

# COMPUCOM

## Software Limited

IT: 14-15 EPIP, RIICO Industrial Area,  
Sitapura, Jaipur -302022 (India)  
Tel. 91-141-2770131, 5115901-02  
Fax: 91-141-2770335, 5115905  
E-mail: [cs@compucom.co.in](mailto:cs@compucom.co.in)  
CIN:-L72200RJ1995PLC009798

No.: CSL/BSE/17-18/

Date: 3.10.2017

To,  
The Manager,  
Department of Corporate Services,  
BSE Limited,  
1<sup>st</sup> Floor, Rotunda Building, P.J. Tower,  
Dalal Street,  
Mumbai-400001  
Fax no. (022) 22723719/22722039/2041  
Email- [corp.compliance@bseindia.com](mailto:corp.compliance@bseindia.com)  
Scrip Code: 532339

The Manager,  
National Stock Exchange of India Ltd.  
Exchange Plaza, Plot no. C/1, G Block,  
Bandra-Kurla Complex Bandra (E)  
Mumbai - 400 051  
Fax No. (022) 26598237/38  
Email- [cmlist@nse.co.in](mailto:cmlist@nse.co.in)  
Stock Code: COMPUSOFT

THE MANAGER,  
The Calcutta Stock Exchange Limited  
7, Lyons Range, Kolkata: 700001  
Scrip Code: 13335

Sub: - Annual Report for the year 2016-2017 as per regulation 34(1) of SEBI (Listing obligations and disclosures requirements) Regulation, 2015

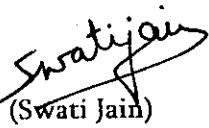
Dear Sir/Ma'am,

With reference to the captioned subject, we hereby enclose the Annual report for the year 2016-2017 as per regulation 34(1) of SEBI (Listing obligations and disclosures requirements) Regulation, 2015

You are requested to take note of above and inform all concerned accordingly.

Thanking You,

For Compucom Software Limited

  
(Swati Jain)  
Company Secretary

**COMPUCOM**

**SOFTWARE LIMITED**

*We make IT happen*

23rd  
**Annual Report**  
2016-17





## From the desk of CEO & MD

Dear Shareholder,

Greetings...

It is my pleasure and privilege to present the Annual Report of your company for the Financial year 2016-17. The top line has registered a slight decline of about 6.05%, which is mainly due to the shortfall in government orders and also due to general decline in the IT software sector. The bottom line has also clocked a substantial decline of 79.14% mainly due to the writing off of bad debts. In order to portray the true picture of the financial health of your company, this year also the management

has taken a decision to write off the bad debts to the tune of Rs. 15.80 corers during the current financial year 2016-17. All these bad debts have been written off conforming to the ICAI standards.

During the Financial Year 2016-17 However, despite this fact the liquidity position of your company is very good, and accordingly the management of the company has decided to reward its shareholders by way of maintaining its track record of payment of dividend. The Board of Directors has recommended a dividend of Ten paisa per share for the Financial Year 2016-17, which amounts to Rs. 79 Lacs approx.

The Financial Year 2016-17 has been a year full of challenges. It is a fact that state funded projects have a very large operating cycle which affects the overall profitability of the Company therefore, it has been decided to invest into such projects which provide fast cash generation. For this purpose, we have identified hospitality sector and empowerment of rural India sector by way of technology, amusement and food park and innovative tools.

On behalf of my management team I assure you that we shall strive hard to take your company to new heights and to achieve this we shall put in our best and sincere efforts. I express my heartfelt thanks to the Honourable members of board and various committees, stakeholders, financiers, vendors, clients, Central and State government administrators, BSE, NSE, CSE and staff members for extending continuous support and encouragement.

With Warm Regards,

**(Surendra Kumar Surana)**  
Managing Director & CEO

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**Corporate Information**

**BOARD OF DIRECTORS**

**Mr. Surendra Kumar Surana**

Managing Director & CEO

**Mr. Shubh Karan Surana**

Non-Executive & Non- Independent Director

**Mr. Ajay Kumar Surana**

Non-Executive & Non- Independent Director

**Mrs. Trishla Rampuria**

Non-Executive & Non- Independent Director

**Mr. Rajendra Prasad Udawat**

Non-Executive & Independent Director

**Dr. Anjila Saxena**

Non-Executive & Independent Director

**Dr. Satish Kumar**

Non-Executive & Independent Director

**Mr. Ghisa Lal Chaudhary**

Non-Executive & Independent Director

**SENIOR MANAGEMENT**

**CA Sanjeev Nigam**

Chief Financial Officer

**STATUTORY AUDITOR**

**M/s. S. Misra & Associates**

Chartered Accountants

3-C, Third Floor, Tilak Bhawan, Tilak Marg,  
C-Scheme, Jaipur (Rajasthan)-302005, India

**REGISTRAR & SHARE TRANSFER AGENT**

**MCS Share Transfer Agent Limited**

F-65, 1st Floor, Okhla Industrial Area, Phase-1  
New Delhi-110020, India  
Phone No: +91-11-41406149  
Fax: +91-11-41709881  
Email:admin@mcsdel.com

**PRINCIPAL BANKERS**



**REGISTERED OFFICE**

IT: 14-15, EPIP, Sitapura,  
Jaipur (Rajasthan)- 302022, India  
Phone: +91-141- 5115908 (10 Lines)  
Fax: +91-141-2770335  
Email: investor@compucom.co.in  
Website: www.compucom.co.in  
Corporate Identification Number:-L72200RJ1995PLC009798

**BOARD COMMITTEES**

**Audit Committee**

Mr. Rajendra Prasad Udawat (Chairman)  
Mr. Shubh Karan Surana  
Mr. Ghisa Lal Chaudhary

**Nomination & Remuneration Committee**

Mr. Ghisa Lal Chaudhary (Chairman)  
Dr. Satish Kumar  
Mr. Shubh Karan Surana

**Stakeholder Relationship Committee**

Mr. Rajendra Prasad Udawat (Chairman)  
Mr. Shubh Karan Surana  
Mrs. Trishla Rampuria

**Corporate Social Responsibility Committee**

Mrs. Trishla Rampuria (Chairperson)  
Mr. Surendra Kumar Surana  
Dr. Satish Kumar

**CS Swati Jain**

Company Secretary & Compliance Officer

**SECRETARIAL AUDITOR**

**V. M. & Associates**

Company Secretaries  
403, Royal World, Sansar Chandra Road,  
Jaipur (Rajasthan)-302001, India

## NOTICE OF THE TWENTY THIRD ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty Third Annual General Meeting ("AGM/ Meeting") of the members of Compucom Software Limited will be held on Wednesday, September 27, 2017 at 11.30 A.M. at "KRISHNA AUDITORIUM", Compucom Institute of Technology and Management Compound, SP-5, EPIP, RIICO Industrial Area, Sitapura, Jaipur-302022 (Rajasthan), India to transact the following business: -

### ORDINARY BUSINESS:

1. To consider and adopt the:
  - a) Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2017 together with the report of Board of Directors and Auditors Report thereon; and
  - b) Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2017 together with the report of Auditors thereon.
2. To declare a final dividend of Rs. 0.10 per equity share for the year ended March 31, 2017.
3. To Appoint a Director in place of Mrs. Trishla Rampuria (DIN: 07224903), who retires by rotation and being eligible, offers herself for re- appointment.
4. To Appoint Statutory Auditors of the Company.

To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the recommendation of the audit committee and Board of directors, " M/s Sapra & Co. " (FRN: 003208C) be and is hereby appointed as the statutory auditors of the Company, to hold office for a period of five consecutive years commencing from the conclusion of 23<sup>rd</sup> Annual General Meeting till the conclusion of 28<sup>th</sup> Annual General Meeting of the Company to be held in Calendar year 2022 (subject to ratification by members of their appointment at every AGM to be held after 23<sup>rd</sup> AGM), on a remuneration as shall be fixed by the Board on recommendation of Audit committee and that such remuneration may be paid on a progressive billing basis."

Place: Jaipur  
 Date: August 30, 2017  
 Registered Office:  
 IT 14 -15, EPIP,  
 Sitapura, Jaipur - 302 022 (Rajasthan)

By order of the Board  
 For Compucom Software Limited  
 Sd/-  
**(CS Swati Jain)**  
 Company Secretary

### NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE ON A POLL INSTEAD OF SUCH MEMBER AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. **PURSUANT TO PROVISIONS OF SECTION 105 OF COMPANIES ACT, 2013 READ WITH APPLICABLE RULES, A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.**  
**The duly stamped, filled and signed instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than forty-eight (48) hours before the commencement of the meeting.**
3. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified true copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the Meeting.
4. Members are informed that in case of joint holders attending the Meeting, only such Joint holder who is higher in the order of the names will be entitled to vote.
5. The Register of Members and Share Transfer Bookes of the Company will remain closed for the purpose of payment of dividend for the Financial Year 2016-17 from Monday, 25<sup>th</sup> September, 2017 to Wednesday, 27<sup>th</sup> September, 2017 (Both Days inclusive).
6. Members / Proxy(ies) are requested to bring their copy of the Annual Report at the meeting and to produce at the entrance, the admission slip, duly completed and signed, for admission to the meeting hall.
7. The Register of Directors' shareholding and Register of Contracts maintained under section 170 and under section 189 of the Companies Act, 2013 respectively, will be available for inspection by the members at the Annual General Meeting and at the registered office of the company respectively.

8. In terms of Articles of Association of the Company read with Section 152 of the Companies Act, 2013 Mrs. Trishla Rampuria, Director of the Company, retires by rotation at the ensuing meeting & being eligible, offers herself for re-appointment. The Board of Directors of the Company recommends her re-appointment.  
Brief resume and other details of the Director proposed to be re-appointed as stipulated under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 are provided in the Annexure to this Notice.
9. Members holding shares in physical form may write to the Company's Registrar and Share Transfer Agent ("RTA") i.e. MCS Share Transfer Agent Ltd., Unit: Compucom Software Limited, F-65, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase-1, New Delhi-110020, India, for changes, if any, in their address and bank mandates. Members having shares in electronic form may inform such changes directly to their depository participant immediately so as to enable the Company to dispatch dividend warrant(s) at their correct address).
10. Members holding shares in physical form are requested to convert their holdings into dematerialized mode, to avoid loss of shares, quick credit of dividend and fraudulent transactions.
11. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the Share Certificates to the Company's RTA, M/s MCS Share Transfer Agent Ltd., Delhi for consolidation into single folio.
12. Members may now avail the facility of nomination as permitted under Section 72 of the Companies Act, 2013, in respect of physical shares held by them in the Company, by nominating in the prescribed form SH-13, a person to whom their shares in the Company shall vest in the event of their death. Interested Members may write to the RTA for the prescribed form. Members holding shares in demat form may contact their respective depository participants for such nominations.
13. Members desirous of getting any information about the accounts and/or operation of the Company are requested to write to the Company at least seven days before the date of the meeting to enable the Company to keep the information ready at the meeting.
14. Members are requested to encash dividend warrants at the earliest as the unclaimed dividend amounts, if any, and allied shares thereof, after the completion of the Seven consecutive year will be transferred to the "Investor Education and Protection Fund" established by the Central Government, as stipulated under Section 124 of the Companies Act, 2013.
15. The copies of relevant documents can be inspected by the members at the Registered Office of the Company on any working day between 11.30 A.M. to 12.30 P.M., till the date of Twenty Third Annual General Meeting.
16. **"GO GREEN" Initiative:** In support of the "Green Initiative" announced by the Government of India as well as Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable provisions of the Companies Act, 2013, electronic copy of the Annual Report and this Notice, inter alia indicating the process and manner of remote e-voting along with attendance slip and proxy form are being sent by e-mail to those Members whose e-mail addresses have been made available to the Company unless the Member has requested for a hard copy of the same. For Members who have not registered their e-mail addresses, physical copies of this Notice inter alia indicating the process and manner of remote e-voting along with attendance slip and proxy form, will be sent to them in the permitted mode. The Company hereby request Members who have not updated their email IDs to update the same with their respective Depository Participant(s) or MCS Share Transfer Agent Limited, RTA of the Company. Further, Members holding shares in electronic mode are also requested to ensure to keep their email addresses updated with the Depository Participants / RTA of the Company. Members holding shares in physical mode are also requested to update their email addresses by writing to the RTA of the Company quoting their folio number(s). Members, whose email address are registered may also entitled to receive such communication in physical form, upon making a request for the same.
17. Shareholders may also visit Company's website: [www.compucom.co.in](http://www.compucom.co.in) and the website of CDSL Depository at [www.evotingindia.com](http://www.evotingindia.com). as the annual report and the notice of AGM is available at the above mentioned websites. For any query Shareholder may contact us at e-mail: [investor@compucom.co.in](mailto:investor@compucom.co.in).
18. **Voting through electronic means:-**  
In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the members are provided with the facility to cast their vote electronically from a place other than the venue of the AGM ("remote e-voting"), through e-voting services provided by CDSL, on all the resolutions set forth in the Notice. Instructions for e-voting are given here in below. Resolutions passed by members through e-voting is/ are deemed to have been passed as if they have been passed at the AGM.
19. The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on Wednesday, 20<sup>th</sup> September, 2017 (cut-off date).
20. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
21. CS Manoj Maheshwari, FCS 3355, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the remote e-voting and poll process to be carried out at the Meeting in a fair and transparent manner.

22. The final results including the poll and remote e-voting results of the AGM of the Company shall be declared on Friday, 29<sup>th</sup> September, 2017. The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website [www.compucom.co.in](http://www.compucom.co.in) and on the website of CDSL within two (2) days of passing of the resolutions at the Annual General Meeting of the Company and communicated to the Stock Exchanges.
22. The Company has engaged the services of Central Depository Services (India) Limited (“CDSL”) as Agency to provide e-voting facility.

Any person who acquires shares of the Company and becomes member of the Company after dispatch of the notice of AGM and holding shares as of the cut-off date i.e 20<sup>th</sup> September, 2017 may obtain the login ID and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote.

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on 23<sup>rd</sup> September, 2017 (9.00 AM) and ends on 26<sup>th</sup> September, 2017 (5.00 PM). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e. 20<sup>th</sup> September, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

**For Members holding shares in Demat Form and Physical Form**

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• 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 in the PAN Field.</li> <li>• 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.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	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. <ul style="list-style-type: none"> <li>• 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 (iv).</li> </ul>

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the Compucom Software Limited on which you choose to vote.
- (xii) 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.



- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) 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.
- (xviii) **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 app from the App Store and the Windows Phone Store respectively on or after 30<sup>th</sup> June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **Note for Non – Individual Shareholders and Custodians**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://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](mailto: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 emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

Place: Jaipur  
 Date: August 30, 2017  
 Registered Office:  
 IT 14 -15, EPIP,  
 Sitapura, Jaipur - 302 022 (Rajasthan)

By order of the Board  
 For Compucom Software Limited  
 Sd/-  
**(CS Swati Jain)**  
 Company Secretary

**ANNEXURE TO THE NOTICE OF 23<sup>rd</sup> AGM**

Information pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the Directors who are proposed to be appointed/re-appointed at the ensuing Annual General Meeting to be held on Wednesday, September 27<sup>th</sup>, 2017.

Name of Director	Mrs. Trishla Rampuria
Age	57
Designation	Non-Independent and Non- Executive Director
Expertise in specific functional area	Computer Education and Consultancy
Qualification	Senior Secondary
Directorship in other Companies on 31/03/2017	NIL
Member/Chairman of the Committees of the Board of other Companies as on 31 <sup>st</sup> March, 2017	NIL
No. of shares held in the Company as on 31 <sup>st</sup> March, 2017	105000
Relationship between Directors inter-se	Relative of Promoter Director

Place: Jaipur  
 Date: August 30, 2017  
 Registered Office:  
 IT 14 -15, EPIP,  
 Sitapura, Jaipur - 302 022 (Rajasthan)

By order of the Board  
 For Compucom Software Limited  
 Sd/-  
**(CS Swati Jain)**  
 Company Secretary

## Board's Report

To  
The Members,  
Compucom Software Limited

Your Company has immense pleasure in presenting their 23<sup>rd</sup> Annual Report on the business and operations of the Company together with Audited Financial Statements for the financial year ended on March 31, 2017.

### Financial Results:

The highlights of the financial results for the financial year 2016-17 are as follows: (Rs. in Lakhs)

Particulars	31.03.2017	31.03.2016
Total Income	5413.22	5761.56
Total Expenses	3506.43	2869.49
<b>Operating Profit (PBDIT)</b>	<b>1906.79</b>	<b>2892.07</b>
Finance Cost	209.55	342.87
Depreciation	1469.26	1456.07
Profit before Tax	227.97	1093.13
Exceptional Items	-	78.13
Provision for Income Tax including Deferred Tax	42.75	318.28
<b>Net Profit after Tax</b>	<b>185.22</b>	<b>696.72</b>
Appropriation		
Dividend	79.12	79.12
Dividend Tax	16.11	16.56
Transfer to General Reserve	-	-
<b>Total Appropriations</b>	<b>95.23</b>	<b>95.68</b>
Earnings per Share: Basic and Diluted (in Rs.)		
Considering Extraordinary Items	0.23	0.88
Without Considering Extraordinary Items	0.23	0.88

### Results of Operations:

Total income from operations earned during the year amounted to Rs. 5,413.22 lakhs compared to that of Rs. 5,761.56 lakhs in the previous financial year. This reflects decrease of Rs. 348.34 lakhs. The profit before tax has decreased from Rs. 1,093.13 lakhs in the previous financial year to Rs 227.97 lakhs in the current financial year which is due to Bad Debts and SLA Deductions.

The Operating Profit during the period under review is Rs. 1,906.79 lakhs as compared to Rs. 2,892.07 lakhs in the previous financial year.

As required by AS- 21, Consolidated Financial Statements are provided in the later section of the Annual Report.

### Business Operations:

#### (1) Software & E-Governance Services:

During the year, the Company focused on the areas where higher margin was available with low risk factors. The revenue generated from this segment during the current Financial Year 2016-17 was Rs. 590.67 Lakhs as against Rs 461.71 Lakhs during the previous financial year. This reflects increase of 27.93% i.e. Rs. 128.96 Lakhs. Profit earned from this segment amount to Rs. 295.61 Lakhs as compared to that of Rs. 223 Lakhs during the previous Financial Year, which has resulted in increase of 32.56% i.e. Rs. 72.61 Lakhs.

#### (2) Learning Solutions:

Learning Solution Segment mainly comprises ICT Phase III, ICT Bihar, Computer Aided Training Programme and other projects. The Company has covered total 8,223 Govt. Schools and over 2 million learners under its educational umbrella so far. These PPP Projects could not have been a success without the cooperation extended by Employees, Business Associates, Vendors and Government officials. Most of these projects are in form of IT Infrastructure development at school levels.

The Company has been running successfully, ICT Project Phase III worth Rs. 158.50 Crore, for 1,373 Govt. Schools of Rajasthan. It has been commissioned in the month of Feb. 2014 and will be a five (5) year project on BOOT model.

The Company has massive plans for capturing the advantage of Indian education expenditure planned through Govt. of India promoted PPP models across India fuelled by *Sarva Shiksha Abhiyan* (SSA), *Rashtriya Madhyamik Shiksha Abhiyan* (RMSA) and skill development initiatives. Company is also planning to leverage in-house software development and satellite based technology skills for expansion in school and coaching Business.

During the year the revenue generated from this segment was Rs. 4,427.04 Lakhs as against Rs 4,938.79 Lakhs during the previous financial year. This reflects decrease of 10.36% i.e. Rs. 511.75 Lakhs.

**(3) Wind Power Generation:**

The Company has installed two wind power generation plants in Jaisalmer (Rajasthan) with capacity of 0.6 MW each, two at Sikar (Rajasthan) with capacity of 0.6 MW each & One Plant at Krishna (Andhra Pradesh) with capacity of 0.8 MW. Total wind power generation capacity is 3.2 MW. The operation and maintenance of all these wind power project has been out-sourced to Wind World India Ltd. (previously known as Enercon India Limited).

During the year revenue generated from this segment amounted to Rs. 170.73 as compared to Rs. 175.87 Lakhs during the previous year ended on March 31, 2016 which shows a decrease in the revenue by 2.92% i.e. Rs. 5.14 Lakhs due to lower generation of units. Profit earned from this segment amount to Rs. 43.36 Lakhs as compared to that of Rs. 54.29 Lakhs during the previous Financial Year, which has resulted a decrease of 20.13% i.e. Rs. 10.93 Lakhs.

