS	As at 31-03-2016
(a) Total outstanding dues of micro enterprise and small enterprise	
(b) Total outstanding dues of creditors other than micro enterprise and small enterprise	
Other trade payables	183,451
Accrued Expenses	444,973
Total	628,424

## 6 Other Current liabilities

PARTICULARS	As at 31-03-2016
Statutory Liabilities	
Professional tax payable	20,000
TDS Payable	752,113
Total	772,113

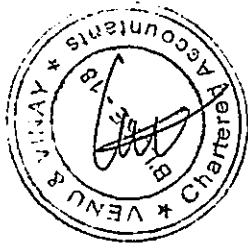
## 7 Short term Provisions

PARTICULARS	As at 31-03-2016
Others	79,314
Total	79,314



XELPMOC DESIGN AND TECH PRIVATE LIMITED

Note 8 - Fixed assets		Amount in Rs.									
		Depreciation rate(WDV)	Gross Block			Depreciation			Net Block		
			As at 01.04.2015	During the year		As at 31.03.2016	As at 01.04.2015	For the Year	As at 31.03.2016	As at 31.03.2016	As at 31.03.2015
Assets		Additions	Deletions								
(A) Tangible Assets											
Computer and Peripherals	31.67%	-	1,390,719	-	1,390,719	-	151,379	151,379	1,239,340	-	
Subtotal		-	1,390,719	-	1,390,719	-	151,379	151,379	1,239,340	-	
Grand Total		-	1,390,719	-	1,390,719	-	151,379	151,379	1,239,340	-	





9 Non current investments

PARTICULARS	As at 31-03-2016
Other Investments at Cost	
Investment in equity instruments	
Fortigo Network Logistic Private Limited	11,112
Gyankosh Solutions Private Limited	32,939
Nectar Consultancy Services Private Limited	2,000,000
<b>Total</b>	<b>2,044,051</b>

10 Trade Receivables

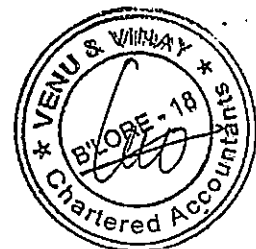
PARTICULARS	As at 31-03-2016
Unsecured and Considered Good	
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	-
Other trade receivables	208,333
<b>Total</b>	<b>208,333</b>

11 Cash and cash equivalent

PARTICULARS	As at 31-03-2016
Cash in hand	24,675
Balance with banks	
In current accounts	1,688,304
<b>Total</b>	<b>1,712,979</b>

12 Short term loans and advances

PARTICULARS	As at 31-03-2016
Unsecured and Considered Good	
Others	
Rent deposit - Genset	16,000
Service Tax credit receivable	132,366
<b>Total</b>	<b>148,366</b>



**XELPMOC DESIGN AND TECH PRIVATE LIMITED**

**Notes to Profit and loss statement**

**13 Income from Operations**

Particulars	For the period ended 31st Mar 2016
Sale of services	208,333
<b>Total</b>	<b>208,333</b>

**14 Employee benefit expenses**

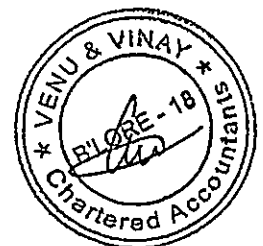
Particulars	For the period ended 31st Mar 2016
Bonus to employees	896,210
Salary expenses	12,393,865
Staff welfare	162,297
<b>Total</b>	<b>13,452,372</b>

**15 Other expenses**

Particulars	For the period ended 31st Mar 2016
Payment to Auditors	35,000
Communication Expenses	725,156
Consultancy fee	485,101
Electricity expenses	98,547
Maintenece expenses	261,389
Office expenses	172,474
Professional fee	70,000
Project expenses	88,040
Rates and taxes	58,161
Rent on buildings	575,000
Rent on Computers	22,328
Repairs and maintainence	281,455
Traveling and Conveyence	229,362
<b>Total</b>	<b>3,102,013</b>