**(4) Treasury Activities:**

During the year revenue generated from other sources amounted to Rs. 224.78 as compared to Rs. 185.19 Lakhs during the previous year ended on March 31, 2016 which shows an increase in the revenue by 21.38% i.e. Rs. 39.59 Lakhs.

The following chart depicts revenue generated from operation for the year ended March 31, 2017: -



**Details of Subsidiary Companies**

The Company has two subsidiary Companies:

Pursuant to provisions of section 129(3) of the Companies Act, 2013 a statement containing salient features of the financial statements of the Company's subsidiaries in Form AOC-1 is provided in the later section of the Annual Report after Financial Statement of the Company.

Pursuant to the provisions of Section 136 of the Companies Act, 2013 the standalone financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are also available on the website of the Company.

During the year, operations of following two subsidiaries were reviewed.

**(A) ITneer, Inc.** is a wholly owned subsidiary Company of Compucom Software Limited. It has earned total revenue of US\$ 1,238,528 during the financial year 2016-17 as compared to US \$ 1,001,417 in the previous financial year. This reflects an increase of approx. 23.68% i.e. US \$ 237,111. The Company has earned profit of US\$ 51,947 as compared to the Profit of US \$ 34,969 in the previous financial year. The Company is operating out of its own premises in Atlanta, USA. It is headed by Promoter Director Mr. Ajay Kumar Surana. The copy of the audited accounts, together with the independent auditor's report, is provided in a separate Section of this Annual Report.

**(B) CSL Infomedia Pvt. Ltd.** is another subsidiary Company of Compucom Software Limited. It has earned total revenue of Rs. 585.68 Lakhs during the financial year 2016-17 as compared to Rs. 567.11 Lakhs in the previous financial year which shows an increase of 3.27% i.e. Rs. 18.57 Lakhs. The Company has earned Profit of Rs.81.89 Lakhs as compared to Rs. 105.67 Lakhs in the previous financial year. The Company is mainly operating in multimedia, Content Development, Education TV Segment and Satellite Education. The copy of the audited accounts together with the independent Auditors Report is provided in a separate section of this Annual Report. The company has two TV Channel one "JAN TV", Satellite TV channel and "JAN TV PLUS" (an Infotainment Channel). Currently it is available on various cable networks across India and also available live on [jantvplus.in](http://jantvplus.in).

**Dividend**

Keeping the continuous track record of rewarding its shareholders, your Directors are pleased to recommend a dividend @ 5% i.e. Rs. 0.10/- per Equity share of Rs. 2/- each for the Financial Year 2016-17, subject to approval of the shareholders at the ensuing Annual General Meeting.

Dividend declared & paid during last 15 (Fifteen) years:

Financial Year	Dividend Rate
2001-02	10%
2002-03	25%
2003-04	25%
2004-05	25%
2005-06	30%
2006-07	30%

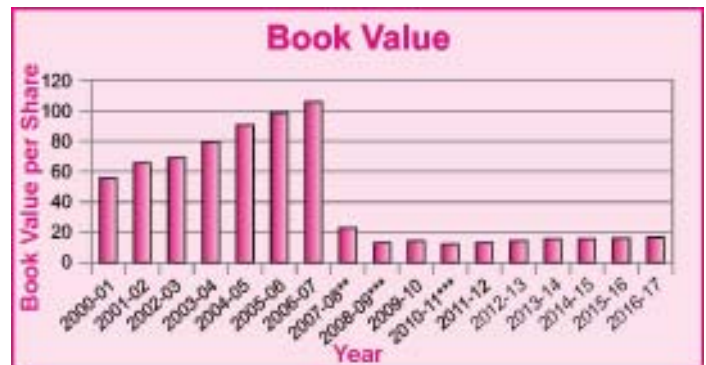


2007-08	15%
2008-09	10%
2009-10	10%
2010-11	15%
2011-12	15%
2012-13	20%
2013-14	20%
2014-15	5%
2015-16	5%

**Book Value per Share:**

Details of book value during the last 17 (Seventeen) years are as under:

Financial Year	No of Shares	Face Value per share	Book Value Per share (in Rs.)
2000-01	5025000	10	55.74
2001-02	5025000	10	65.6
2002-03	5025000	10	69
2003-04	5025000	10	79.9
2004-05	5025000	10	90.79
2005-06	5025000	10	98.73
2006-07	5025000	10	105.89
2007-08**	25,125,000**	2 (10)	22.79
2008-09***	502,50,000***	2	13.1
2009-10	502,50,000	2	14.47
2010-11****	7,91,25,188****	2	12.26
2011-12	7,91,25,188	2	12.97
2012-13	7,91,25,188	2	13.92
2013-14	79125188	2	14.74
2014-15	79125188	2	14.94
2015-16	79125188	2	15.7
2016-17	79125188	2	15.81



\*\*Equity share of face value of Rs.10 each subdivided into equity share of Face value of Rs. 2/- each. Record date for the same was October 15, 2007.

\*\*\* The Company issued bonus shares in the ratio of 1:1. Record date for the same was December 26, 2008.

\*\*\*\*The Company issued bonus shares in the ratio of 1:2. Record date for the same was October 20, 2010.

\*\*\*\*\* Preferential issue of 37.50 Lacs Equity shares allotted on November 4, 2010.

**Fixed Deposits/Deposits from Public**

During the financial year 2016-17, your Company has not accepted any fixed deposits nor renewed any Fixed deposit, falling within the definition of Section 73, 74 and 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

**Listing of Shares**

Your Company's shares are listed at National Stock Exchange of India Limited (NSE), Bombay Stock Exchange Ltd (BSE) and Calcutta Stock Exchange Limited (CSE) and the listing fee for the financial year 2017-18 has been duly paid. The Company's Symbol at NSE is COMPUSOFT and the Scrip Code of the Company at BSE is 532339 and at CSE is 13335.

**Number of Meetings of Board of Directors**

Four (4) meetings of Board were held during this financial year. The dates on which the Board Meetings were held are as follows:

May 25, 2016; August 3, 2016; November 12, 2016; February 9, 2017.

The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and SS-1 issued by ICSI. The Details of the Board Meetings and attendance at such meeting are provided in the Corporate Governance Report attached with the Annual Report.

**Policy on Director’s appointment and remuneration**

The current policy is to have an appropriate mix of executive and independent directors to maintain the independence of the Board, and separate its functions of governance and management.

The policy of the Company on director’s appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Sub-section (3) of Section 178 of the Companies Act, 2013, adopted by the Board, is attached as **Annexure I** of the Board’s report. We affirm that the remuneration paid to the directors is as per the terms laid out in the nomination and remuneration policy of the Company. The Policy is also available on the Company’s Website at [compucom.co.in/Annual reports/Nomination\\_Remuneration%20Policy.pdf](http://compucom.co.in/Annual%20reports/Nomination_Remuneration%20Policy.pdf)

**Details of appointment of Directors and KMPs and their resignation during the year**

**Appointments**

During the Year 2016-17 there are two directors appointed on the Board, Mr. Ghisa Lal Chaudhary w.e.f. 11<sup>th</sup> February, 2016 for Three (3) years and Dr. Satish Kumar w.e.f. 25<sup>th</sup> May, 2016 for 2 years, both were regularized as on 9<sup>th</sup> September, 2016.

**Reappointment**

During the Year 2016-17 there are two directors re-appointed on the Board, Mr. Rajendra Prasad Udawat w.e.f. 2<sup>nd</sup> April, 2016 for Three (3) years and Dr. Anjila Saxena w.e.f. 3<sup>rd</sup> August, 2016 for Two (2) years, both were regularized as on 9<sup>th</sup> September, 2016.

Mr. Ajay Kumar Surana is re-appointed as he was liable to retire by rotation in the 22<sup>nd</sup> Annual General Meeting.

Mrs. Trishala Rampuria is liable to retire by rotation and being eligible has offered herself for re-appointment. Accordingly, approval of the members sought for her reappointment at the ensuing Annual General Meeting.

The brief resume and other details of the Director seeking re-appointment in the forthcoming Annual General Meeting, in Pursuance of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to the Annual General Meeting notice.

**Retirement**

During the financial year 2016-17, Mr. Ramesh Chand Jain, an Independent Director retired on September 8, 2016.

**Vigil Mechanism**

The Company Promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a vigil mechanism policy under which the employees, directors and other stakeholders are free to report matters such as generic grievances, corruption, misconduct, fraud, misappropriation of assets and non-compliance of code of conduct to the Company. The policy safeguards the whistle blowers to report concerns or grievances and also provides a direct access to the chairman of the audit committee. During the year under review none of the personnel has been denied access to the Audit Committee and during this Financial Year Company has not received any query regarding thereof.

The Vigil Mechanism Policy is available on the Company’s website at [compucom.co.in/Annual Reports/Vigil%20Machanism.pdf](http://compucom.co.in/Annual%20Reports/Vigil%20Machanism.pdf).

**DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

Your Company has always believed in providing a safe and harassment free workplace for every individual working in its premises through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2016-17

- Number of complaints received: NIL
- Number of complaints disposed off: NIL

**Declaration of independence by directors**

The Independent Directors of the Company, viz. Mr. Rajendra Prasad Udawat, Dr. Anjila Saxena, Mr. Ghisa Lal Chaudhary, Dr. Satish Kumar have affirmed that they continue to meet all the requirements of independence specified under sub-section (6) of section 149 of Companies Act, 2013 and the Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Composition of Audit Committee**

The Audit Committee comprises of three Non-Executive Directors, two of whom are Independent Directors and one is Non-Independent Director. Mr. Rajendra Prasad Udawat is the Chairman of the Audit Committee. The Members possess adequate knowledge of Accounts, Audit and Finance. The composition of the Audit Committee meets the requirements as per the Section 177 of the Companies Act, 2013 and of Regulation 18 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. There are no recommendations of the Audit Committee which have not been accepted by the Board.

### Performance Evaluation

As per the provisions of the Companies Act, 2013 and SEBI (Listing obligations and Disclosure Requirements) Regulations 2015, the formal annual evaluations need to be made by the Board of its own performance, that of its committees and individual directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the Directors being evaluated.

The evaluation of all the Directors, committees and Board as a whole was conducted based on the criteria and framework adopted by the Board. The evaluation process has been explained in the Corporate Governance report section in this Annual Report. The Board approved the evaluation results as collated by the Nomination and Remuneration Committee.

### Training of Independent Directors

Every new Independent Director of the Board attends an orientation program. To familiarize the new inductees with the strategy, operations and functions of our Company, the executive directors / senior managerial personnel make presentations to the inductees about the company's strategy, operations, product and service offerings, markets, software delivery, organization structure, finance, human resources, technology, quality, facility and risk management.

The Company has a program to help its directors improve their expertise in governance held by well –known business schools in any part of the world.

Further, at the time of appointment of an independent director, the Company issues a formal letter of appointment outlining his/her role, function, duties and responsibilities as a director.

### Familiarization Programme for Independent Directors:

The Company believes that the Board should be continuously empowered with the knowledge of the latest developments in the Company's business and the external environment affecting the industry as a whole. To this end, the Directors were given presentations on the global business environment, as well as all business areas of the Company including business strategy, risk opportunities. Monthly updates on performance/developments giving highlights of performance of the Company during each month including the developments / events having impact on the business of the Company are also sent to all the Directors. The details of familiarization programs imparted to Independent Directors is disclosed on the Company's website at the following link [compucom.co.in/AnnualReports/Independent%20familiarisation%Programme.pdf](http://compucom.co.in/AnnualReports/Independent%20familiarisation%Programme.pdf).

### Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee (CSR Committee) has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board. The CSR Policy may be accessed on the Company's website at the link: [compucom.co.in/Annual Reports/CSR%20Policy\\_Signed.pdf](http://compucom.co.in/Annual Reports/CSR%20Policy_Signed.pdf)

The key philosophy of all CSR initiatives of the Company is guided by three core commitments of Scale, Impact and Sustainability. The Company has identified following focus areas for CSR engagement:

- **Environment Friendly:**  
Promotes volunteer reduction in consumption of paper through programs like double side printing, reduced scale printing and reusing one sided paper. Same types of innovative efforts are done in reducing usage of water and electricity. Plantation using the waste water is one of the key highlights.
- **Eradicating extreme hunger and poverty:**  
Your Company has contributed to "HARE KRISHNA MOVEMENT"-AKSHAY PATRA who helps in support to Mid-day meal program for under-privileged children studying in Government schools and also it helps in support to economic meal program for poor people.
- **Promotion of Education:**  
The company has contributed about Rs. 20 Lakhs towards Lab Installation in Govt. Schools, which will help to improve education level of rural background students.  
The Company also undertakes other need based initiatives in compliance with Schedule VII to the Act.  
During the year, the Company spent 24.17 Lacs (around 2.14% of the average net profits of last three financial years) on CSR activities. The annual report on CSR activities is annexed herewith marked as **Annexure II**.

### Internal financial control systems

The Company has put in place an adequate system of internal control commensurate with its size and nature of business. These systems provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company and ensuring compliance with corporate policies. The Audit Committee reviews adherence to internal financial control systems and internal audit reports.

### Loans, guarantees and investments in securities by the company

Particulars of loans given, Investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the standalone financial statement Please refer Note 11 to the standalone financial statement.

### Transfer to Reserves

Your directors do not propose to transfer any amount to the general reserves of the company for the financial year ended on March 31, 2017.

### Statutory Auditors and Auditors' Report

The Auditors Report to the shareholders for the Financial Year 2016-17 given by the M/s S. Misra & Associates does not contain any observation and qualification.

The Auditors Report for the financial year ended 31st March, 2017 is self-explanatory and does not call for any further comments.

No frauds have been reported by the Auditors under Section 143(12) of the Companies Act, 2013 requiring disclosure in the Board's Report.

The Companies Act, 2013 ('The Act') was notified effective April 1, 2014. Section 139 of the Act lays down the criteria for appointment and mandatory rotation of statutory auditors. Pursuant to section 139 of the act and the rules made thereunder, it is mandatory to rotate the statutory auditors on the completion of two terms of five consecutive years. The rules also lay down the transitional period that can be served by the existing Auditors depending on the number of consecutive years for which an audit firm has been functioning as auditor in the same company. The incumbent Auditors "S. Misra & Associates" Chartered accountants (Firm Registration No. 004972C) have served the Company for over 10 years before the Act was notified and will be completing the maximum No. of Transitional period (Three Years) at the ensuing 23<sup>rd</sup> AGM.

The Audit committee of the company has proposed and on August 30, 2017 the board has recommended the appointment of "M/s Sapra & Co. Chartered Accountant (FRN:003208C) as the statutory Auditors of the Companies after receiving consent letter and peer review certificate from "M/s Sapra & Co.". The firm will hold office for a period of five consecutive years from the conclusion of the 23<sup>rd</sup> Annual General Meeting of the Company till the Conclusion of 28<sup>th</sup> Annual General Meeting to be held in 2022 subject to ratification by shareholders at every Annual General Meeting. The First year of audit will be of the financial statements for the year ending March 31, 2018, which will include the audit of the quarterly Financial results.

### Secretarial Audit Report

As per section 204 of Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every Listed Company is required to appoint Secretarial Auditor to carry out Secretarial Audit of the Company.

In consonance with the requirements of Section 204 of the Companies Act, 2013 and rules made thereunder, M/s V. M. & Associates, Company Secretaries in Practice, Jaipur, was appointed as Secretarial auditors to conduct the secretarial audit of the Company for the financial year 2016-17.

A Secretarial Audit Report issued by M/s V. M. & Associates, Company Secretaries, in respect of the secretarial audit of the Company for the financial year ended March 31, 2017, is given as **Annexure III** to this Report. The Report does not contain any observation or qualification requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

The Secretarial Audit report for the financial year ended March 31, 2017 is self-explanatory and does not call for any further comments.

The Board has re-appointed M/s V. M. & Associates, Company Secretaries in Practice, Jaipur as Secretarial Auditor of the Company to carry out secretarial audit for the financial year 2017-18.

### Internal Audit Report

As per Section 138 of Companies Act, 2013 read with Companies (Accounts) Rules, 2014, every Listed Company is required to appoint Internal Auditor to carry out Internal Audit of the Company.

In consonance with the requirements of Section 138 of the Companies Act, 2013 and rules made thereunder, Mrs. Meena Bhura, Chartered Accountant, Jaipur, was appointed to conduct the internal audit of the Company for the financial year 2016-17.

No major internal audit observations were observed during the period under review.

The Board has appointed Mrs. Garima Gupta, Chartered Accountant, Jaipur as an Internal Auditor of the Company in its meeting held on May 29<sup>th</sup>, 2017 to carry out internal audit for the financial year 2017-18.

### Corporate Governance Report and Management Discussion and Analysis Report

The Company is committed to observe good corporate governance practices. The report on Corporate Governance for the financial year ended March 31, 2017, as per Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms a part of this Annual Report. The requisite certificate from auditors of the Company confirming compliance with the conditions of Corporate Governance is annexed to this Annual report.

### Conservation of Energy, Research & Development, Technology Absorption, Foreign

#### Exchange and Outgo

The particulars as prescribed under Section 134 (3) (m) of the Companies Act, 2013 read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 are annexed to this Report as **Annexure IV**.

### Transactions with related parties

Information on transactions with related parties pursuant to Section 188(1) for entering into such contract or arrangement in Form AOC-2 is annexed to this Report as **Annexure V**.

### Particulars of Employees

1. None of the employees of the company was in receipt of the remuneration exceeding the limits prescribed u/s 197 (12) read with rule 5, sub-rule 2 of The Companies (Appointment and Remuneration of Managerial Personnel) of the Companies Act, 2013 during the year under review.
2. The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are forming part of this report as **Annexure VI**.

### Extract of Annual Return

An extract of the Annual Return in Form MGT-9 in compliance with Section 92 of the Companies Act, 2013 read with Rules made thereunder is annexed to this Report as **Annexure VII**.

### Transfer of Unclaimed Dividend to Investor Education and Protection Fund (IEPF)

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, dividend due for refund which remains unpaid or unclaimed for a period of seven years from the date of its transfer to unpaid dividend/unclaimed account is required to be transferred by the company to Investor Education and Protection Fund (IEPF), established by the Central Government under the provisions of Section 125 of the Companies Act, 2013. During the year 2016-17, Rs. 189813/- was transferred to Investor Education and Protection Fund.

### Human Resource Management

Your Company draws its strength from a highly engaged and motivated workforce, whose collective passion and commitment has helped the organization scale new heights. Human Resource policies and processes have evolved to stay relevant to the changing demographics, enhance organizational ability and remain compliant with the changing regulatory requirements. The company has created a favorable work-environment that encourages innovation and nurturing of commercial and managerial talents in its operations.

### Trade Relations

The Company maintained healthy, cordial and harmonious Industrial relations at all levels. The Directors wish to place on record their appreciation for the valuable contribution by the employees of the Company.

### Quality Assurance

Sustained commitment to the highest levels of quality, best in class service management and robust information security practices helped the Company attain the following milestone during the year.

The Company is an ISO 9001:2000 organization, certified by Det Norske Veritas (DNV) since 1998. These standards enable us to identify risks at the initial planning stage of the project. The Company firmly believes in the pursuits of excellence to compete in this emerging and growing software market. Our focus has been on providing quality products and services to our customers.

The Company achieved CMMI level-3 certification and continues to implement the certification quality level in its operation.

### Risk Management

The Company has developed and implemented a Risk Management policy which encompasses practices relating to identification, assessment, monitoring and mitigation of various risks to key business objective. The risk Management frame work of the Company seeks to minimize adverse impact of risks on our key business objectives and enables the Company to leverage market opportunity effectively. The Policy is available on the Company's website at [compucom.co.in/Annual Reports/Risk%20Management%20Policy.pdf](http://compucom.co.in/Annual Reports/Risk%20Management%20Policy.pdf)

### Material Changes affecting the Company

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and date of this Report. There has been no change in the nature of business of the Company.

### Code of Conduct

In compliance with Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, the Company has framed and adopted a code of conduct and ethics (The Code). The Code is applicable to the members of the Board, the executive officers and all employees of the Company and its Subsidiaries. The Code is available on our website at [Compucom.co.in/Annual Reports/Code%20of%20Conduct.pdf](http://Compucom.co.in/Annual Reports/Code%20of%20Conduct.pdf).

### Directors' Responsibility Statement

Based on the framework of internal financial controls established and maintained by the company, reviews performed by management in concurrence with the Audit committee, the Company's internal financial controls were adequate and effective as on 31<sup>st</sup> March, 2017.

In compliance with Section 134(5) of the Companies Act, 2013, the Board of Directors to the best of their knowledge and hereby confirm the following:

- (a) In the preparation of the annual accounts, the applicable Accounting Standards have been followed along with proper explanations relating to material departures;
- (b) 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 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;
- (e) The Directors had laid down internal financial control to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) The Directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

**Acknowledgement**

The Directors take this opportunity to thank all Investors, associates and business partners, clients, strategic alliance partners, technology partners, vendors, financial institutions/banks, regulatory and government authorities, media and stock exchanges, for their continued support during the year. The Directors place on record their appreciation of the contribution made by all the employees at all levels for their dedicated service and continued excellent work throughout the year.

For Compucom Software Limited

Sd/-

**(Surendra Kumar Surana)**

Managing Director & CEO

(DIN:-00340866)

Place: Jaipur,

Date: August 30, 2017

Sd/-

**(Shubh Karan Surana)**

Director

(DIN:- 00341082)

**Annexure I**

**Annexures to the Board Report:**

**Nomination and Remuneration Policy**

The policy on appointment and remuneration of Directors and Key Managerial Personnel provides an underlying basis and guide for human resources management, thereby aligning plans for Strategic growth of the Company. The policy is pursuant to section 178(4) of the Companies Act, 2013. The policy is also available on our website.

The Nomination and Remuneration Committee of Compucom Software Limited (“the Company”) was constituted consisting of three Independent Directors. The Board reconstituted the Committee consisting of 3 Non-Executive Directors of which majority are Independent Directors.

**OBJECTIVE:**

The Nomination and Remuneration Committee and this Policy is in compliance with Section 178 of the Companies Act, 2013 and as per Regulation 19 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

**The Key Objectives of the Committee would be:**

- a) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- b) To evaluate the performance of the members of the Board and provide necessary Report to the Board for further evaluation of the Board.
- c) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

**DEFINITIONS:**

- (a) **Key Managerial Personnel:** Key Managerial Personnel means—
  - (i) Chief Executive Officer or the Managing Director or the Manager;
  - (ii) Company Secretary,
  - (iii) Whole-Time Director;
  - (iv) Chief Financial Officer; and
  - (v) Such other Officer as may be prescribed.
- (b) **Senior Management:** Senior Management means personnel of the Company who are members of its core management team excluding the Board of Directors. This would also include all members of management one level below the Executive Directors including all functional heads.

**ROLE OF COMMITTEE:**

**The role of the Committee inter alia will be the following:**

- a) To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- b) To recommend to the Board the appointment and removal of Senior Management
- c) To carry out evaluation of Director’s performance and recommend to the Board appointment / removal based on his/her performance.

- d) To recommend to the Board on (i) policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management and (ii) Executive Directors Remuneration and incentive.
- e) To make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;
- f) Ensure that level and composition of remuneration is reasonable and sufficient, Relationship of remuneration to performance is clear and meets appropriate performance benchmarks,
- g) To devise a policy on Board diversity;
- h) To develop a succession plan for the Board and to regularly review the plan;

**MEMBERSHIP:**

- a) The Committee shall consist of a minimum 3 Non-Executive Directors, majority of them being Independent.
- b) Minimum two (2) members shall constitute a quorum for the Committee meeting.
- c) Membership of the Committee shall be disclosed in the Annual Report.
- d) Term of the Committee shall be continued unless terminated by the Board of Directors.

**CHAIRMAN:**

- a) Chairman of the Committee shall be a Non- Executive Independent Director.
- b) Chairperson of the Company may be appointed as a member of the Committee But shall not be a Chairman of the Committee.
- c) In the absence of the Chairman, the members of the Committee present at the Meeting shall choose one amongst them to act as Chairman.
- d) Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

**FREQUENCY OF MEETINGS:**

The meeting of the Committee shall be held at such regular intervals as may be required.

**COMMITTEE MEMBERS' INTERESTS:**

- a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

**SECRETARY:**

- a) The Company Secretary of the Company shall act as Secretary of the Committee.

**VOTING:**

- a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

**NOMINATION DUTIES:**

**The duties of the Committee in relation to nomination matters include:**

- Ensuring that there is an appropriate induction & training Programme in place for new Directors and members of Senior Management and reviewing its effectiveness;
- Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Companies Act, 2013;
- Identifying and recommending Directors who are to be put forward for retirement by rotation.
- Determining the appropriate size, diversity and composition of the Board;
- Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- Delegating any of its powers to one or more of its members or the Secretary of the Committee;

- Recommend any necessary changes to the Board.
- Considering any other matters as may be requested by the Board.

**REMUNERATION DUTIES:**

**The duties of the Committee in relation to remuneration matters include:**

- To consider and determine the Remuneration Policy, based on the Performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- To approve the remuneration of the Senior Management including Key Managerial Personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- To delegate any of its powers to one or more of its members or the Secretary of the Committee.
- To consider any other matters as may be requested by the Board.
- Professional indemnity and liability insurance for Directors and Senior Management.

**MINUTES OF COMMITTEE MEETING:**

- Proceedings of all meetings must be in minutes and signed by the Chairman of the Committee. Minutes of the Committee Meetings will be tabled at the subsequent Board and Committee Meeting.

For Compucom Software Limited

Sd/-

**(Surendra Kumar Surana)**

Managing Director & CEO

(DIN:-00340866)

Place: Jaipur

Date: August 30, 2017

Sd/-

**(Mr. Ghisa Lal Chaudhary)**

Chairperson of Nomination & Remuneration Committee

(DIN:- 03602194)

**Annexure II**

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2016-17**

Sr. No.	Particulars	Remarks
1	A Brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web link to the CSR policy and project or programs.	Refer Section: Corporate Social Responsibility (CSR) in the Board's Report
2	The Composition of the CSR Committee.	Refer Section: Corporate Social Responsibility Committee (CSR) in the Corporate Governance Report
3	Average net profit of the Company for last three financial years.	1127.17 Lacs
4	Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above).	22.54 Lacs
5	Details of CSR spent during the financial year:	
	a) Total amount to be spent for the financial year	22.54 Lacs
	b) Total Amount spent during the year	24.17 Lacs
	c) Amount unspent, if any;	Not Applicable
	d) Manner in which the amount spent during the financial year is detailed below	Given Below

The manner of the Amount spent during the financial year is detailed as follows:

S. No.	CSR Project Or Activity identified	Sector in which the project is covered	Projects or Programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative spend up to the reporting period	Amount Spent: direct/ through implementing agency
1.	<b>Social Business Project</b>	Social Business Project	Jaipur, Raj. (Local Area)	105000	137000	275936	Directly
2.	<b>Eradicating extreme hunger and poverty</b>	<b>Eradicating extreme hunger and poverty</b>	Jaipur, Raj. (Local Area)	130000	130100	501100	Directly
3.	<b>Promotion of Education</b>	<b>Promotion of Education</b>	Jaipur, Raj. (Local Area)	2030000	2149523	6341825	Directly
<b>Total</b>				<b>2300000</b>	<b>2416623</b>	<b>7118861</b>	

The CSR Committee hereby confirms that the implementation and monitoring of CSR activities is in compliance with CSR objectives and the CSR Policy of the Company.

For Compucom Software Limited

Sd/-

**(Surendra Kumar Surana)**

Managing Director & CEO

(DIN:-00340866)

Place: Jaipur

Date: August 30, 2017

Sd/-

**(Mrs. Trishla Rampuria)**

Chairperson of Corporate Social Responsible Committee

(DIN:- 07224903)

**Annexure III**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March, 2017

*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,

The Members,

Compucom Software Limited

CIN: L72200RJ1995PLC009798

IT: 14-15, EPIP, Sitapura

Jaipur. 302022

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Compucom Software Limited** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2017 ('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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 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 to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable to the Company during the Audit Period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;**(Not applicable to the Company during the Audit Period)**
  - (c) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;**(Not applicable to the Company during the Audit Period)**
  - (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;**(Not applicable to the Company during the Audit Period)**
  - (e) 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;
  - (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period)**
  - (g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;**(Not applicable to the Company during the Audit Period)**
  - (h) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (vi) As confirmed by the management, following other laws are specifically applicable to the Company for which the Company has taken necessary steps for its due compliance:
  - (a) The information Technology Act, 2000
  - (b) Policy relating to Software Technology Parks of India and its regulation

We 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 BSE Ltd. and National Stock Exchange of India Limited and calcutta stock exchange.

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

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

**We 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.

**We further report that** during the audit period the Company has not undertaken any events/actions in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. which in our opinion have a major bearing on the Company's affairs.

Place: Jaipur  
Date: August 30, 2017

For V. M. & Associates  
Company Secretaries  
(ICSI Unique Code P1984RJ039200)  
**CS Manoj Maheshwari**  
Partner  
FCS 3355  
C P No. : 1971

Note: This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

**‘Annexure A’**

To,  
The Members  
Compucom Software Limited  
Jaipur.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company

Place: Jaipur  
Date: August 30, 2017

For V. M. & Associates  
Company Secretaries  
(ICSI Unique Code P1984RJ039200)  
**CS Manoj Maheshwari**  
Partner  
FCS 3355  
C P No. : 1971

**Annexure IV**

**Conservation of energy, research and development, technology absorption, foreign exchange earnings and outgo**

[Particulars to Clause (m) of Sub-section (3) of Section 134 of Companies Act, 2013, and Rules 8(3) of the Companies (Accounts) Rules, 2014]

**CONSERVATION OF ENERGY**

The nature of the Company’s operation is not energy intensive and entails low level of energy consumption. However, significant measures are being taken for the conservation of energy and the management is constantly evaluating new technologies and investing in the infrastructure to make more energy efficient.

I. Steps taken for conservation of energy :-

Significant measures have been taken to reduce energy consumption by using energy-efficient equipment’s include:

- Incorporating new technologies in the air-conditioning systems in upcoming facilities to optimize power conservation.
- Identification and replacement of low-efficient machinery (AC) in a phased manner.
- Identification and replacement of outdated and low efficient UPS systems in a phased manner.
- Conducting continuous energy-conservation awareness and training sessions for operational personnel.
- The Company has installed 100KWA Solar PV roof top plant for captive use.

II. The steps taken by the company for utilizing alternate sources of energy :- Nil

III. The Capital investment on energy conservation equipment’s:- Nil

**RESEARCH & DEVELOPMENT (R&D)**

- (a) Our efforts in R&D have helped us offer new services to clients in the areas of software Engineering, convergence, Knowledge- driven information system, Security and Privacy, and Distributed Computing. Education and Software development being the main focus of the Company. Compucom lays emphasis on the research and development activities and is continuously improving its business by research and development. The Company has laid out training programs to improve and upgrade skills of its employees to keep pace with the changing market scenario. The Company is undertaking software assignments, which involves lot of research work, during various phases of software development life cycle. Continual infusion of new technology need research activities during its absorption and usage. The Company takes every measure to adopt newer methodologies in software development business.

**(b) Specific areas in which R & D carried out by the Company**

Software products development, inter-operability of multiple operating systems, telecom, CRM, VOIP, E-Governance are the areas in which Company performs research and development activities.

**(c) Benefits derived as a result of R & D**

Our research labs are well equipped and are instrumental in providing expertise in the areas of software performance solutions, testing, prototype developments and providing end to end solutions to the clients to suit their requirement. Research and development activities have helped in providing new and better solutions to the customers. R&D activities help in enhancing technical skills, which are critical for providing the end-to-end solutions to the clients.

**(d) Future plan of action**

Your Company lays emphasis on continuous research and development activities. Future benefits are expected to flow in from initiatives undertaken during the year. The Company continues to focus its efforts on innovations in software development processes and other IT related projects.

**(e) Expenditure on R & D:**

The Company's R&D activity is part of its normal software development activities and is a continuous process. Company is not having the separate R & D department so it will not be prudent to assign capital and recurring expenses specifically to the research and development activities.

**TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:**

The Company realizes that in order to stay competitive and avoid obsolescence, it would have to invest in technology across multiple product line and services offered by it. In order to maintain its position of leadership, your Company has continuously and successfully developed state-of-the-art methods for absorbing, adapting and effectively deploying new technologies. Hence, the Company is making every effort to develop methods for adopting and effectively deploying new technologies.

**(a) Efforts made towards technology absorption, adaptation and innovation:**

Company lays greater emphasis on technology absorption and innovations as the Company is engaged in the business marked with rapid technology changes and obsolescence. Company strives to keep pace with the rapid changes and adopt new technologies periodically to be in line with competitive market conditions.

**(b) Benefits derived as a result of the above efforts:**

The adoption of the latest technology and innovative ideas has enabled your Company to have an edge on others due to higher productivity, better services, and increased consumer confidence. It also has enabled the Company to come out with innovative ideas so as to explore new areas of generating the revenue.

**FOREIGN EXCHANGE EARNINGS AND OUTGO:**

**(a) Activities relating to exports, initiative taken to increase exports, development of new export market for product and services and export plans:**

The Company is in the business of software exports. All the efforts of the Company are geared to increase the business of software exports of different products and services in various export oriented markets.

During the financial year 2016-17, the revenue derived from export activities was Rs 477.07 Lakhs. The Company focuses on export projects, which attract higher margins at lower risks. The Company has established marketing arrangement in the foreign countries vide its subsidiary and other marketing agreements.

**(b) Total Foreign Exchange Earnings and Outgo:**

The details of foreign exchange earnings and outgo are given in the notes on accounts.

Foreign Currency Inflow:( Export ): Rs.4,77,06,525 /- (Previous year Rs. 3,75,22,577/-)

Foreign Currency Outflow (Import ): NIL (Previous year: NIL)

Other expenses incurred in foreign currency on manpower, administrative and marketing expenses Rs. 27,366/- (Previous year: 72,033/-)

For Compucom Software Limited

Sd/-

**(Surendra Kumar Surana)**

Managing Director & CEO

(DIN:-00340866)

Place: Jaipur

Date: August 30,2017

Sd/-

**(Shubh Karan Surana)**

Director

(DIN:- 00341082)

**Annexure V**

**Particulars of contract / arrangements made with related parties**

**Form No. AOC-2**

[Particulars to Clause (h) of Sub-section (3) of Section 134 of Companies Act, 2013, and Rules 8(2) of the Companies (Accounts) Rules, 2014-AOC-2]

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

**1. Details of contracts or arrangements or transactions not on an arm's length basis:**

(a)	Name(s) of the relate party and nature of relationship	NIL (All Contracts or arrangements or transactions with related parties are at arm's length basis)
(b)	Nature of Contracts/arrangements/transactions	
(c)	Duration of Contracts/ arrangements/ transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

**2. Details of material contracts or arrangements or transactions at arm's length basis**

(a)	Name(s) of the relate party and nature of relationship	1.) CSL Infomedia Pvt. Ltd (Subsidiary) 2.) Mr. Surendra Kumar Surana (Managing Director) 3.) Rishab Infotech Pvt. Ltd. (Enterprises over which KMP exercise significant influence) 4.) Sambhav Infotech Pvt. Ltd. (Enterprises over which KMP exercise significant influence) 5.) Compucom (India) Pvt. Ltd. (Enterprises over which KMP exercise significant influence) 6.) Compucom Technologies Pvt. Ltd. (Enterprises over which KMP exercise significant influence) 7.) Trishla Rampuria (Director) 8.) Shubh Karan Surana (Director)
(b)	Nature of Contracts/arrangements/transactions	Rent Agreement (Rent earned and Incurred)
(c)	Duration of Contracts/ arrangements/ transaction	1 <sup>st</sup> April, 2014 to 31 <sup>st</sup> March, 2017
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Based on Transfer Pricing guidelines
(e)	Date(s) of approval by the Board, if any	25 <sup>th</sup> May, 2016
(f)	Amount paid as advances, if any	Nil

For Compucom Software Limited

Sd/-

**(Surendra Kumar Surana)**

Managing Director & CEO

(DIN:-00340866)

Place: Jaipur

Date: August 30,2017

Sd/-

**(Shubh Karan Surana)**

Director

(DIN:- 00341082)



Annexure VI

**Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- i) **The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year 2016-17:**

Name of Director's and KMP	Remuneration and Sitting Fees	% increase in remuneration in the financial year	Ratio of remuneration to median remuneration of employees
Mr. Surendra Kumar Surana, Managing Director & CEO	18,00,000	N.A.	13.05
Mr. Shubh Karan Surana	36,000 <sup>#</sup>	N.A.	N.A.
Mr. Ajay Kumar Surana	12,000 <sup>#</sup>	N.A.	N.A.
Mrs. Trishla Rampuria	18000 <sup>#</sup>	N.A.	N.A.
Dr. Satish Kumar*	15,000 <sup>#</sup>	N.A.	N.A.
Mr. Rajendra Prasad Udawat**	33,000 <sup>#</sup>	N.A.	N.A.
Mr. Ghisa Lal Chaudhary	30,000 <sup>#</sup>	N.A.	N.A.
Dr. Anjila Saxena***	9,000 <sup>#</sup>	N.A.	N.A.
Mr. Ramesh Chand Jain****	15,000 <sup>#</sup>	N.A.	N.A.
Mrs. Swati Jain, Company Secretary	177098	82.91%	1.28
Mr. Sanjeev Nigam, CFO	638647	7.70%	4.63

\*Appointed as an Additional Director w.e.f May 25<sup>th</sup>, 2016 and regularized as Director in the Annual General Meeting held on 9<sup>th</sup> September, 2016.

\*\*Appointed as the Additional Director of Company w.e.f. April 2, 2016 and regularized as Director in the Annual General Meeting held on 9<sup>th</sup> September, 2016.

\*\*\*Appointed as the Additional Director of Company w.e.f. August 3, 2016 and regularized as Director in the Annual General Meeting held on 9<sup>th</sup> September, 2016.

\*\*\*\*Retired as on September 8, 2016.

# Director Sitting Fees

- ii) **The percentage increase in the median remuneration of employees in the financial year: 5.14%**
- iii) **The number of permanent employees on the rolls of Company: 581 as on March 31, 2017.**
- iv) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**
- Average increase in remuneration of employees excluding KMPs: 5.06%
  - KMP salary increases are decided based on the Company's performance, individual performance, Inflation, prevailing industry trends and benchmarks.
- v) **Affirmation that the remuneration is as per the Remuneration Policy of the Company:**  
The Company affirms remuneration is as per the Remuneration Policy of the Company.

For Compucom Software Limited

Sd/-

**(Surendra Kumar Surana)**

Managing Director & CEO

(DIN:-00340866)

Place: Jaipur

Date: August 30, 2017

Sd/-

**(Shubh Karan Surana)**

Director

(DIN:- 00341082)

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

As on financial year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

<b>I REGISTRATION &amp; OTHER DETAILS:</b>	
i	CIN
ii	Registration Date
iii	Name of the Company
iv	Category/Sub-category of the Company
v	Address of the Registered office & contact details
vi	Whether listed Company
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.