**Note 15A : Audit fees: (Excluding service tax)**

Particulars	For the period ended 31st Mar 2016
Statutory audit fee	35,000
Reimbursement of expenses	-
<b>Total</b>	<b>35,000</b>



**XELPMOC DESIGN AND TECH PRIVATE LIMITED**  
Other Notes forming part of balance sheet

**16 Related party transactions**

**A. Name of related parties and description of relationship**

Name of Related Party
<b>Director</b> Rajesh Rajesh Dembla Sandipan Samiran Chattopadhyay Srinivas Koora
<b>Enterprises significantly influenced by Person with Significant influence</b> Jzeva Signature Jewelfrafts Private Limited

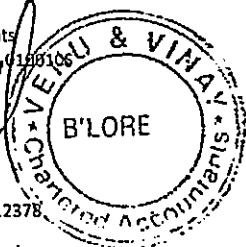
**B. Nature and amount of transactions with related parties during the Period**

Particulars	For the period ended 31st Mar 2016
<b>Loans from Directors</b>	
Rajesh Rajesh Dembla	
Opening balance	-
Total debits	-
Total Credits	1,113
Closing balance payable	1,113
<b>Sandipan Samiran Chattopadhyay</b>	
Opening balance	-
Total debits	(27,707)
Total Credits	14,297
Closing balance receivable	(13,410)
<b>Srinivas Koora</b>	
Opening balance	-
Total debits	-
Total Credits	1,632,946
Closing balance payable	1,632,946
<b>Expenses incurred behalf</b>	
Jzeva Signature Jewelfrafts Private Limited	
Opening balance	-
Total debits	52,144
Total Credits	(33,330)
Closing balance receivable	18,814
<b>Total Payable</b>	1,634,059
<b>Total receivable</b>	32,224

**17 Earnings Per Share**

Particulars	For the period ended 31st Mar 2016
Net Profit as per Statement of Profit and Loss	(16,497,431)
Net Profit attributable to equity shareholders	(16,497,431)
Weighted average number of equity shares	19,419
Basic earning per share	(849.54)

For Venu and Vinay  
Chartered Accountants  
Firm Registration No. U198106  
CA. Venugopal S  
Partner  
Membership No. - 212378  
Place: Bangalore  
Date: 02/09/2016



For Xelpmoc Design and Tech Pvt. Ltd.  
CIN : U72200KA2015PTC082873

RAJESH RAJESH DEMBLA Director  
DIN: 06587388  
Place: Bangalore  
Date: 02/09/16

SRINIVAS KOORA Director  
DIN: 07227584  
Place: Bangalore  
Date: 02/09/16

## NOTE 1: SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

### 1.1 Background

XELPMOC DESIGN AND TECH PRIVATE LIMITED ("the Company") was incorporated as a private limited company on 16<sup>th</sup> September 2015. The Company is a startup incubator, Company provides the end to end technology solutions (Strategy, planning, architectin, development, testing, deployment and maintainenance.

### 1.2 Basis of preparation of financial statements

The financial statements of the Company have been prepared & presented on accrual basis, under the historical cost convention, unless otherwise stated, in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013, as applicable. The accounting policies have been consistently applied except for the changes in the accounting policies disclosed in the financial statements, if any.

The financial statements are presented in Indian rupees.

### 1.3 Use of estimates

The preparation of financial statements in accordance with generally accepted accounting principles in India requires management to make estimates and assumptions that affect the reported amounts of income and expenditure, reported balances of assets and liabilities and disclosures relating to contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

### 1.4 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.

### 1.5 Depreciation and amortization

Tangible assets are carried at cost less depreciation. Cost includes purchase price and other costs incurred towards acquisition and installation of the asset. Specific grant received for acquisition of fixed assets are reduced from the cost of the asset.

Depreciation on tangible fixed assets has been provided on the Written down Value method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Intangible assets are amortized over their estimated useful life on written down value method.