**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

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the Company
1	Learning Solutions	55100	82%

**III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES**

Sl. No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	CSL Infomedia Private Limited	U72200RJ2007PTC024240	Subsidiary	65	2(87)
2	Itneer, Inc. USA	Not Applicable	Subsidiary	100	2(87)

**IV (i) SHAREHOLDING PATTERN (Equity Share Capital Break up as % to total Equity)**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	3033466	0	3033466	3.83	3026358	0	3026358	3.82	0.01
b) Central Govt. or State Govt.	0	0	0	0	0	0	0	0	0
c) Bodies Corporates	54391710	0	54391710	68.75	53383089	0	53383089	67.47	1.28
d) Bank/FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL: (A) (1)</b>	<b>57425176</b>		<b>57425176</b>	<b>72.58</b>	<b>56409447</b>	<b>0</b>	<b>56409447</b>	<b>71.29</b>	<b>1.29</b>
(2) Foreign									
a) NRI- Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals									
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Qualified foreign Investor	0	0	0	0	0	0	0	0	0
d) Banks/FI									
e) Any other...	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>57425176</b>		<b>57425176</b>	<b>72.58</b>	<b>56409447</b>	<b>0</b>	<b>56409447</b>	<b>71.29</b>	<b>1.29</b>

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/FI		10500	10500	0.01	0	10500	10500	0.01	0
C) Cenntral govt	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIS	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (B)(1):</b>	0	10500	10500	0.01	0	10500	10500	0.01	0
<b>(2) Non Institutions</b>									
a) Bodies corporates	2073247	21515	2094762	2.65	2123014	21515	2144529	2.71	0.06
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.2 lakhs	13047775	683490	13731265	17.35	13991681	13991681	14715171	18.6	1.25
ii) Individuals shareholders holding nominal share capital in excess of Rs. 2 lakhs	1448129	0	1448129	1.83	1461033	0	1461033	1.85	0.02
c) Others (specify)									
i) Trust & Foundations	2807829	0	2807829	3.55	2805329	0	2805329	3.55	0
ii) Non Resident Individual	499777	372750	872527	1.1	521929	377250	899179	1.14	0.04
iii) Foreign Companies	0	735000	735000	0.93	0	675000	675000	0.85	0.08
<b>SUB TOTAL (B)(2):</b>	19876757	182755	21689512	27.41	20907986	1797255	22705241	28.69	1.28
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	19876757	1812755	21700012	27.42	20907986	1807755	22715741	28.7	1.28
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0		0	0	0
<b>Grand Total (A+B+C)</b>	77301933	1823255	79125188	100	77317433	1807755	79125188	100	0

**(ii) SHARE HOLDING OF PROMOTERS**

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during 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	
1	Sambhav Infotech Private Limited	19897444	25.15	0	19897444	25.15	0	0
2	Rishab Infotech Private Limited	18468650	23.34	0	17807715	22.51	0	0.83
3	Compucom Technologies Pvt limited	16025616	20.25	0	15677930	19.81	0	0.44
4	Surendra Kumar Surana	2075616	2.62	0	2068508	2.61	0	0.01
5	Ajay Kumar Surana	775500	0.98	0	775500	0.98	0	0
6	Shubh Karan Surana	182350	0.23	0	182350	0.23	0	0
	<b>Total</b>	57425176	72.58	0	56409447	71.29	0	1.29

**(iii) CHANGE IN PROMOTERS' SHAREHOLDING ( SPECIFY IF THERE IS NO CHANGE)**

Sl. No.		Shareholding at the beginning of the Year		Shareholding at the end of the Year	
		No. of Shares	% of total shares of the Company	No of shares	% of total shares of the Company
1	Compucom Technologies Pvt. Ltd.				
	At the beginning of the year	16025616	20.25		
	Acquisition from 1st April 2016 to 30th June 2016	339743	0.43	16365359	20.68
	Acquisition from 1st July 2016 to 30th September 2016	148346	0.19	16513705	20.87
	Sale from 1st October 2016 to 31st December 2016	436647	0.55	16077058	20.32
	Sale from 1st January 2017 to 31st March 2017	323287	0.41	15677930	19.81
	At the end of the Year			15677930	19.81
2	Rishab Infotech Private Limited				
	At the beginning of the year	18468650	23.34		
	Acquisition/Sale from 1st April 2016 to 30th June 2016	0	0	18468650	23.34
	Sale from 1st July 2016 to 30th September 2016	329035	0.83	18139615	22.93
	Sale from 1st October 2016 to 31st December 2016	331900	0.42	17807715	22.51
	Acquisition/Sale from 1st January 2017 to 31st March 2017	0	0	17807715	22.51
	At the end of the year			17807715	22.51
3	Surendra Kumar Surana				
	At the beginning of the year	2075616	2.62		
	Acquisition from 1st April 2016 to 30th June 2016	2399	0.01	2078015	2.63
	Acquisition from 1st July 2016 to 30th September 2016	2376	0.00	2080391	2.63
	Sale from 1st October 2016 to 31st December 2016	1293	0.00	2079098	2.63
	Sale from 1st January 2017 to 31st March 2017	10590	0.02	2068508	2.61
	At the end of the year			2068508	2.61

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the Year		Cumulative Share holding end of the year	
		No. of Shares	% of total shares of the Company	No of shares	% of total shares of the Company
1	Tekmark Global Solutions LLC	525000	0.66	525000	0.66
2	Purushottam Madanlal Bagaria	0	0	350000	0.44
3	Bhansali Fincom Pvt Ltd	257500	0.33	215300	0.27
4	Nemi Chand	183000	0.23	183000	0.23
5	Santosh Bagaria	9695	0.01	152195	0.19
6	Excom Inc	150000	0.18	150000	0.18
7	Sharad Dal patrai Trivedi	98338	0.12	148338	0.19
8	Usha Sunil Bagaria	0	0	142500	0.18
9	Sanjay Narula	138750	0.18	138750	0.18
10	Stephen C Viehman	135000	0.17	135000	0.17

Note: The shares of the Company are traded on a daily basis and hence the date wise increase/decrease in shareholding is not indicated.

**(v) Shareholding of Directors & KMP**

Sl. No.	For Each of the Directors & KMP	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the Company	No of shares	% of total shares of the Company
1	Surendra Kumar Surana				
	At the beginning of the year	2075616	2.62		
	Acquisition from 1st April 2016 to 30th June 2016	2399	0.01	2078015	2.63
	Acquisition from 1st July 2016 to 30th September 2016	2376	0.001	2080391	2.63
	Sale from 1st October 2016 to 31st December 2016	1293	0.001	2079098	2.63
	Sale from 1st January 2017 to 31st March 2017	10590	0.02	2068508	2.61
	At the end of the Year			2068508	2.61
2	Ajay Kumar Surana				
	At the beginning of the year	775500	0.98		
	At the end of the year			775500	0.98
3	Shubh Karan Surana				
	At the beginning of the year	182350	0.23		
	At the end of the year			182350	0.23
4	Trishla Rampuria	155000	0.2		
	Sale from 1st April 2016 to 31st March 2017	50000	0.07		
	At the end of the Year			105000	0.13
5	Sanjeev Nigam (CFO)				
	At the beginning of the year	0	0		
	At the end of the year			0	0
6	Swati Jain (CS)				
	At the beginning of the year	1000	0.0013		
	Sale from 1st April 2016 to 31st March 2017	900	0.0012	100	0.001
	At the end of the year			100	0.001

**V INDEBTEDNESS**

**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount	14,73,08,827			14,73,08,827
ii) Interest due but not paid				
iii) Interest accrued but not due	19,36,899			19,36,899
<b>Total (i+ii+iii)</b>	<b>14,92,45,726</b>			<b>14,92,45,726</b>
<b>Change in Indebtedness during the financial year</b>				
Additions				
Reduction	83506939			83506939
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	63801888			63801888
ii) Interest due but not paid				
iii) Interest accrued but not due	914146			914146
<b>Total (i+ii+iii)</b>	<b>64716034</b>			<b>64716034</b>

**VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

Sl.No.	Particulars of Remuneration	Name of the MD/WTD/Manager	Total Amount
1	<b>Gross salary</b>	Surendra Kumar Surana	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	18,00,000	18,00,000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) of the 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>	18,00,000	18,00,000
	<b>Ceiling as per the Act</b>		

**B. Remuneration to other Directors:**

Sl.No	Particulars of Remuneration	Name of the Directors					Total Amount
1	Independent Directors	Satish Kumar	R.P.Udawat	G.L Cahudhary	Anjila Saxena	R.C. Jain	
	(a) Fee for attending board and committee meetings	15,000	33,000	30,000	9,000	15,000	1,02,000
	(b) Commission						
	(c) Others, please specify						
	<b>Total (1)</b>	15,000	33,000	30,000	9,000	15,000	1,02,000
2	Other Non Executive Directors	Shubh Karan Surana	Ajay Kumar Surana	Trishla Rampuria			
	(a) Fee for attending Board & committee meetings	36,000	12,000	18,000			66,000
	(b) Commission						
	(c) Others, please specify.						
	<b>Total (2)</b>	36,000	12,000	18,000			66,000
	<b>Total (B)=(1+2)</b>	51,000	27,000	51,000			1,68,000
	<b>Total Managerial Remuneration</b>						1,68,000
	<b>Overall Cieling as per the Act.</b>						

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel (Amount in Rs.)		Total
		Company Secretary	CFO	
1	<b>Gross Salary</b>	Swati Jain	Sanjeev Nigam	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	1,77,098	6,38,647	
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961			
2	Stock Option			
3	Sweat Equity			
4	Commission as % of profit others, specify			
5	Others, please specify			
	<b>Total</b>	1,77,098	6,38,647	

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:**

There were no penalties, punishment or compounding of offences during the year ended March 31, 2017.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### OVERVIEW

The management of the Company accepts responsibility for integrity and objectivity of these Financial Statements as well as various estimates and judgments.

**A. Business Environment and outlook-** The Company operates in areas like E-Governance projects, ICT Education projects, software design & development, Electronic Media, IT & Media Training and Learning Solutions, Wind power generation etc. Compucom range of services includes 24X7 customer service centers. Customers are looking for service-providers who can offer them services, which are cost-effective, possess domain expertise and can handle greater complexity and program management responsibility and capabilities on technology that can result in productive gains. The Company targets new customer segments and market verticals.

### B. Opportunities and Threats:

#### (1) Opportunities:

(i) **ICT in Govt. Schools:** India is one of the world's largest education markets, with 445mn of the 1.3bn population comprising the target group (5-20 ages) of the education sector. The 'ICT in schools' scheme is a window of opportunity to bridge the digital device gap in India. The scheme is a comprehensive initiative to open new vistas of learning and provide a level playing field to school students of rural areas. Compucom is a passport for fulfilling career in computer literacy, providing students with hands-on courses to stay abreast with the requirements of the IT world and moreover Compucom is one of the prominent players for *ICT School* and "*SarvaShikshaAbhiyan*", which are projects of Government of India. Compucom undertakes large projects that are similar in nature with a turnkey project, from setting-up of computer labs to imparting computer education and other Computer Aided Learning Programme for Government schools. These projects also involve supply of computer hardware, software and connected accessories as well as imparting of education services for a specified time (generally 3-5 years). Government having recognized the importance of IT in education as being fundamental to the development of a globally competitive economic and democratic society as well as placing India on the world IT map, now focus mainly on providing computers and computer literacy Programme in Government schools. Compucom has shaped the lives of millions of students by introducing computer literacy to the students in Government Schools.

Leadership in Information and Communication Technology (ICT) is expected to be maintained by the Company. Approximately 1000-1500 schools are expected to be added in the coming 2-3 years under ICT project. We have implemented ICT and CALP programs in 8223 Government schools. So far Compucom aims to usher an era of anytime, anywhere learning to break down the barriers to education.

We believe Compucom would witness good growth, the seamless execution of which would require huge cash flow and an efficient management. Businesses mainly operate on BOOT Basis and are capital-intensive. All projects would require large upfront investments. Compucom would build and maintain the entire IT infrastructure of a school and receive fixed annuity in return, either on a quarterly or a semi-annual basis.

*SarvaShikshaAbhiyan (SSA)* is an effort to universalize elementary education by community-ownership of the school system. It is a response to the demand for quality basic-education across the country. The SSA Programme is also an attempt to provide an opportunity for improving human capabilities through provision of community owned quality education. It aims to provide useful and relevant elementary education for all children within the 6-14 age groups. The Programme also aims to bridge social, regional and gender gaps, with the active participation of the community in the management of schools. The increased allocation to the SSA and Secondary Education will have a positive impact on all the IT training companies including Compucom as there would be increased allocation to computer training as well. The budget has also been positive for the IT-Training companies with increased allocation to the SSA and Secondary Education. Along with this, the demand for corporate training is increasing with more and more companies outsourcing training to specialized IT training companies hence the growth of the IT-Training companies will be further boosted. Skill training focus of Government may also benefit your company.

(ii) **Software & E-governance Services:** Traditionally the company has been focusing on software export market but the way India is emerging as a power house economy, many more software service opportunities in Government sector are emerging in areas of power utilities, Education, Rural Development, Infrastructure Development, etc. Your company has put significant efforts in harnessing this E-Governance business. Your company is also serving overseas clients by providing software development, testing and maintenance and customer support services. The company has developed its own news portal which works in conjunction with its satellite TV Channel and has added shimmer to the company's brand image and generated new business opportunities.

(iii) **Media Services:** Your company's subsidiary CSL Infomedia Pvt. Ltd. has successfully completed fifty year operation of its Satellite TV Channel "JAN TV" which is a vehicle of Educational, Financial, Social and Political change. This Channel offers Education, News, Employment, Skill Development, Agriculture, Tourism, Healthcare, Religious, Sports, Entertainment and News and Current Affairs based Programme. The Channel is available on all major Cable Networks across Rajasthan, Bihar and Jharkhand including SITI Cable Network, DEN Cable Network, SITI

Maurya Cable Network, GTPL-DCPL and BSNL IPTV and across the globe through its portal www.jantv.in and on android, iPhone/iPad mobiles through its mobile app available on Google Play store and Apple Store. CSL Infomedia Pvt.Ltd. has also started another Satellite TV channel 'Jan TV Plus' which is an infotainment channel. Jan TV Plus is currently available on BSNL IPTV and on various local cable networks in Rajasthan and is also available globally through its portal www.cslnfomedia.com on computer and mobile devices. Both Jan TV and Jan TV Plus channels have been empanelled with Department of Information and Public Relations (DIPR) Government of Rajasthan and with Department of Audio Video Promotions (DAVP) Government of India. Jan TV is also empanelled with Govt. of Bihar.

**(2) Threats:**

- (i) **Competitive pressures:** IT is one sector that is spreading its wing fast throughout the world and India is becoming a preferred destination for global IT players. As a result the competitive pressure is intensifying. The Company has to operate in this competitive scenario and acquire a grip on the market to hold its foot firmly and upkeep the brand name.
- (ii) **Talent supply constraint:** Both, the IT as well as the manufacturing sector seek Talent. This increases the cost of the talent. The Company has to ensure that it acquires good talent and retains it in order to constitute its major competitive edge. The Company maintains excellent work environment and competitive package for this purpose.
- (iii) **Technology Obsolescence:** These are the days when technology takes no time to become obsolete. Thus, to be at par with its competitors the company has to ensure that it constantly updates and upgrades its technology.
- (iv) **Exchange Rates:** Since the company uses India as a major source of manpower, the exchange rate of the rupee vis-à-vis the US-dollar and other currencies affect its ability to compete. The Company attempts to minimize the foreign exchange exponent by taking appropriate measures wherever required.
- (v) **Government Policies:** As and when there is a change in the Government, there might be a change in its policies too. Any adverse changes in its policies may affect the business operations of the Company.
- (vi) **Downturn in industries being served:** Any downturn in the industry being served could have an impact on the Company's business.

**C. Segment-wise or product wise performance:** Detailed information about segment performance has been given in the Financial Statements. See the Financial Statements – Notes on Accounts, Note No. 14.

**D. Outlook:** The Company has a positive outlook for the coming year and endeavors to achieve a steady business performance in the coming year. This is however, subject to risks and uncertainties given below.

**E. Risks and Concerns:** It is difficult to pen-down the risks and uncertainties with certainty. They are not limited to risks and uncertainties regarding fluctuating earnings, interest rates, exchange rates, the Company's ability to manage growth, intense competition in IT services including those factors which may affect our cost advantage, wage increase, earnings and exchange rate fluctuations, intense IT competition, Government policies, ability to attract and retain skilled professionals, time- cost over-runs on fixed price contracts, client concentration, ability to manage the international marketing and sales operations as well as the local operations, alterations of the government fiscal incentives, political instability, legal framework and above all general economic conditions affecting the industry.

**F. Internal control systems and their adequacy:** The Company has professional and an adequate internal control system and procedure commensurate with the size of organization and nature of business. This provides adequate safeguards and effective monitoring of the transactions. All areas of the company's operations are covered by such internal control systems.

**G Discussion on financial performance with respect to operational performance:**

**(i) Financial condition:**

**1. Share capital:** The Company has only one class of shares namely equity shares. The face value of the shares is Rs. 2/- per share. The paid up capital of the company is Rs. 15,82,50,376/-

2.Reserves & Surplus			3. Fixed Assets :		
Particulars	31.03.2017	31.03.2016	Particulars	(Rs. in Lakhs)	
				31.03.2017	31.03.2016
Profit & Loss Account	7786.96	7696.97	Gross Block	18958.38	18932.18
General Reserves	1484.79	1484.79	Accumulated depreciation	15745.4	14276.13
Securities Premium	1352.96	1352.96	<b>Net Fixed Assets</b>	3212.98	4656.05
Capital Reserve	209.22	209.22	Total Revenue/Net Block	1.68	1.24
<b>Total</b>	<b>10833.93</b>	<b>10743.94</b>	<b>Acc.Dep. as % of Gross Block</b>	<b>83.05</b>	<b>75.41</b>



Particulars	(Rs. in Lakhs)	
	31.03.2017	31.03.2016
<b>2. Investments:</b> The details of investment made by the company are as under:		
Equity Investments in ITneer Inc.(100% subsidiary)	439.24	439.24
Equity Investments in CSL Infomedia Pvt Ltd.	455.00	455.00
Equity Shares	0.34	0.38
Investments in Mutual Funds	4.19	4.34
Other Investments	10.66	10.66
<b>Total</b>	<b>909.43</b>	<b>909.62</b>
<b>3. Non-Current &amp; Current Liabilities:</b>		
Long-Term Borrowings	21.96	638.02
Deferred Tax Liabilities (Net)	0.00	0.00
Other Long Term Liabilities	630.10	630.25
Long-Term Provisions	64.69	61.63
Short-Term Borrowings	721.34	803.07
Trade Payables	133.56	120.21
Other Current Liabilities	893.30	1478.08
Short-Term Provisions	1295.52	1579.68
<b>Total</b>	<b>3760.47</b>	<b>5310.94</b>
<b>4. Long Term Loans and Advances &amp; Other Non-Current Assets:</b>		
Long Term Loans and Advances	664.7	353.79
Other Non-Current Assets	847.33	895.54
Deferred Tax Assets (Net)	417.02	100.84
<b>Total</b>	<b>1929.05</b>	<b>1350.17</b>
<b>5. Current Assets:</b>		
Trade Receivable	6387.69	6443.51
Cash and Bank Balances	2458.14	2878.91
Short Term Loans and Advances	1279.61	1399.13
<b>Total</b>	<b>10125.44</b>	<b>10721.55</b>

Trade receivables are mainly related to Govt. Schools of Rajasthan. These debtors are considered good and are realizable.

**II) Financial Review:**

(i) **Income:** The Company derives its income from Software& E-Governance services, sale of software products, learning solutions, IT education and training, Wind Power Generation, and treasury income. Treasury income mainly includes interest on FDRs.

Software & E-Governance Services - Overseas	477.07	375.23
<i>Domestic</i>	113.60	86.48
Learning Solution	4427.04	4938.79
Wind Power Generation	170.73	175.87
Other Income	224.78	185.19
<b>Total</b>	<b>5413.22</b>	<b>5761.56</b>

**A. Software Services:** Software development at overseas level has shown growth due to higher efforts made during the year.E-Governance projects at domestic level has been completed during the year and the Company is bidding for new projects aggressively.

**B. Learning Solution:** Learning Solution comprises imparting computer education in Govt. Schools, providing computer education to general public through Franchisees and Authorized Business Associates (ABA's) and IT finishing school.

Regarding the learning solution apart from the ICT and CALP Projects of Government schools, the company indulges in providing skill development training to engineering&other curriculum batches, as well as government & other employees.

- C. Wind Power Generation:** The Company has set up five wind power plants two in Sikar and two in Jaisalmer, Rajasthan and one in Krishna, Andhra Pradesh. Enercon [Wind World] India Limited now renamed as Wind World India Ltd. takes care of the wind power project for the company and deals on behalf of the company with all regulatory bodies.
- D. Foreign Exchange Risks/ Exposures:** The Company operates from India with execution facilities in USA. A significant portion of revenue, expenses related to Software business is carried out in US Dollar operations, subject to foreign exchange exposure for the last two years as mentioned below:

Particulars	31.03.2017	31.03.2016
Revenue in Foreign Currency	477.07	375.23
Revenue Expenses in Foreign Currency	0.27	0.72
Capital Expenses in Foreign Currency	-	-
Net Exchange Earning	476.80	374.51

**(ii) Expenditure:**

Particulars	31.03.2017	% of Total Revenue	31.03.2016	% of Total Revenue
<b>Total Revenue</b>	5413.22	100.00	5761.56	<b>100.00</b>
<b>Expenses</b>				
Manpower Expenses	493.29	9.11	445.41	7.73
Learning Solution Execution Charges	1102.61	20.37	1174.07	20.38
Administrative & Other Expenses	1910.54	35.29	1250.00	21.70
Finance Cost	209.55	3.87	342.87	5.95
Depreciation	1469.26	27.14	1456.07	25.27
<b>Profit Before Tax</b>	227.97	4.21	1093.13	18.97
Exceptional Items	0.00	0.00	78.13	0.00
Provisions For Income Tax	42.75	0.79	318.28	5.52
<b>Profit After Tax</b>	<b>185.22</b>	3.42	<b>696.72</b>	12.09

- (iii) Interest:** The Company relies on the internal accruals and/or term loans for financing the IT/ ICT projects awarded by the Government. Interest paid during the year amounted to Rs. 170.25Lacs and Company has not defaulted in the payment of principal and interest during the year.

**Results of Operations of Subsidiaries:** ITneerInc.USA is a wholly owned subsidiary of Compucom Software Limited. It provides marketing services and other support services for CSL business. It also addresses the USA based software services opportunities for the company The Company is operating out of its own premises in Atlanta, USA. It is headed by Promoter Director Mr. Ajay Kumar Surana

CSL Infomedia Pvt. Ltd. is another subsidiary of the Company operating mainly in Multimedia, Content Development and Media Planning area. This Company is gearing up for satellite based education, TV and other media opportunities.

**Human Resource Development:** Human resource development is paramount in every organization. The management continues to lay emphasis on identifying and developing talent on organization with a view to retain them and impart further training to those capable of handling additional responsibilities. This works to increase employee satisfaction within the organization, by providing employees with fresh challenges. Developing people and harnessing their ideas is of high priority for the Company.

**Number of Employees:** The Company had 581 permanent employees on its pay roll as on 31st March 2017.

**Cautionary Statement:** Statements in this management discussion and analysis describing the Company's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results may differ materially from those either expressed or implied.

**For and on behalf of the Board**

Sd/-  
**Surendra Kumar Surana**  
 Managing Director & CEO  
 (DIN: 00340866)  
 Place: Jaipur  
 Date: August 30, 2017

Sd/-  
**Shubh Karan Surana**  
 Director  
 (DIN: 00341082)

## CORPORATE GOVERNANCE REPORT FOR THE YEAR 2016-2017

Pursuant to Regulation 34(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. Our Company's philosophy on corporate governance is a reflection of our value system encompassing our culture, policies, and relationship with our stakeholders. Integrity and transparency are key to Company's Corporate Governance practice to ensure that we gain and retain the trust of our stakeholders at all times.

The Company continues to focus its resources, strengths and strategies to achieve its vision of becoming a truly global leader in software services, while upholding the core values of excellence, integrity, responsibility, unity and understanding, which are fundamental to the companies. The Company believes in adopting the 'best practices' that are followed in the area of corporate governance across various geographies.

The Company has a strong legacy of fair, transparent and ethical governance practices. The Company has adopted a Code of Conduct for Executive and Non-Executive Directors as well as the senior Management of the company. This code is available on the Company's website. The Company's corporate governance philosophy has been further strengthened through our Business Excellence Model, the Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices. The Company has in place an Information Security Policy that ensures proper utilization of IT resources.

The Company has adopted the requirements of Corporate Governance stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company's Corporate Governance framework ensures that we timely disclose and share accurate information regarding our financials and performance. Corporate Governance in the Company are furnished hereunder:

### 2. BOARD OF DIRECTORS:

(i) **Composition of the Board:** The Board of the Company has an optimum combination of Executive, Non-Executive and Independent Directors. Currently, there are Eight Directors on the Board of the Company. Independent Directors are professional with high credentials who actively contribute in the deliberation of Board covering strategic matters and decision making.

Details of the composition and the category of directors are stated below:

Name of the Director	Designation	DIN
Mr. Surendra Kumar Surana	Managing Director/Executive Director/ Promoter	00340866
Mr. Shubh Karan Surana	Non-Executive & Non-Independent Director/ Promoter	00341082
Mr. Ajay Kumar Surana	Non-Executive & Non-Independent Director/ Promoter	01365819
Mrs. Trishla Rampuria	Non-Executive & Non-Independent Director	07224903
Mr. Ghisa Lal Chaudhary	Non-Executive & Independent Director	03602194
Mr. Rajendra Prasad Udawat	Non-Executive & Independent Director	00341110
Dr. Satish Kumar	Non-Executive & Independent Director	07517644
Dr. Anjila Saxena	Non-Executive & Independent Director	02353483

(ii) **Attendance of each of the Directors at the said Board Meetings/Annual General Meeting/ is given below:**

4 (four) Board Meetings were held during the Financial Year from April 1, 2016 to March 31, 2017 and the gap between two Meetings did not exceed 120 days and at least one meeting was held in each calendar quarter. The dates on which the Board Meetings were held are as follows:

May 25, 2016; August 03, 2016; November 12, 2016; February 09, 2017.

The Annual General Meeting for the Financial year 2015-16 was held on 9<sup>th</sup> September, 2016.

The necessary quorum was present for all the meetings.

Name of the Director	Category	No. of Board Meetings (During the year)		Whether last AGM attended
		Held	Attended	
Mr. Shubh Karan Surana	NED	4	4	Yes
Mr. Ajay Kumar Surana	NED	4	4	No
Mr. Surendra Kumar Surana	MD	4	4	Yes
Mrs. Trishla Rampuria	NED	4	3	No
Dr. Anjila Saxena*	NED : I	3	2	No
Mr. Ramesh Chand Jain**	NED : I	2	2	No
Mr. Rajendra Prasad Udawat	NED : I	4	4	Yes
Mr. Ghisa Lal Chaudhary	NED : I	4	3	No
Dr. Satish Kumar***	NED : I	3	3	Yes

NED: Non-Executive Director MD: Managing Director I: Independent Director

\* Appointed as an Additional Director w.e.f. August 3, 2016 and regularized as Director in the Annual General Meeting held on September 9, 2016.

\*\* Retired as Director of the Company w.e.f. 8th September, 2016

\*\*\*Dr. Satish Kumar was appointed as an additional director w.e.f. 25<sup>th</sup> May, 2016 and regularized as Director in the Annual General Meeting held on September 09, 2016.

Video-Conferencing facilities are also used to facilitate directors travelling / residing abroad or at other locations to participate in the meetings.

**(iii) Disclosure of relationship between directors inter-se:**

Mr. Shubh karan Surana is father of Mr. Surendra Kumar Surana, Mr. Ajay Kumar Surana and Mrs. Trishla Rampuria. Except this there is no inter-se relationships among other directors.

**(iv) Number of Board or Board Committee of which a Director is a member or Chairperson (Only the membership(s) of Audit Committee and Shareholders' Committee other than Compucom Software Limited considered as per Regulation 26 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015).**

Name of the Director	Number of other Company's Directorships	Number of other Committee Membership(s)	Number of other committees in which Chairperson
Mr. Shubh Karan Surana	5	Nil	Nil
Mr. Ajay Kumar Surana	5	Nil	Nil
Mr. Surendra Kumar Surana	5	Nil	Nil
Mr. Rajendra Prasad Udawat	1	Nil	Nil
Dr. Anjila Saxena*	Nil	Nil	Nil
Mr. Ghisa Lal Chaudhary	Nil	Nil	Nil
Mrs. Trishla Rampuria	Nil	Nil	Nil
Dr. Satish Kumar**	Nil	Nil	Nil

\* Appointed as an Additional Director w.e.f. August 3, 2016 and regularized as Director in the Annual General Meeting held on September 9, 2016.

\*\*Dr. Satish Kumar was appointed as an Additional Director w.e.f. 25<sup>th</sup> May, 2016 and regularized as Director in the Annual General Meeting held on September 09, 2016.

Note: Excluding the membership in committees of Private Limited Companies and Foreign Companies and Company registered under section 8 of the Companies Act, 2013 as per Regulation 26 of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015.

**(v) None of the Directors on the Board is a member of more than 10 Committees or Chairman of more than 5 Committees across all the Companies in which he is a Director. The Directors have made necessary disclosures regarding Committee positions in other Public Companies as on March 31, 2017.**

**(vi) Non-Executive Directors Shareholding: (As on March 31, 2017)**

Name of the Director	No. of Shares held	% of Paid up capital
Mr. Shubh Karan Surana	18,2,350	0.231
Mr. Ajay Kumar Surana	7,75,500	0.981
Mrs. Trishla Rampuria	10,5000	0.133

No other Non-Executive Directors have any shareholding in the Company.

- (vii) The Board functions as a full Board or through various Committees constituted for specific operation areas. The Board provides leadership, strategic guidance, objective and independent views to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosure.
- (viii) None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company.
- (ix) The individual details of the Directors seeking appointment / reappointment at the ensuing Annual General Meeting of the Company are provided in the annexure accompanying the notice of the Annual General Meeting.
- (x) During the year a separate meeting of Independent Directors was held inter-alia to review the performance of non-independent directors and the Board as a whole.
- (xi) The details of familiarization programs imparted to Independent Directors is disclosed on the Company's website at the following link [compucom.co.in/AnnualReports/Independent%20familiarisation%Programme.pdf](http://compucom.co.in/AnnualReports/Independent%20familiarisation%Programme.pdf).

**(xii) Board Meeting Procedure:**

The Company's Board Meetings are governed by a structured agenda. The Board Meetings are generally scheduled well in advance and the notice of each board meeting is given in writing to each Director. The Board members, in consultation with the Chairman, may bring up any matter for the consideration of the Board. The Board papers, comprising the agenda are circulated well in advance before the meeting of the Board.

All statutory, significant and other material information as specified in Schedule II to the Regulation 17(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is regularly made available to the Board, wherever applicable. The Board also reviews periodically the compliances of all applicable laws.

Board's role, functions, responsibility and accountability are clearly defined. In addition to matters statutorily requiring Board's approval, all major decisions involving formulation, strategy and business plans, annual operating and capital expenditure budgets, new investments, compliance with statutory regulatory requirements, major accounting provisions etc. are considered by the Board.

- 3. COMMITTEES OF THE BOARD:** Currently, the Board of the Company has four sub-committees namely Audit Committee, Nomination & Remuneration Committee, Shareholders' Relationship Committee and Corporate Social Responsibility Committee. Minutes of the Meetings are signed by the Chairman of the Committees within thirty days of meeting held. The Board of Directors of the Company also takes note of the minutes of the Committee Meetings at its Meetings.

**i). Audit Committee:**

There has been no change in the composition of the Audit Committee during the year. The constitution of Committee is in compliance with the provisions of Regulation 18 of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 read with Section 177 of the Companies Act, 2013

**The terms of reference of the Audit Committee are broadly as under:**

- Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommending to the Board for appointment, Re-appointment and if required, the replacement or removal of the auditors and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by them;
- Reviewing, with the Management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013 (corresponding to section 217(2AA) of Companies Act, 1956).
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgment by the management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of any related party transactions.
  - Modified Opinion(s) in the draft audit report.
- Reviewing with the Management, quarterly/half yearly/yearly financial statements before submission to the Board for approval;
- Reviewing with the Management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;

- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing with the Management, performance of the statutory and internal auditors and adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with the internal auditors of any significant findings and follow-up thereon;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussions with the statutory auditors before the audit commences, about the nature and scope of the audit as well as post-audit discussions to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to depositors, debenture holders, members (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism/Vigil mechanism.
- Approval of appointment of CFO (i.e. the Chief Financial Officer or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other functions as specified in the terms of reference, as amended from time to time.

**Review of Information by Audit Committee:**

The Audit Committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the audit committee), submitted by Management;
- Management letters/letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief Internal Auditor;

**Composition of the Audit Committee as on March 31, 2017:**

The Audit Committee of the Company consists of three Non-Executive Directors out of which two are Independent Directors. The Committee is headed by Mr. Rajendra Prasad Udawat, Independent Director of the Company. The Company Secretary acts as the secretary to the audit committee.

The table below sets out the composition of Audit Committee as on March 31 2017:

Name of the Director	Category
Mr. Rajendra Prasad Udawat	Independent and Non-Executive/Chairman
Mr. Shubh Karan Surana	Non-Independent, Non-Executive
Mr. Ghisa Lal Chaudhary	Independent, Non-Executive

**Number of Meetings Held:**

During the year, 4 (**Four**) meetings of Audit Committee were held on the following dates:

May 25, 2016; August 03, 2016; November 12, 2016 and February 09, 2017.

The table below sets out the attendance at the Audit Committee Meetings as on 31<sup>st</sup> March, 2017

Name	Category	No. of Meetings during the year 2016-17	No. of Meetings attended during the year 2016-17
Mr. Shubh Karan Surana	Non-Independent, Non- executive	4	4
Mr. Rajendra Prasad Udawat	Independent, Non-executive	4	4
Mr. Ghisa Lal Chaudhary	Independent, Non-executive	4	4

The necessary quorum was present in all the Meetings.

The Audit Committee Meetings are usually held at the corporate office of the Company situated at IT 14-15 EPIP, Sitapura, Jaipur and are usually attended by the Manager – Finance/ CFO and representatives of the Statutory Auditors and representative of Chief Internal Auditors. The operations heads are invited to the Meetings as and when required.

**ii). Nomination and Remuneration Committee:**

The Company had a Nomination and Remuneration Committee of Directors. The Nomination and Remuneration Committee was reconstituted in the Board Meeting as on 3<sup>rd</sup> August, 2016 pursuant to the provisions of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

Role of the Nomination and Remuneration Committee, inter-alia, includes the following:

- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Devising a policy on Board diversity;
- any other works and policy related and incidental to the objectives of the committee as per provisions of the Act and rules made thereunder.
- Recommend to the Board the remuneration policy to directors, executive team or Key managerial personnel as well as the rest of the employee.
- On an annual basis, recommend to the board the remuneration payable to the directors and oversee the remuneration to executive team or key managerial personnel.
- Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.

**Composition of the Nomination and Remuneration Committee as on March 31, 2017:**

The Nomination and Remuneration Committee of the company consists of three Non-Executive Directors out of which two are Independent Directors. The Committee is headed by Mr. Ghisa Lal Chaudhary, Independent Director. The Company Secretary acts as the secretary to the Nomination and Remuneration Committee.

The table sets out the composition of the Committee: -

Name	Category
Mr. Ghisa Lal Chaudhary	Independent Non- Executive/ Chairman
Mr. Shubh Karan Surana	Non-Independent, Non- Executive
Mr. Ramesh Chand Jain*	Independent, Non- Executive
Dr. Satish Kumar*	Independent Non- Executive

\*Dr. Satish Kumar was appointed as a member in place of Mr. Ramesh Chand Jain w.e.f. August 3, 2016.

**Attendance:**

During the year, 2 (Two) meetings of Nomination and Remuneration Committee were held on the following dates: May 25, 2016; August 03, 2016.

The table below sets out the attendance at the Nomination and Remuneration Committee meetings for the year 2016-17

Name	Category	No. of Meetings during the year 2016-17	No. of Meetings attended during the year 2016-17
Mr. Shubh Karan Surana	Non-Independent, Non- executive	2	2
Mr. Ramesh Chand Jain*	Independent Non- executive	2	2
Mr. Ghisa Lal Chaudhary	Independent, Non- executive/Chairperson	2	2
Dr. Satish Kumar*	Independent Non- executive	0	0

\*Dr. Satish Kumar was appointed as a member in place of Mr. Ramesh Chand Jain w.e.f. August 3, 2016

**Performance evaluation criteria for independent directors:**

The performance evaluation criteria laid down for Independent Directors covers attendance and contribution of Director at Board/Committee meetings, adherence to ethical standards and code of conduct of the Company, inter-personal relations with other Directors, meaningful and constructive contribution and inputs in the Board/Committee.

**iii). Stakeholders Relationship Committee:**

The Constitution of the Stakeholder's Relationship Committee in terms of section 178(5) of the Companies Act, 2013 and as per Regulation 20 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015. The main role of the committee is to look into the redressal of complaints of investor such as transfer or credit of shares, non-receipt of dividend / notice / annual reports, revalidation of dividend DD etc.

The Committee deals with the following matters: -

- Monitors expeditious redressal of Investor grievance matters received from Stock Exchanges, SEBI, ROC, etc.
- Monitors redressal of queries/complaints received from members relating to transfers, non-receipt of Annual Report, dividend etc.
- All other matters related to shares/debentures.

**Name and Designation of Compliance Officer:** The Company Secretary of the Company, CS Swati Jain acts as the Secretary of the Committee.

**Composition of the Stakeholder Relationship Committee as on March 31, 2017:**

The Stakeholder Relationship Committee of the company consists of three Non-Executive Directors out of which one is Independent Directors. The Committee is headed by Mr. Rajendra Prasad Udawat, Independent Director.

The table sets out the composition of the Committee: -

Name	Category
Mr. Rajendra Prasad Udawat	Independent Non- Executive/ Chairman
Mr. Shubh Karan Surana	Non-Independent, Non- Executive
Mrs. Trishla Rampuria	Non-Independent, Non- Executive

**Details of Complaints received and resolved:**

Received during the year	Resolved during the year	Pending during the year
0	0	0

Meetings and attendance during the year:

**During the year, 2 (Two) meetings of Stakeholders Relationship Committee were held on the following dates:**

August 03, 2016 and February 09, 2017

Name	Category	No. of Meetings during the year 2016-17	No. of Meetings attended during the year 2016-17
Mr. Shubh Karan Surana	Non-Independent, Non- executive	2	2
Mr. Rajendra Prasad Udawat	Independent, Non-executive/Chairman	2	2
Mrs. Trishla Rampuria	Non-Independent, Non- executive	2	1

The Committee expresses satisfaction with the Company's performance in dealing with investor grievances.

The investor grievances can also be placed on the e-mail: investor@compucocom.co.in

**iv). Corporate Social Responsibility (CSR) Committee:**

The Board of Directors of the Company reconstituted the CSR Committee in the Board Meeting held on 3<sup>rd</sup> August, 2016 as per the Section 135 of the Companies Act, 2013, the role of the Committee, are as under:

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which indicates the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- Recommend the amount of expenditure to be incurred on the activities referred in the CSR policy.
- Monitor the expenses actually incurred on activity referred in the CSR policy.
- Monitor the CSR policy of the company and its implantation from time to time.
- Such other functions as the Board may deem fit.

**Composition, name of the Members and Chairperson as on March 31, 2017:**

The CSR Committee of the Board of Directors consists of three Directors out of which one is Independent Director. The Committee is headed by Mrs. Trishla Rampuria, non-executive Director.

The table sets out the composition of the Committee: -

Name	Category
Mrs. Trishla Rampuria	Non-Independent & Non- executive/ Chairperson
Mr. Surendra Kumar Surana	Managing Director & Chief executing officer
Mr. Ramesh Chand Jain*	Independent & Non- executive
Dr. Satish Kumar*	Independent & Non- executive

\*Dr. Satish Kumar was appointed as a member in place of Mr. Ramesh Chand Jain w.e.f. August 3, 2016.

**Meetings and attendance during the year:**

During the year, 2 (Two) meetings of Corporate Social Responsibility Committee were held on following dates: May 25, 2016 and November 12, 2016.

Name	Category	No. of Meetings during the year 2016-17	No. of Meetings attended during the year 2016-17
Mr. Surendra Kumar Surana	Managing Director & CEO	2	2
Mrs. Trishla Rampuria	Non-Independent, Non- executive	2	2
Mr. Ramesh Chand Jain*	Independent, Non-executive	1	1
Dr. Satish Kumar*	Independent, Non-executive	1	1

\*Dr. Satish Kumar was appointed as a member in place of Mr. Ramesh Chand Jain w.e.f. August 3, 2016



**v) Independent Directors Meeting:**

Schedule IV of the Companies Act, 2013 and Rules framed there under mandate that the Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of Non- Independent Directors and Members of Management for review the performance of non-independent directors and the Board as a whole.

During the year, 1 (One) meeting of Independent Directors was held on November 12, 2016.

Name	Category	No. of Meetings during the year 2016-17	No. of Meetings attended during the year 2016-17
Mr. Rajendra Prasad Udawat	Independent, Non-executive	1	1
Mr. Ghisa Lal Chaudhary	Independent, Non-executive	1	1
Dr. Anjila Saxena	Independent, Non-executive	1	1
Dr. Satish Kumar	Independent, Non-executive	1	1

**4. REMUNERATION POLICY:**

The Non-Executive Directors (NEDs) are paid remuneration by way of sitting fees for attending each Meetings of Board of Directors and Committees thereof, which are within the limits prescribed by the Central Government.

The remuneration to the Managing Director is decided on the basis of the following Broad criteria:

- Industry trend.
- Remuneration package in other comparable corporate.
- Job Responsibilities.
- Company performance and individual key performance areas.