### 1.6 Revenue recognition

- a) Revenue is recognized to the extent that it is probable that economic benefits will flow to the company and the revenue can be reliably measured.
- b) Operating income is recognized as and when the services are rendered.
- c) Interest income is recognized on a time proportion basis, based on underlying interest rates.

### 1.7 Employee benefits

#### Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and bonus. The



undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

#### **Post-employment benefits**

##### **Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

##### **Defined benefit plans**

The Company's gratuity benefit scheme is defined benefit plans. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs are deducted.

The Company recognizes all actuarial gains and losses arising from defined benefit plans immediately in the Statement of Profit and Loss. All expenses related to defined benefit plans are recognized in employee benefits expense in the Statement of Profit and Loss. When the benefits of a plan are improved, the portion of the increased benefit related to past service by employees is recognized in Statement of Profit and Loss on a straight-line basis over the average period until the benefits become vested. The Company recognizes gains and losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

##### **Compensated Absences**

The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

#### **1.8 Foreign exchange transactions**

Foreign exchange transactions are recorded at the rates of exchange prevailing on the dates of the respective transactions. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated into Indian rupees at the closing exchange rates on that date. The resultant exchange differences are recognized in the Statement of Profit and Loss.

#### **1.9 Income Taxes**

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws. Deferred tax is recognized in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are 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



and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future.

The Company offsets, on a year on year basis, the current tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

#### 1.10 Impairment of assets

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, except in case of revalued assets.

#### 1.11 Provisions and Contingencies

A provision is recognized when the Company has a present legal or constructive obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balances sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are not recognized and, if any, are adequately disclosed in the notes to accounts.

Contingent assets are not recognized in the financial statements since they may result in the recognition of income that may never be realized.

#### 1.12 Earnings per share

Basic earnings per share are calculated by dividing net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year adjusted for the effects of potential dilutive equity share.

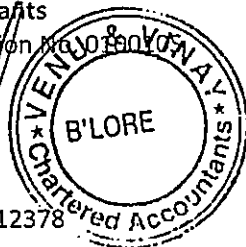
For Venu & Vinay  
Chartered Accountants

ICAI Firm Registration No. 001801005

CA Venugopal G  
Partner

Membership No. 212378

Date: 02/09/2016  
Bangalore



For XELPMOC DESIGN AND TECH PRIVATE LIMITED

CIN : U72200KA2015PTC082878

Srinivas Koora

Director

DIN : 07227584

Date: 02/09/2016  
Bangalore

Rajesh Rajesh Dembla

Director

DIN : 06587388

Date: 02/09/2016  
Bangalore

Management  
Representation Letter  
(MRL)

## Management Representation Letter for the Financial Year 2015-2016

To  
M/s Venu & Vinay  
Chartered Accountant  
#161, 1st Floor, 4th Main  
7th Cross, Chamarajpet  
Bangalore – 560 018

Dear sir

Sub: Letter of Representation in connection with Accounts for the Year Ended 31<sup>st</sup> March 2016

In connection with your Audit of the financial statements of Xelpmoc Design and Tech Private Limited for the year ended 31<sup>st</sup> March 2016, we confirm to the best of our knowledge and belief the following representations:

- 1 We have made available to you all books of accounts and supporting documentation necessary for the purposes of the audit.
- 2 All known, actual or possible non-compliances with laws and regulations together with the actual or contingent consequences, which may arise there from, the effects of which should be considered when preparing financial statements have been disclosed to you.
- 3 **Accounting policies**
  - 3.1 The accounts for the period under audit were drawn up in accordance with the Companies Act, 2013.
  - 3.2 The Accounting Policies adopted by the Company which are material or critical in determining the results of operations or financial positions, as set out in the financial statements are consistent with those adopted as in previous year.
  - 3.3 The financial statements are prepared on the principles of going concern, on accrual basis and are in accordance with the generally accepted accounting principles as per accounting standards referred to in Section 133 of the Companies Act, 2013.
- 4 **Fixed Assets**
  - 4.1 The Company has satisfactory title to all assets appearing in the Financial Statements and there are no liens or encumbrances on them for the period ended 31<sup>st</sup> March 2016.
  - 4.2 The net book values at which fixed assets are stated in the Balance Sheet are arrived at Rs. 1239340
  - 4.3 After properly charging all capital expenditure and additions thereto, if any to fixed assets.
  - 4.4 After eliminating the cost and accumulated depreciation relating to items sold, discarded or otherwise disposed off.
  - 4.5 After providing adequate depreciation during the year.
  - 4.6 At the balance sheet date there were no outstanding commitments for capital expenditure.
- 5 **Investments**
  - 5.1 The Company has a satisfactory title on all the investments appearing in the financial statements.
  - 5.2 The book value of the investments on balance sheet date is Rs. 2044051
  - 5.3 *The Company has paid a advance of 20 Lacs for a investement for which the company yet to receive a aggrement/share certificate.*
- 6 **Current assets, Loans and Advances**
  - 6.1 **Sundry debtors**

Sundry debtors amounting to Rs. 208333 showed as outstanding as at 31.03.2016 are considered good and fully recoverable.



## 6.2 Loans and Advances/Other current Assets.

The Short term Loans and advances/other current assets amounting to Rs. 148366. In the opinion of the Management have a value of realization in the ordinary course of company's business, which is at least equal to the amount they are stated in the Balance sheet.

## 7 Deferred Tax

The Company has made a provision for tax expenses for all those expenses with timing difference in debiting/crediting to profit and loss account between the profits as per financials and tax rates and tax law.

## 8 Liabilities

### 8.1 Unsecured Loan

There are no outsiders unsecured loans pending as on 31st March 2016. Amount of Rs. 1620659 on balance sheet date is due to directors.

### 8.2 Current Liabilities and Provisions

8.2.1. We have recorded and disclosed all known liabilities, both actual and contingent, in preparing the accounts for the year.

8.2.2. No guarantees have been given for loans taken by others from bank or financial institutions.

8.2.3. Statutory deductions towards Tax at source, professional tax etc have been made as per statutory requirements and deposited with appropriate authorities with interest wherever delayed.

## 9 Profit & Loss Account

9.1 Except as disclosed in the financial statements, the results for the year were not materially affected by

(a) Transactions of a nature not usually undertaken by the company.

(b) Circumstances of an exceptional or non-recurring in nature.

(c) Changes in accounting policies.

(d) No personal expense has been charged to revenue excepting for those payable under contractual obligations and in accordance with the generally accepted business practice.

## 10 General

10.1 There have been no irregularities involving management or employees who have a significant role in the system of internal control.

10.2 We confirm that there have been no frauds on / by the company.

10.3 The financial statements are free from material misstatements including omissions.

10.4 There has been no non-compliance with the requirement of regulatory authorities that could have a material effect on the financial statement in the event of non-compliance.

10.5 The company has a revenue of Rs. 208333 in its profit and loss account for the period ending 31.03.2016.

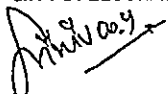
10.6 The Company does not envisage any plans nor has intentions that may materially affect the carrying value of assets and liabilities reflected in the financial statements.

10.7 The vendor company is meeting the statutory liabilities of the Employees serving the company for security and house keeping.

10.8 We confirm that there are no disputed tax liabilities, which are outstanding for a period of more than 6 months as at 31.03.2016.

For Xelpmoc Design and Tech Private Limited

CIN : U72200KA2015PTC082873



SRINIVAS KOORA

Director

DIN: 07227584

Place: Bangalore

Date: 02/04/2016



RAJESH RAJESH DEMBLA

Director

DIN: 06587388

Place: Bangalore

Date: 02/04/2016

CERTIFIED TRUE COPY

For Xelpmoc Design and Tech Limited



Chief Financial Officer