(i) The details of remuneration & sitting fees paid to the Directors during the year ended on March 31, 2017 are as follows:

S. No.	Name of the Director	Salary	Sitting Fee	Commission	Stock Option	Service Contract	Notice Period	No of shares held
1	Mr. Shubh Karan Surana	N.A.	36,000	NIL	NIL	NIL	NIL	182350
2	Mr. Ajay Kumar Surana	N.A.	12,000	NIL	NIL	NIL	NIL	775500
3	Mr. Surendra Kumar Surana	N.A.	N.A.	N.A.	N.A.	18,00,000	N.A.	2068508
4	Mrs. Trishla Rampuria	N.A.	18,000	N.A.	N.A.	N.A.	N.A.	105000
5	Dr. Satish Kumar*	N.A.	15,000	NIL	NIL	NIL	NIL	NIL
6	Mr. Rajendra Prasad Udawat	N.A.	33,000	NIL	NIL	NIL	NIL	NIL
7	Mr. Ghisa Lal Chaudhary	N.A.	30,000	NIL	NIL	NIL	NIL	NIL
8	Mr. Ramesh Chand Jain**	N.A.	15,000	NIL	NIL	NIL	NIL	NIL
9	Dr. Anjila Saxena***	N.A.	9,000	NIL	NIL	NIL	NIL	NIL

\*Appointed as an Additional Director w.e.f May 25<sup>th</sup>, 2016 and regularized as Director in the Annual General Meeting held on 9<sup>th</sup> September, 2016.

\*\*Retired as the Director of Company w.e.f. September 08, 2016.

\*\*\* Appointed as an Additional Director w.e.f August 3<sup>rd</sup>, 2016 and regularized as Director in the Annual General Meeting held on 9<sup>th</sup> September, 2016.

- (ii) Total remuneration paid to the Managing Director for the Financial Year 2016-17 is Rs. 18,00,000/- as determined and recommended by the Nomination and Remuneration Committee and Board of Directors. No other perquisite was provided to the Managing Director.
- (iii) The contract for service, notice period, severance fees etc. are applied as per the rules of Company framed by the Board of Directors from time to time.
- (vi) The Company paid no other remuneration to Non-Executive Directors except sitting fees during the Financial Year 2016-17. The sitting fees paid to the Non-Executive Directors was Rs. 3,000/- for their attendance at every Meeting of the Board or Committee.

**5. SUBSIDIARY COMPANIES:**

In accordance with Regulation 24 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company does not have any material non-listed Indian Subsidiary, whose turnover or net worth exceeds 20% of the consolidated turnover or net worth respectively of the Company.

The Company has two subsidiary Company, which are CSL Infomedia Private Limited, Jaipur and Itneer Inc. USA.

The audit committee reviews the consolidated financial statements of the Company and the investments made by its unlisted subsidiary Companies. The minutes of the Board meetings along with a report on significant developments of the unlisted subsidiary company is periodically placed before the Board of Directors of the Company.

The Company has a policy for determining 'material subsidiary', which is disclosed on its website [www.compucom.co.in](http://www.compucom.co.in).

**6. GENERAL BODY MEETINGS:**

**Details of the previous three Annual General Meetings:**

Year	Location	Date	Time	Special Resolution(s) Passed
2015-16	"Krishna Auditorium", Compucom Institute of Technology & Management Compound, in front of Compucom Software Limited office, SP-5, EPIP, RIICO Industrial area, Sitapura Jaipur-302022 (Rajasthan).	September 09, 2016	12:15 P.M.	3 (Three) 1. Re-Appointment of Mr. Rajendra Prasad Udawat. 2. Re-Appointment of Dr. Anjila Saxena 3. Adoption of amended AOA
2014-15	"Krishna Auditorium", Compucom Institute of Technology & Management Compound, in front of Compucom Software Limited office, SP-5, EPIP, RIICO Industrial area, Sitapura Jaipur-302022 (Rajasthan).	September 24, 2015	11:30 A.M.	None
2013-14	"Krishna Auditorium", Compucom Institute of Technology & Management, Compound, in front of Compucom Software Limited office, SP-5, EPIP, RIICO Industrial area, Sitapura Jaipur-302022 (Rajasthan).	August 27, 2014	11:30 A.M.	1 (one) Borrowing Powers of the Board up to a limit of Rs. 300 Crore exclusive of interest.

- (i) **Postal Ballot:** During 2016-17, no resolution was passed through postal ballot. None of the business proposed to be transacted in the ensuing Annual General Meeting requires passing through postal ballot.
- (ii) **Extra Ordinary General Meeting:** No Extraordinary General Meeting of the Members was held during the last three years.

**7. DISCLOSURES:**

- (i) **Materially significant Related Party Transactions:** There have been no materially significant related party transactions or relationships between the Company and its Directors that may have potential conflict with the interest of the Company. The Board has approved a policy for related party transaction which has been uploaded on the Company's website [compucom.co.in/AnnualReport/Related%20Party%20Transaction%20Policy.pdf](http://compucom.co.in/AnnualReport/Related%20Party%20Transaction%20Policy.pdf)
- (ii) **Strictures or Penalties:** During the last three years, 2013-14, 2014-15, 2015-16 there were no non compliances/ strictures or penalties imposed on the company either by the SEBI or Stock Exchange (s) or any other Statutory Authority for non-compliance of any matter related to Capital Markets.
- (iii) **Compliance with Code of Conduct and Vigil Mechanism (Whistle Blower Mechanism):** The Company has laid down a Code of Conduct for all its employees across the organization. The Code of Conduct of the Company lays down that the employees shall promptly report without hesitation any violation or breach to the concerned superior & can make suggestion for further improvement also. The code provides that the Company shall support and protect employees for doing so.

The Company has established vigil mechanism in line with requirement given by Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 177(9) of Companies Act, 2013 for employees to report concerns about unethical behavior. No personnel have been denied access to the Audit Committee.

The Board has approved a policy on vigil mechanism which has been uploaded on the Company's website at [compucom.co.in/Annual Reports/Vigil%20Machanism.pdf](http://compucom.co.in/Annual Reports/Vigil%20Machanism.pdf).

**(iv) Reconciliation of Share Capital Audit:**

A qualified practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

**(v) Compliance with recommendatory and other Mandatory Requirements:**

- a) The Company follows the guidelines of Secretarial Standards in respect to conducting various Meeting and preparation and recording of minutes and other statutory records and registers.

b) In respect of audit qualifications, the Company is making conscious efforts towards moving into a regime of unqualified financial statements.

(vi) **Financial Statements/Accounting treatments:** In the preparation of Financial Statements, the Company has followed the Accounting Standards issued by The Institute of Chartered Accountants of India to the extent applicable. As per Regulation 17(8) Certificate from the Managing Director and the Chief Financial Officer of the Company on the financial statements of the Company was placed before the Board.

(vii) **Board Disclosures – Risk Management:** The Company has laid down systems to inform Board about the risk assessment and minimization procedures. The risks and Company’s mitigation strategies are periodically discussed and reviewed by Board of Directors to ensure effective controls.

(viii) **Management:** A detailed report on Management Discussion and Analysis is given as a separate section in this Annual Report. During the year, there have been no material financial and commercial transactions made by the management where they have personal interest that may have a potential conflict with the interest of the Company at large.

(ix) **Disclosures of Compliance:** The Company has complied with the mandatory requirements of Corporate Governance as specified in Regulation 17 to 27 and 46(2) of SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015.

(x) **Discretionary requirements:** The Company has complied with the following discretionary requirements as prescribed in Part E of Schedule II to the SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015.:

- a) During the year under review, the Company has moved to a regime of Financial Statements with unmodified audit opinion.
- b) The Company appointed separate persons to the post of Chairman and Managing Director & CEO.

**8. MEANS OF COMMUNICATION:**

(i) The quarterly, half-yearly and annual results of the Company are regularly published in the newspapers in terms of Regulation 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(ii) Newspapers in which results of the Company are normally published: (a) Mint, in English (National) (b) Smachar Jagat, in Hindi (Vernacular).

(iii) The Company results and official news releases etc. are displayed on the Company’s website. Website address is [www.compucom.co.in](http://www.compucom.co.in) .

(iv) The Company’s results and other Corporate Announcements are regularly sent to the BSE Limited, Mumbai, National Stock Exchange of India Limited, Mumbai and Calcutta Stock Exchange Limited, Kolkata.

(v) **NSE Electronic Application Processing System (NEAPS):** The NEAPS is a web based application designed by NSE for Corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, etc. are filed electronically on NEAPS.

(vi) **BSE Corporate Compliance & Listing Centre (the “Listing Centre”):** The Listing Centre of BSE is a web based application designed by BSE for Corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, etc. are also filed electronically on the Listing Centre.

(vii) **SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralized web based complaints redress system. The salient features of this system are centralized database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

**9. GENERAL SHAREHOLDERS INFORMATION:**

(i) <b>Corporate Identification Number</b>	Corporate Identification Number (CIN) of the Company allotted by the Ministry of Corporate Affairs, Government of India is <b>L72200RJ1995PLC009798</b>
(ii) <b>Annual General Meeting Date, Time and Venue</b>	Wednesday, September 27, 2017 at 11.30 A.M. at “Krishna Auditorium”, Compucom Institute of Technology and Management Compound, SP-5, EPIP, RIICO Industrial area, Sitapura Jaipur-302022 (Rajasthan).
(iii) a) <b>Financial Year:</b> b) <b>Financial Calendar(Tentative):</b> <b>Results for the 1st Quarter ending June 30th, 2017</b> <b>Results for the 2nd Quarter ending September 30th, 2017</b> <b>Results for the 3rd Quarter ending December 31st, 2017</b> <b>Results for the 4th Quarter ending March 31st, 2018</b>	April 1 to March 31  Last week of August, 2017 Last week of November, 2017 Second week of February, 2018 Last week of May, 2018
(iv) <b>Book Closure:</b>	Monday, September 25, 2017 to Wednesday, September 27, 2016 (both days inclusive)

(v) Dividend Payment Date	Final dividend to be paid on or after September 27, 2017 subject to the approval of shareholders in the Annual General Meeting.
(vi) Listing on Stock Exchanges:	The shares of the Company are listed on <b>BSE Limited (BSE)</b> , 1st Floor, Rotunda Building, P.J. Tower, Dalal Street, Mumbai, <b>National Stock Exchange of India Limited (NSE)</b> , Bandra-kurla complex Bandra (E) Mumbai, <b>Calcutta Stock Exchange Limited(CSE)</b> , 7 Lyons Range, Kolkata The Annual Listing fee for Financial Year 2017-18 has been paid.
(vii) Stock Code/ Symbol  ISIN (International Securities Identification Number):	NSE Symbol: COMPUSOFT CSE Scrip Code: 13335 Series: EQ  BSE Scrip Code: 532339 INE453B01029
(viii) Market Price data: High/Low during each month in last Financial Year	Please see Annexure <b>No. I</b> of this report.
(ix) Share performance data: High/Low during each month in last Financial Year	Please see Annexure <b>No. II</b> of this report
(x) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:	A Comprehensive financial and commodity risk management Programme supports the achievement of an organization's objectives by enabling the identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risk and implementing policies and procedures to manage and monitor the risks. The Company has in place a Board approved policy which establishes the financial and commodity risk management framework and defines the procedures and controls for the effective management framework and defines the procedures and control for the effective management of the Company's risks that arise due to Governmental Projects.
(xi) Registrar & Share Transfer Agent	The Company has appointed a Registrar for dematerialization (Electronic Mode) and Physical transfer of shares whose details are given below: MCS Share Transfer Agent Limited Unit: Compucom Software Limited F-65, 1st Floor, Okhla Industrial Area, Phase-1, New Delhi-110020, India Ph. : +91-11-41406149, Fax : +91-11-41709881 E-mail : admin@mcsdel.com
(xii) Share Transfer System	The Company has appointed a common Registrar for the physical share transfer and dematerialization of shares. The shares lodged for the physical transfer/ transmission/transposition are registered normally within a period of fortnight, if the documents are complete in all respects. The Company obtains half-yearly certificate of compliance with share transfer formalities as required under Regulation 7 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 from a Company Secretary in practice and also files a copy of the certificate with the Stock Exchanges.
(xiii) Distribution Schedule & Distribution of Shareholding Pattern	Annexure III - Table I & II

<b>(xiv) Dematerialization of Shares and Liquidity</b>	97.72% of the paid-up capital is held in dematerialized form and are frequently traded.
<b>(xv) Address for Correspondence</b>	The shareholders may address their communication/ suggestions/grievances /queries relating to shares of the Company to the Company Secretary Compucom Software Limited IT 14-15, EPIP, Sitapura, Jaipur- 302022 (Rajasthan) Tel Nos.:0141-5115908 Email: investor@compucom.co.in
<b>(xvi) Registered Office</b>	IT 14-15, EPIP, Sitapura, Jaipur- 302022 (Rajasthan)

**(xvi) Unclaimed Dividend**

Pursuant to Section 124 of the Companies Act, 2013, the dividend for following years, if unclaimed for 7 (Seven) years, will be transferred by the Company to Investor Education and Protection Fund according to the schedule given below. Members, who have not claimed the dividend and the said seven years about to complete, are requested to lodge their claim with the Company before due date for transfer the amount into IEPF as mentioned below for the respective dividend accounts, as no claim shall be entertained for the unclaimed dividend once the same has been transferred to Investor Education and Protection Fund, Government of India. During the year 2016-17, Rs.-189813/- transferred to Investor Education and Protection Fund and Company has not Transfer any shares in to Investor Education and Protection Fund in the Financial Year 2016-17.

**DETAILS OF UNCLAIMED DIVIDEND AS ON MARCH 31, 2017**

Financial Year	Date of Declaration of Dividend	Total Dividend (Rs.)	Unclaimed Dividend (Rs.)	Due for transfer to IEPF
2009-10(Interim)	21-May-2010	10,050,000.00	89954.00	June, 2017
2010-11(Final)	9-Sep-2011	23,737,556.40	175198.50	October, 2018
2011-12(Final)	18-Sep-2012	23,737,556.40	214754.70	October, 2019
2012-13(Final)	19-Sep-2013	31,650,075.20	342967.20	October,2020
2013-14(Final)	27-Aug-2014	31,650,075.20	387540.80	September, 2021
2014-15(Final)	24-Sep-2015	7912518.80	98876.10	October, 2022
2015-16(Final)	09-Sep-2016	7912518.80	84915.00	October, 2023
<b>Total Unclaimed Amount</b>			<b>1394206.30</b>	

**10. CODE FOR PREVENTION OF INSIDER TRADING:**

The Company has adopted a share dealing code for the prevention of insider trading in the shares of the Company. The share dealing code, inter alia, prohibits purchase / sale of shares of the Company by employees while in possession of unpublished price sensitive information in relation to the Company.

**11. CEO/CFO CERTIFICATION:**

As required by Regulation 17(8) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, the CEO/ CFO has given Compliance certificate on financial statements to the Board of Directors.

**ANNEXURE I - Market Price Data – High/Low during each month in the year 2016-17:**

Month	BSE		Month	NSE	
	Market Price (Rs.)			Market Price (Rs.)	
	High	Low		High	Low
Apr-16	10.52	09.22	Apr-16	10.20	09.45
May-16	10.60	09.11	May-16	10.05	09.40
Jun-16	10.45	09.05	Jun-16	10.55	09.70
Jul-16	11.50	09.45	Jul-16	11.50	09.70
Aug-16	12.79	10.15	Aug-16	11.00	10.65
Sep-16	12.74	10.15	Sep-16	11.75	10.50
Oct-16	21.59	11.50	Oct-16	21.80	19.60
Nov-16	22.02	12.71	Nov-16	15.85	15.35
Dec-16	17.20	13.50	Dec-16	14.45	13.65
Jan-17	16.94	13.71	Jan-17	15.10	14.35
Feb-17	15.45	12.71	Feb-17	13.05	12.70
Mar-17	13.70	11.50	Mar-17	12.00	11.35

**ANNEXURE II** Performance in comparison to broad based Indices as BSE SENSEX and NSE NIFTY.

The above chart depicts daily closing quotes on Bombay Stock Exchange for the year ended March 31, 2017 & National Stock Exchange.



Figure 1

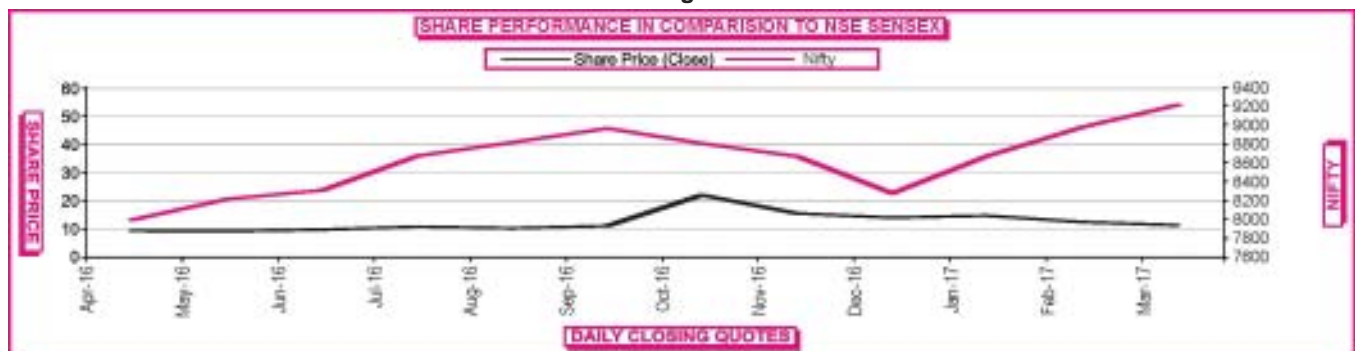


Figure 2

**ANNEXURE III** The following table gives the distribution pattern of the shareholding of the Company:

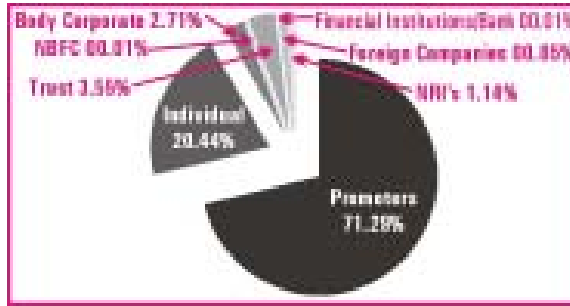
**TABLE I- DISTRIBUTION SCHEDULE AS ON MARCH 31, 2017**

Range -No. of Shares	No. of Shares held	No. of Folios	% Shares	% Holders
Up to 500	1224280	6007	1.55	54.14
501-1000	1495273	1747	1.89	15.74
1001-2000	2770567	1785	3.50	16.08
2001-3000	1443518	532	1.82	4.79
3001-4000	717201	196	0.91	1.77
4001-5000	1077616	227	1.36	2.05
5001-10,000	2400316	324	3.03	2.92
10001-50,000	4309532	228	5.44	2.05
50,001-1,00,000	1677258	24	2.12	0.21
Above 1,00,000	62009627	25	78.37	0.22
<b>Total</b>	<b>79125188</b>	<b>11095</b>	<b>100.00</b>	<b>100.00</b>

**TABLE II- SHAREHOLDING PATTERN AS ON MARCH 31, 2017**

Particulars	No of shares	% of Shares
Promoter	56409447	71.29
Individuals	16176204	20.44
Body Corporate	2144529	02.71
NBFC registered with RBI	5000	00.01
Trust	2805329	03.55
Financial Institutions/Bank	10500	00.01
NRIs	899179	01.14
Foreign Companies	675000	00.85
<b>Total Shareholding</b>	<b>79125188</b>	<b>100.00</b>

**Share Holding Pattern as on March 31, 2017**



**Dematerialization of Shares**



**TABLE III- DEMATERIALIZATION OF SHARES AS ON MARCH 31, 2017**

Particulars	No of shares	% of Shares
CDSL	6933977	8.76
NSDL	70383456	88.95
PHYSICAL	1807755	2.29
TOTAL	79125188	100

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

We hereby declare that all the Directors and the designated employees in the Senior Management of the Company have affirmed compliance with the respective codes for the Financial Year ended March 31, 2017 and the code is available on website of the Company [www.compucom.co.in](http://www.compucom.co.in). We confirm that the Company has in respect of the year ended March 31, 2017, received from the senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them

For and on behalf of the Board

Sd/-

**Surendra Kumar Surana**  
 Managing Director & CEO  
 (DIN- 00340866)  
 Place: Jaipur  
 Date: August 30, 2017

Sd/-

**Shubh Karan Surana**  
 Director  
 (DIN- 00341082)

**AUDITOR'S CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE**

To  
 The Members,  
 Compucom Software Limited

We have examined the compliance of conditions of Corporate Governance by **COMPUCOM SOFTWARE LIMITED**, for the year ended on March 31, 2017, as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement entered of the said Company with stock exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in pursuant to the Listing Agreement entered of the said Company with stock exchange(s).

We further state that such compliance is neither an assurance as to future viability of the Company nor the efficiency with which the management has conducted the affairs of the Company.

For and on behalf of  
**S. MISRA & ASSOCIATES**  
 Chartered Accountants  
 FRN-004972C  
**CA. SACHINDRA MISRA**  
 Partners  
 Membership No.-073776

Date: August 30, 2017  
 Place: Jaipur

### COMPLIANCE CERTIFICATE

Ref: Regulation 17(8) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015

To,  
The Board of Directors,  
Compucom Software Limited,  
IP 14-15, EPIP, Sitapura  
Jaipur

We, Surendra Kumar Surana, Managing Director & CEO and Sanjeev Nigam, Chief Financial Officer (CFO) of the Company hereby certify:

- (A) We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2017 and that to the best of our knowledge and belief:
- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (B) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2017 are fraudulent, illegal or violative of the Company's Code of Conduct.
- (C) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps have been taken to rectify these deficiencies.
- (D) We have indicated to the Auditors and the Audit Committee that there are no:
- Significant changes in the internal control over financial reporting during the year,
  - Significant changes in accounting policies during the year requiring disclosed in the notes to the financial statements; and
  - Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

sd/-

**Surendra Kumar Surana**  
Managing Director & CEO  
(DIN:- 00340866)  
Date: August 30, 2017  
Place: Jaipur

sd/-

**Sanjeev Nigam**  
Chief Financial Officer

### Independent Auditor's Report

To  
The Members of  
M/s. Compucom Software Limited  
Jaipur

#### Report on the Standalone Financial Statements

We have audited the accompanying financial statements of **M/s. Compucom Software Limited** ('the Company'), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

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

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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 the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows 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 ("Order") issued by Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure A**, a statement of the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report 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 accounts 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, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
  - d. In our opinion the aforesaid standalone financial statements comply with the Accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. On the basis of the written representations received from the directors as on March 31, 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of section 164(2) of the Companies Act, 2013
  - f. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure B**; and
  - 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:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
    - ii. The Company has made provisions, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long-term contracts including derivative contracts if any.
    - iii. The Company has transferred the amount, required to be transferred, to Investor Education and Protection Fund in accordance with the provisions of Companies Act, 2013 and rules made thereunder within the time.
    - iv. The Company has provided requisite disclosures in the financial Statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated November 8, 2016 of the Ministry of Finance, during the Period from November 8, 2016 to December 30, 2016. Based on audit Procedures performed and representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the management.

### For S. Misra & Associates

Chartered Accountants  
FRN 004972C

### CA. SACHINDRA MISRA

Partner  
Membership No. 073776

Place: Jaipur

Date: May 29, 2017

**‘Annexure A’ to the Auditors Report (referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date) on the financial statements for the year ended March 31, 2017 of M/s Compucom Software Limited**

**i. Fixed Assets:**

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The management during the year has physically verified the major assets and in our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

**ii. Inventories:**

The Company does not have any inventory, therefore, provisions of clause (ii) of paragraph 3 of the order are not applicable.

**iii. Loans to the parties covered in the register maintained under Section 189 of the Act:**

The Company has not granted any loan to the parties covered in the register maintained under Section 189 of the Act, therefore provisions of clause (iii) of paragraph 3 of the order are not applicable.

**iv. Compliance of provisions of section 185 and 186 of the Companies Act, 2013:**

In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made.

**v. Public Deposits:**

The Company has not accepted any deposits from the public. Therefore, the provisions of clause (v) of paragraph 3 of the order are not applicable to the Company.

**vi. Cost Records:**

The maintenance of cost records has been prescribed by the Central Government under section 148(1) of the Act, for activity related to Wind Power Generation. According to the information and explanations given to us and on the basis of our examination thereof, we report that the company is maintaining the prescribed cost records.

**vii. Statutory Dues:**

- a) **Undisputed Statutory Dues:** According to the information and explanations given to us and on the basis of our examination of the record of the company, undisputed statutory dues including provident fund, ESI, Income Tax, Value added tax, service tax, cess and other material statutory dues have been generally regularly deposited during the year by the company with the appropriate authorities.
- b) **Disputed statutory dues:** Details of statutory dues which have not been deposited as at March 31, 2017 on account of disputes are given below :

Nature of dues	Period to which the amount relates	Forum where the Dispute is pending	Amount (Rs.)
Income Tax	A.Y. 2007-08	Asstt. Commissioner of Income Tax, Circle-6	4,30,247/-
Income Tax	A.Y. 2007-08	Commissioner of Income Tax (Appeals)	2,880,228/-
Income Tax	A.Y. 2009-10	Commissioner of Income Tax (Appeals)	34,22,030/-
Income Tax	A.Y. 2010-11	Asstt. Commissioner of Income Tax, Circle-6	32,04,680/-
Income Tax	A.Y. 2011-12	Asstt. Commissioner of Income Tax, Circle-6	66,92,810/-
Service Tax	April 01, 2005 to March 31, 2010	Custom, Central Excise & Service Tax Appellate Tribunal, New Delhi	Service Tax -2,24,71,199/- Penalty - 2,24,71,199/-
Service Tax	April 01, 2005 to March 31, 2009	Custom, Central Excise & Service Tax Appellate Tribunal, New Delhi	Service Tax -2,69,86,650/- Penalty - 2,69,86,650/-
Service Tax	Oct. 2011 to March 2013	Custom, Central Excise & Service Tax Appellate Tribunal, New Delhi	Service Tax - 67,75,356/- Penalty u/s 76- Maximum to Rs. 67,75,356/- Penalty 77(2)- Rs. 10,000/-
Service Tax	April 01, 2008 to March 31, 2011	Custom, Central Excise & Service Tax Appellate Tribunal, New Delhi	Service Tax -1,24,52,639/- Penalty - 1,24,52,639/-

**viii. Dues to Financial Institution or Bank or Debenture holders :**

According to the information and explanations given to us and based on the documents and records produced before us, there has been no default in repayment of dues to banks and financial institutions. Further, there are no dues to debenture holders, therefore, provisions of clause (viii) of paragraph 3 of the order are not applicable.

**ix. Application of IPO, FPO and Term loans:**

According to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year, therefore provisions of clause (ix) of paragraph 3 of the order are not applicable.

**x. Fraud on or by the company-noticed or reported:**

According to the information and explanations given to us, and to the best of our knowledge and belief, no fraud on or by the Company, has been noticed or reported during the year.

**xi. Managerial Remuneration:**

According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the provisions of Section 197 read with Schedule V to the Act.

**xii. Nidhi Company:**

According to the information and explanations given to us and based on our opinion, the Company is not a Nidhi company, therefore provisions of clause (xii) of paragraph 3 of the order are not applicable.

**xiii. Related Party Disclosure:**

According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

**xiv. Issued of Preferential Allotment or Private Placement of Shares or Debentures:**

According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

**xv. Non cash Transactions with directors and connected persons with them:**

According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him, therefore provisions of clause (xv) of paragraph 3 of the order are not applicable.

**xvi. Registration under Reserve Bank of India Act, 1934:**

The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

**For S. MISRA & ASSOCIATES**

Chartered Accountants

FRN 004972C

**CA. SACHINDRA MISRA**

Partner

Membership No. 073776

Place: Jaipur

Date: May 29, 2017

**‘Annexure B’ to the Auditors Report (referred to in paragraph 2(F) under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date) on the financial statements for the year ended March 31, 2017 of M/s Compucom Software Limited.**

**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 Compucom Software limited (‘the Company’) as of 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

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

### Auditors Responsibility

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

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

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

### Meaning of Internal Financial Controls over Financial Reporting

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

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### For S. MISRA & ASSOCIATES

Chartered Accountants  
FRN 004972C

### CA. SACHINDRA MISRA

Partner  
Membership No. 073776

Place: Jaipur

Date: May 29, 2017

**BALANCE SHEET AS AT MARCH 31, 2017**

(in Rs.)

	Note No.	As at March 31, 2017	As at March 31, 2016
<b>EQUITY AND LIABILITIES</b>			
<b>A. Shareholders' funds</b>			
(i) Share Capital	1	158,250,376	158,250,376
(ii) Reserves and Surplus	2	1,083,392,406	1,074,393,556
<b>B. Non-Current Liabilities</b>			
(i) Long-Term Borrowings	3	2,195,938	63,801,883
(ii) Deferred Tax Liabilities (Net)		-	-
(iii) Other Long Term Liabilities	4	63,010,090	63,025,090
(iv) Long-Term Provisions	5	6,468,724	6,162,642
<b>C. Current Liabilities</b>			
(i) Short-Term Borrowings	6	72,133,964	80,307,414
(ii) Trade Payables		13,356,718	12,020,898
(iii) Other Current Liabilities	7	89,330,455	147,807,922
(iv) Short-Term Provisions	8	129,551,586	157,967,968
<b>TOTAL</b>		<b>1,617,690,258</b>	<b>1,763,737,749</b>
<b>ASSETS</b>			
<b>A. Non-Current Assets</b>			
(i) Fixed Assets	9		
(a) Tangible Assets		320,966,227	465,604,623
(b) Intangible Assets		331,918	-
(ii) Non-Current Investments	10	90,943,190	90,961,820
(iii) Deferred Tax Assets (Net)		41,702,248	10,083,720
(iv) Long-Term Loans and Advances	11	66,470,227	35,378,507
(v) Other Non-Current Assets	12	84,732,702	89,553,958
<b>B. Current Assets</b>			
(i) Trade Receivables	13	638,769,064	644,351,155
(ii) Cash and Bank Balances	14	245,813,802	287,890,628
(iii) Short-Term Loans and Advances	15	127,960,878	139,913,339
<b>TOTAL</b>		<b>1,617,690,258</b>	<b>1,763,737,749</b>

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS 1 to 21**

The notes attached form an integral part of Balance Sheet

As per our report of even date

**For S. Misra & Associates**

 Chartered Accountants  
FRN - 004972C

 CA Sachindra Misra  
Partner  
Membership No. - 073776  
Jaipur  
May 29, 2017

 Surendra Kumar Surana  
Managing Director & CEO  
DIN:00340866

**For and on the behalf of the Board**

 Shubh Karan Surana  
Director  
DIN:00341082

 CA Sanjeev Nigam  
Chief Financial Officer  
(CFO)

 CS Swati Jain  
Company Secretary &  
Compliance Officer

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON  
MARCH 31, 2017**

		(in Rs.)	
	Note No.	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Revenue from Operations	16	518,844,437	557,636,560
Other Income	17	22,477,911	18,519,379
<b>TOTAL REVENUE</b>		<b>541,322,348</b>	<b>576,155,939</b>
Learning Solution Execution Expenses		110,260,531	117,407,447
Employee Benefits Expenses	18	49,329,144	44,541,492
Finance Costs	19	20,955,338	34,286,921
Other Expenses	20	191,053,669	124,999,966
Depreciation and Amortization Expenses		146,926,394	145,606,859
<b>TOTAL EXPENSES</b>		<b>518,525,076</b>	<b>466,842,684</b>
<b>Profit before exceptional and extraordinary items and tax</b>		<b>22,797,272</b>	<b>109,313,254</b>
Exceptional Items		-	7,812,956
<b>Profit before tax</b>		<b>22,797,272</b>	<b>101,500,298</b>
Tax Expenses:			
(1) For Current tax		37,757,556	51,156,000
(2) For Deferred tax		(31,618,528)	(19,211,956)
(3) For Earlier Years		(1,863,928)	(115,991)
<b>Profit (Loss) for the period from Continuing Operations</b>		<b>18,522,173</b>	<b>69,672,245</b>
Profit/(loss) from Discontinuing Operations		-	-
Tax Expense of Discontinuing Operations		-	-
Profit/(Loss) from Discontinuing Operations (after tax)		-	-
<b>Profit/(Loss) for the year</b>		<b>18,522,173</b>	<b>69,672,245</b>
Earnings Per Equity Share			
(1) Basic		<b>0.23</b>	<b>0.88</b>
(2) Diluted		<b>0.23</b>	<b>0.88</b>

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS 1 to 21**

The notes attached form an integral part of Balance Sheet

As per our report of even date

**For S. Misra & Associates**

Chartered Accountants  
FRN - 004972C

CA Sachindra Misra  
Partner  
Membership No. - 073776  
Jaipur  
May 29, 2017

Surendra Kumar Surana  
Managing Director & CEO  
DIN:00340866

**For and on the behalf of the Board**

Shubh Karan Surana  
Director  
DIN:00341082

CA Sanjeev Nigam  
Chief Financial Officer  
(CFO)

CS Swati Jain  
Company Secretary &  
Compliance Officer

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017**

(in Rs.)

	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
<b>Cash Flow from Operating Activities</b>		
Profit Before Tax	22,797,272	101,500,298
Interest expenses	20,955,338	34,286,921
Interest Income	(21,673,378)	(17,391,476)
Depreciation	146,926,394	145,606,859
Provision for Gratuity	250,355	42,625
Provision for Diminution in value of Investments	(81,370)	56,172
Loss on assets sold, demolished, discarded and scrapped	-	68,969
Profit on assets sold, demolished, discarded and scrapped	(25,129)	(33,436)
Operating Profit before Working Capital Changes	169,149,482	264,136,932
Decrease/(Increase) in Trade Receivables (Current and Non Current)	9,570,091	(28,710,066)
Decrease/(Increase) in Loans and Advances (Current and Non Current)	(19,139,259)	(15,113,614)
Decrease/(Increase) in Other Current & Non Current Assets	833,256	1,685,309
Increase/(Decrease) in Current & Non Current Liabilities	(75,747,505)	(56,214,863)
Cash Generated from Operations	<b>84,666,065</b>	<b>165,783,698</b>
Income Tax Paid	(53,792,062)	(20,975,009)
<b>Net Cash Flow from Operations</b>	<b>30,874,003</b>	<b>144,808,689</b>
<b>Cash Flow from Investing Activities</b>		
Interest Income	21,673,378	17,391,476
Purchase of Fixed Assets	(2,619,916)	(12,032,496)
Sale of Fixed Assets	-	165,000
(Investment)/sale in Shares, Mutual funds and NSC	125,129	-
Increase / Decrease in unpaid dividend a/c & FDRs having maturity more than 3 months	(61,685,395)	21,093,753
<b>Net Cash flow From Investing Activities</b>	<b>(42,506,804)</b>	<b>26,617,733</b>
<b>Cash Flows from Financing Activities</b>		
Interest expenses	(20,955,338)	(34,286,921)
(Decrease)/Increase in Loan Funds	(61,605,945)	(83,569,374)
Dividend Paid (Including Dividend Tax)	(9,568,134)	(9,532,581)
<b>Net Cash Flow From Financing Activities</b>	<b>(92,129,418)</b>	<b>(127,388,876)</b>
Total Increase/(Decrease) in Cash and Cash Equivalents	(103,762,220)	44,037,546
Cash and Cash Equivalents at the beginning of the year	<b>129,655,176</b>	<b>85,617,630</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>25,892,956</b>	<b>129,655,176</b>

As per our report of even date.

**For S. Misra & Associates**

Chartered Accountants  
FRN - 004972C

CA Sachindra Misra  
Partner  
Membership No. - 073776  
Jaipur  
May 25, 2016

Surendra Kumar Surana  
Managing Director & CEO  
DIN:00340866

**For and on the behalf of the Board**

Shubh Karan Surana  
Director  
DIN:00341082

CA Sanjeev Nigam  
Chief Financial Officer  
(CFO)

CS Swati Jain  
Company Secretary &  
Compliance Officer

**NOTES TO BALANCE SHEET AS AT MARCH 31, 2017**

**NOTE 1**

(In Rs.)

<b>Share Capital :</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
<b>Authorised Capital:</b>		
100,000,000 Equity Shares of Rs. 2/- each	200,000,000	200,000,000
<b>Issued , Subscribed &amp; Paid up Capital:</b>		
79,125,188 Equity Shares of Rs. 2/- each fully paid up	158,250,376	158,250,376
<b>Total</b>	<b>158,250,376</b>	<b>158,250,376</b>

**NOTE 1A**

<b>Reconciliation of shares</b>	<b>As at March 31, 2017</b>		<b>As at March 31, 2016</b>	
	<b>Number</b>	<b>Amount (Rs.)</b>	<b>Number</b>	<b>Amount (Rs.)</b>
<b>Shares outstanding at the beginning of the year</b>	79,125,188	158,250,376	79,125,188	158,250,376
Add: Shares Issued during the year	-	-	-	-
Add: Bonus issue during the year	-	-	-	-
Less: Shares bought back during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>79,125,188</b>	<b>158,250,376</b>	<b>79,125,188</b>	<b>158,250,376</b>

**NOTE 1B**

**Particulars of equity share holders holding more than 5% of the total number of equity share capital**

<b>Sr. No.</b>	<b>Name of Shareholder</b>	<b>As at March 31, 2017</b>		<b>As at March 31, 2016</b>	
		<b>No. of Shares held</b>	<b>% of Holding</b>	<b>No. of Shares held</b>	<b>% of Holding</b>
1	Rishab Infotech Private Limited	17,807,715	22.51%	18,468,650	23.34%
2	Sambhav Infotech Private Limited	19,897,444	25.15%	19,897,444	25.15%
3	Compucom Technologies Private Limited	15,677,930	19.81%	16,025,616	20.25%

**NOTE 1C**

**Particulars of Aggregate number of equity shares issued for the immediately preceding five years**

	<b>No. of Shares as at</b>	
	<b>March 31, 2017</b>	<b>March 31, 2016</b>
Shares out of issued, subscribed and paid up share capital issued by way of bonus shares	-	-

- 1) The company has only one class of equity shares having par value of Rs. 2 per share. Each share holder is entitled to one vote per share.
- 2) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company. Company doesn't have any preferential amounts in the Balance Sheet.
- 3) The Board of Directors, in their meeting on May 29, 2017, proposed dividend @ 5% per equity share. The proposal is subject to the approval of shareholders at the Annual General Meeting. The total dividend appropriation for the year ended on March 31, 2017 amounted to Rs. 0.95 crore including corporate dividend tax of Rs. 0.16 crore.

**NOTE 2**

(In Rs.)

<b>Reserves &amp; Surplus</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
<b>(a) Capital Reserves</b>		
Opening Balance	20,921,575	20,921,575
Add: Transfer during Current Year	-	-
Add: Forfeiture of Warrant Application money	-	-
Less: Written Back during Current Year	-	-
<b>Closing Balance</b>	<b>20,921,575</b>	<b>20,921,575</b>



	(In Rs.)	
	As at March 31, 2017	As at March 31, 2016
<b>(b) Securities Premium Account</b>		
Opening Balance	135,296,524	135,296,524
Add : Securities premium credited on Issue of Shares	-	-
Less : Premium Utilised for issuing Bonus Shares	-	-
<b>Closing Balance</b>	<b>135,296,524</b>	<b>135,296,524</b>
<b>(c) Other Reserves</b>		
Opening Balance	148,478,516	148,478,516
Add: Transfer during Current Year	-	-
Less: Written Back during Current Year	-	-
Less: Adjustments during the year	-	-
<b>Closing Balance</b>	<b>148,478,516</b>	<b>148,478,516</b>
<b>(d) Surplus</b>		
Opening balance	769,696,941	709,592,829
Add: Net Profit/(Loss) for the year	18,522,173	69,672,245
Add: Transfer from Reserves	-	-
Less: Proposed Dividends	9,523,322	9,568,134
Less: Transfer to Reserves	-	-
<b>Closing Balance</b>	<b>778,695,791</b>	<b>769,696,941</b>
<b>Total (a+b+c+d)</b>	<b>1,083,392,406</b>	<b>1,074,393,556</b>
<b>NOTE 3</b>		
<b>Long Term Borrowings</b>		
<b>Secured Loans</b>		
<b>Term loans</b>		
from other parties	2,195,938	63,801,883
(Secured against Hypothecation of Equipment Financed)		
<b>Total</b>	<b>2,195,938</b>	<b>63,801,883</b>
<b>NOTE 3A</b>		
<b>Maturity Profile of term loans are set out below:-</b>		
	Maturity Profile	
	1-3 years	
Term loan from other parties	2,195,938	
<b>NOTE 4</b>		
<b>Other Long Term Liabilities</b>		
EMD/ SD from Vendors	4,937,484	4,952,484
Greater Noida Export Promotion Industrial Park	369,239	369,239
Trade Payables	57,703,367	57,703,367
<b>Total</b>	<b>63,010,090</b>	<b>63,025,090</b>
<b>NOTE 5</b>		
<b>Long Term Provisions</b>		
<b>Provision for employees benefits</b>		
Gratuity	6,468,724	6,162,642
<b>Total</b>	<b>6,468,724</b>	<b>6,162,642</b>

	(In Rs.)	
	As at March 31, 2017	As at March 31, 2016
<b>NOTE 6</b>		
<b>Short Term Borrowings</b>		
<b>Secured</b>		
<b>(a) Loans repayable on demand</b>		
Overdraft from banks (Secured By Land & Building situated at IT 14-15, Sitapura, Jaipur and secured by FDR)	72,133,964	80,307,414
Current Accounts	-	-
<b>Total (a+b)</b>	<b>72,133,964</b>	<b>80,307,414</b>
<b>NOTE 7</b>		
<b>Other Current Liabilities</b>		
Current maturities of Long-Term debts	61,605,945	83,506,944
Income received in advance	18,466,667	53,454,062
Unpaid dividends	1,394,206	1,501,911
Interest accrued but not due on borrowings	914,146	1,936,899
<b>Other payables</b>		
Provision for Expenses	1,977,229	2,443,756
Government Dues Payable	4,972,262	4,964,350
<b>Total</b>	<b>89,330,455</b>	<b>147,807,922</b>
<b>NOTE 8</b>		
<b>Short Term Provisions</b>		
<b>(a) Provision for employees benefits</b>		
Salary & Allowances	2,794,711	3,059,522
Gratuity	255,903	311,630
<b>(b) Others</b>		
Proposed Dividend	7,912,519	7,912,519
Dividend Tax	1,610,803	1,655,615
Provision for Income Tax	25,257,566	43,156,000
Provision for Projects Execution Expense	91,720,084	101,872,682
<b>Total (a+b)</b>	<b>129,551,586</b>	<b>157,967,968</b>

**NOTE 9 DEPRECIATION AS PER COMPANIES ACT, 2013 FOR THE PERIOD ENDED ON MARCH 31, 2017 (in Rs.)**

FIXED ASSETS	GROSS BLOCK						ACCUMULATED DEPRECIATION				NET BLOCK	
	As at April 1, 2016	Additions	Disposals/ Adjustments	Revaluations (Impairments)	As at March 31, 2017	As at April 1, 2016	Depreciation Charged for the year	Adjustments Due to Revaluations	On Disposals	As at March 31, 2017	As at March 31, 2017	As at April 1, 2016
<b>A. TANGIBLE ASSET</b>												
Land	12,909,255	-	-	-	12,909,255	-	-	-	-	12,909,255	12,909,255	
Buildings	25,839,372	-	-	-	25,839,372	6,569,393	407,759	-	-	18,862,219	19,269,979	
Assets under lease	5,505,132	-	-	-	5,505,132	1,359,392	87,785	-	-	4,057,955	4,145,740	
Plant and Equipment	1,513,149,057	714,352	-	-	1,513,863,409	1,218,532,158	121,004,217	-	-	1,339,536,375	174,327,034	294,616,899
Furniture and Fixtures	131,863,406	126,534	-	-	131,989,940	92,435,681	16,874,111	-	-	109,309,792	22,680,148	39,427,725
Vehicles	8,184,665	-	-	-	8,184,665	5,814,495	951,921	-	-	6,766,417	1,418,248	2,370,170
Power Plants	170,825,200	1,439,150	-	-	172,264,350	77,960,343	7,592,638	-	-	85,552,981	86,711,369	92,864,857
<b>Total (A)</b>	<b>1,868,276,087</b>	<b>2,280,036</b>	-	-	<b>1,870,556,123</b>	<b>1,402,671,463</b>	<b>146,918,432</b>	-	-	<b>1,549,589,895</b>	<b>320,966,227</b>	<b>465,604,624</b>
<b>B. INTANGIBLE ASSET</b>												
Computer software	16,920,840	339,880	-	-	17,260,720	16,920,840	7,962	-	-	16,928,802	331,918	-
Marketing Rights	8,020,826	-	-	-	8,020,826	8,020,826	-	-	-	8,020,826	-	-
Hologram	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total (B)</b>	<b>24,941,666</b>	<b>339,880</b>	-	-	<b>25,281,546</b>	<b>24,941,666</b>	<b>7,962</b>	-	-	<b>24,949,628</b>	<b>331,918</b>	<b>-</b>
<b>GRAND TOTAL (A+B)</b>	<b>1,893,217,753</b>	<b>2,619,916</b>	-	-	<b>1,895,837,669</b>	<b>1,427,613,129</b>	<b>146,926,394</b>	-	-	<b>1,574,539,522</b>	<b>321,298,146</b>	<b>465,604,624</b>

**Note 10 (in Rs.)**

	As at March 31, 2017	As at March 31, 2016
<b>Non-Current Investments</b>		
<b>Details of Investment</b>		
<b>Trade Investments (Refer A below)</b>		
Investment in Equity instruments	261,813	261,813
Investments in Mutual Funds	500,000	600,000
<b>Total (a)</b>	<b>761,813</b>	<b>861,813</b>
<b>Other Investments (Refer B below)</b>		
Investment in Equity instruments	89,424,400	89,424,400
Investments in Government or Trust securities	1,065,500	1,065,500
<b>Total (b)</b>	<b>90,489,900</b>	<b>90,489,900</b>
<b>Grand Total (a + b)</b>	<b>91,251,713</b>	<b>91,351,713</b>
Less : Provision for diminution in the value of Investments	308,523	389,893
<b>TOTAL</b>	<b>90,943,190</b>	<b>90,961,820</b>
Aggregate amount of quoted investments (Market value of Rs 4,82,226)	564,946	676,426
Aggregate amount of unquoted investments	196,867	185,387

A. Details of Trade Investments												
Sr. No.	Name of the Body Corporate	Subsidiary/ Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted/ Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (Rs.)		Whether stated at Cost Yes / No	If Answer is 'No' - Basis of Valuation
			As at March 31, 2017	As at March 31, 2016			As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016		
(a)	Investment in Equity Instruments											
1	Apple Finance Ltd	Others	100	100	Quoted	Fully paid	Less Than 1%	1,944	1,944	Yes		
2	Birla Power Solutions Ltd	Others	1,200	1,200	Quoted	Fully paid	Less Than 1%	2,625	2,625	Yes		
3	Datapro Information Tech	Others	100	100	Quoted	Fully paid	Less Than 1%	365	365	Yes		
4	Hmt Ltd	Others	100	100	Quoted	Fully paid	Less Than 1%	1,235	1,235	Yes		
5	Autopal Industries Ltd.	Others	100	100	Quoted	Fully paid	Less Than 1%	2,151	2,151	Yes		
6	Jenson & Nicholson India Ltd.	Others	50	50	Quoted	Fully paid	Less Than 1%	2,172	2,172	Yes		
7	Aiv Projects India Ltd	Others	1,700	1,700	Quoted	Fully paid	Less Than 1%	12,330	12,330	Yes		
8	Fedral Bank	Others	100	100	Quoted	Fully paid	Less Than 1%	3,476	3,476	Yes		
9	Lok Housing	Others	100	100	Quoted	Fully paid	Less Than 1%	19,180	19,180	Yes		
10	Uniworth International Ltd	Others	900	900	Quoted	Fully paid	Less Than 1%	8,865	8,865	Yes		
11	Dunlop India Ltd.	Others	100	100	Quoted	Fully paid	Less Than 1%	2,677	2,677	Yes		
12	Denso India	Others	100	100	Quoted	Fully paid	Less Than 1%	2,060	2,060	Yes		
13	Rgg Life Sciences	Others	50	50	Quoted	Fully paid	Less Than 1%	4,380	4,380	Yes		
14	Spice Mobile Ltd	Others	200	200	Quoted	Fully paid	Less Than 1%	1,220	1,220	Yes		
15	Oswal Agro Mills Ltd	Others	300	300	Quoted	Fully paid	Less Than 1%	2,325	2,325	Yes		
16	Rhodia Speciality Chemicals India Ltd	Others	50	50	Quoted	Fully paid	Less Than 1%	9,420	9,420	Yes		
17	Alpine Industries Ltd.	Others	500	500	Un-Quoted	Fully paid	Less Than 1%	7,275	7,275	Yes		
18	Allos Ltd.	Others	400	400	Un-Quoted	Fully paid	Less Than 1%	11,969	11,969	Yes		
19	Amrut Ltd.	Others	1,000	1,000	Un-Quoted	Fully paid	Less Than 1%	15,200	15,200	Yes		
20	BPL Refrigerator	Others	300	300	Un-Quoted	Fully paid	Less Than 1%	4,025	4,025	Yes		
21	Bpl Sanyo Tech	Others	100	100	Un-Quoted	Fully paid	Less Than 1%	1,315	1,315	Yes		
22	Compulearn	Others	4,550	4,550	Un-Quoted	Fully paid	Less Than 1%	25,888	25,888	Yes		
23	CRB Caps	Others	100	100	Un-Quoted	Fully paid	Less Than 1%	3,283	3,283	Yes		
24	Data Lines & Research	Others	200	200	Un-Quoted	Fully paid	Less Than 1%	1,250	1,250	Yes		
25	Elbee	Others	200	200	Un-Quoted	Fully paid	Less Than 1%	9,595	9,595	Yes		
26	G.R.Market	Others	100	100	Un-Quoted	Fully paid	Less Than 1%	875	875	Yes		
27	Hind Devlop	Others	1,500	1,500	Un-Quoted	Fully paid	Less Than 1%	20,682	20,682	Yes		
28	Hind Power Plus	Others	200	200	Un-Quoted	Fully paid	Less Than 1%	7,052	7,052	Yes		
29	ifb Venture	Others	100	100	Un-Quoted	Fully paid	Less Than 1%	415	415	Yes		
30	Iggi Resorts	Others	1,000	1,000	Un-Quoted	Fully paid	Less Than 1%	13,090	13,090	Yes		
31	Master Plus	Others	1,300	1,300	Un-Quoted	Fully paid	Less Than 1%	18,130	18,130	Yes		
32	Modi Xerox Ltd.	Others	100	100	Un-Quoted	Fully paid	Less Than 1%	4,836	4,836	Yes		
33	Orkay Ind.	Others	500	500	Un-Quoted	Fully paid	Less Than 1%	2,700	2,700	Yes		
34	Paam Pharma	Others	300	300	Un-Quoted	Fully paid	Less Than 1%	3,240	3,240	Yes		

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV / Controlled Entity / Others	No. of Shares / Units		Quoted/ Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (Rs.)		Whether stated at Cost Yes / No	If Answer is 'No' - Basis of Valuation
			As at March 31, 2016	As at March 31, 2015			As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015		
35	Palpeugaut	Others	500	500	Un-Quoted	Fully paid	Less Than 1%	3,525	3,525	Yes		
36	Pcl Ltd.	Others	100	100	Un-Quoted	Fully paid	Less Than 1%	2,515	2,515	Yes		
37	Pru Cap Market	Others	100	100	Un-Quoted	Fully paid	Less Than 1%	1,667	1,667	Yes		
38	Pansumi India	Others	200	200	Un-Quoted	Fully paid	Less Than 1%	470	470	Yes		
39	Raj Trustee Co	Others	100	100	Un-Quoted	Fully paid	Less Than 1%	10,000	10,000	Yes		
40	Sanghi Polyster	Others	100	100	Un-Quoted	Fully paid	Less Than 1%	640	640	Yes		
41	South Shipping	Others	200	200	Un-Quoted	Fully paid	Less Than 1%	5,505	5,505	Yes		
42	Standard Batt	Others	200	200	Un-Quoted	Fully paid	Less Than 1%	2,530	2,530	Yes		
43	Usha India	Others	400	400	Un-Quoted	Fully paid	Less Than 1%	4,560	4,560	Yes		
44	Wool Worth	Others	100	100	Un-Quoted	Fully paid	Less Than 1%	3,156	3,156	Yes		
(b)	Investments in Mutual Funds							261,813	261,813			
1	Baroda Pioneer Fund	Others	50,000	50,000	Quoted	Fully Paid	Less Than 1%	500,000	500,000	Yes		
2	Reliance Liquid Fund - T.P.	Others	-	71	Quoted	Fully Paid	Less Than 1%	-	100,000	Yes		
								500,000	600,000			
	<b>Total</b>							761,813	861,813			

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV / Controlled Entity / Others	No. of Shares / Units		Quoted/ Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (Rs.)		Whether stated at Cost Yes / No	If Answer is 'No' - Basis of Valuation
			As at March 31, 2017	As at March 31, 2016			As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016		
(a)	Investment in Equity Instruments											
	IT Neer Inc.(USA)	Subsidiary	1,000,000	1,000,000	Unquoted	Fully paid	100%	43,924,400	43,924,400	Yes		
	CSL Infomedica Pvt. Ltd.	Subsidiary	4,550,000	4,550,000	Unquoted	Fully paid	65%	45,500,000	45,500,000	Yes		
(b)	Investments in Government or Trust securities											
	NSC in Post office	Others	-	-	-	-	-	1,065,500	1,065,500	Yes		
	<b>Total</b>							90,489,900	90,489,900			

	(In Rs.)	
	As at March 31, 2017	As at March 31, 2016
<b>NOTE 11</b>		
<b>Long Term Loans and Advances</b>		
<b>(a) Security Deposits</b>		
Unsecured, considered good	8,932,627	9,358,627
<b>Total (a)</b>	<b>8,932,627</b>	<b>9,358,627</b>
<b>(b) Other loans and advances</b>		
Unsecured, considered good		
Withholding Income Tax and others	57,537,600	26,019,880
<b>Total (b)</b>	<b>57,537,600</b>	<b>26,019,880</b>
<b>Total (a+b)</b>	<b>66,470,227</b>	<b>35,378,507</b>
<b>NOTE 12</b>		
<b>Other Non Current Assets</b>		
<b>Others</b>		
Unsecured, considered good		
-Transline business solutions	-	833,256
- CPS Tool Kit	-	-
-Trade Receivable	84,732,702	88,720,702
<b>Total</b>	<b>84,732,702</b>	<b>89,553,958</b>
<b>NOTE 13</b>		
<b>Trade Receivables</b>		
Trade receivables outstanding for a period less than six months:		
Secured, considered good	-	-
Unsecured, considered good	241,494,920	214,969,786
Unsecured, considered doubtful	-	-
	<b>241,494,920</b>	<b>214,969,786</b>
Trade receivables outstanding for a period exceeding six months:		
Secured, considered good	-	-
Unsecured, considered good	397,274,144	429,381,369
Unsecured, considered doubtful	-	-
	<b>397,274,144</b>	<b>429,381,369</b>
Less: Advances from debtors	-	-
<b>Total</b>	<b>638,769,064</b>	<b>644,351,155</b>
<b>NOTE 14</b>		
<b>Cash and Bank Balances</b>		
<b>a. Cash and Cash Equivalents</b>		
a. Balances with banks including FDRs having maturity less than 3 months	25,260,402	110,869,974
b. Cheques, drafts on hand	289,203	18,609,639
c. Cash on hand	343,351	175,564
<b>Total (a)</b>	<b>25,892,956</b>	<b>129,655,176</b>
<b>b. Other Bank balances</b>		
a. Unpaid dividend a/c	1,394,206	1,501,911
b. FDR's with Bank having maturity more than 3 months	218,526,640	156,733,540
<b>Total (b)</b>	<b>219,920,846</b>	<b>158,235,451</b>
<b>Total (a+b)</b>	<b>245,813,802</b>	<b>287,890,628</b>

	(In Rs.)	
	As at March 31, 2017	As at March 31, 2016
<b>NOTE 14A</b>		
A. Bank deposits with more than 12 months maturity from the date of Balance Sheet	18,951,762	-
B. Above stated cash and bank balances include FDRs of Rs. 10.01 Crore which are under bank's lien against bank guarantee issued by bank on behalf of the Company.		
<b>NOTE 15</b>		
<b>Short-Term Loans and Advances</b>		
<b>a. Loans and advances to related parties</b>		
Unsecured, considered good	-	-
<b>Total (a)</b>	-	-
<b>b. Others (specify nature)</b>		
Unsecured, considered good		
For Supply of Goods and Services	794,051	677,439
Interest accrued but not due	2,490,137	2,771,162
Advance Income Tax	28,270,631	66,812,619
Prepaid Expenses	5,112,320	4,468,679
Accrued Income	90,603,502	64,666,215
Advances to Employees- Salary Advance	280,953	517,225
Advances against Government Dues	409,284	-
<b>Total (b)</b>	127,960,878	139,913,339
<b>Total (a+b)</b>	<b>127,960,878</b>	<b>139,913,339</b>
<b>NOTES TO STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31, 2017</b>		
<b>NOTE 16</b>		
<b>Revenue From Operations</b>	For the Year Ended on <b>March 31, 2017</b>	For the Year Ended on <b>March 31, 2016</b>
Sale of products (Wind Power Generation)	17,073,467	17,586,961
Sale of services	501,770,970	540,049,599
<b>Total</b>	<b>518,844,437</b>	<b>557,636,560</b>
<b>NOTE 17</b>		
<b>Other Income</b>		
Interest Income	21,673,378	17,391,476
Profit on sale of Mutual Funds	25,129	-
Other non-operating income	779,404	1,127,903
<b>Total</b>	<b>22,477,911</b>	<b>18,519,379</b>
<b>NOTE 18</b>		
<b>Employees Benefit Expenses</b>		
Salary and Allowances	41,317,508	37,053,015
Contributions to Provident fund and ESI	7,344,120	7,295,785
Contributions to Gratuity fund	468,172	180,692
Staff welfare Expenditures	199,344	12,000
<b>Total</b>	<b>49,329,144</b>	<b>44,541,492</b>
<b>NOTE 19</b>		
<b>Finance costs</b>		
Interest Expense	17,024,873	29,387,096
B.G. Commission & Bank Charges	3,930,465	4,899,825
<b>Total</b>	<b>20,955,338</b>	<b>34,286,921</b>

(In Rs.)

	For the Year Ended on March 31, 2017	For the Year Ended on March 31, 2016
<b>NOTE 20</b>		
<b>Other Expenditures</b>		
Advertisement and Publicity Expenditures	156,871	547,372
Auditor's Remuneration		
- For Statutory Audit & Tax Audit	204,889	226,048
- For Taxation Matters	51,222	56,512
Bad Debts Written off	159,859,844	95,501,211
Communication Expenditures	1,413,355	1,333,242
Director's Sitting Fees	191,029	192,366
Donations	3,000,000	3,000,000
Insurance Expenditures	759,547	1,085,596
Office & General Expenditures	5,299,349	3,133,949
Printing and Stationary	585,405	709,269
Rent and Facility Support	1,422,500	861,332
Corporate Social Responsibility Expenditures	2,416,622	2,456,706
Repair and Maintenance Expenditures	1,320,674	2,797,200
Operation and Maintenance (Wind Power)	4,143,434	3,444,413
Vehicle Running and Maintenance	825,373	1,108,666
Traveling and Conveyance Expenditures	2,133,827	3,811,648
Water and Electricity Expenditures	2,322,799	2,375,187
Legal and Professional Expenditures	2,257,175	1,804,225
Interest on Taxes	2,100,838	38,368
Diminution in the value of investment	(81,370)	56,172
Software & Licensing Fee	670,286	460,484
<b>Total</b>	<b>191,053,669</b>	<b>124,999,966</b>

**NOTE 21**

**SIGNIFICANT ACCOUNTING POLICIES:**

**A. Basis of preparation of Financial Statements:** The financial statements have been prepared on accrual basis under the historical cost convention, in conformity with all material aspects with the generally accepted accounting principles in India, the Accounting Standards issued by the Institute of Chartered Accountants of India and the requirements of the Companies Act, 2013.

**B. Use of Estimates:** The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

**C. Revenue Recognition:** Revenue from time and material contracts for software development is recognized on completion of contracts or at stages as per the applicable terms and conditions agreed with the customers and when the deliverables are delivered to customers.

In case of Fixed Price Contracts, revenue is recognized on milestones achieved as specified in the contracts on the proportionate completion method on the basis of work completed. When there is uncertainty about the measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

In case of Wind Power Division the revenue is booked as and when right to receive the revenue is established.

Interest on deployment of surplus funds is recognized over the period of deployment using interest rate implicit in the transaction. .

**D. Fixed Assets and Depreciation:** Fixed Assets are stated at cost less accumulated depreciation. Cost includes all expenses related to acquisition and installation of the concerned assets and any attributable cost of bringing the asset to the condition of its intended use. Direct financing cost incurred during the construction period on major projects is also



capitalized. Exchange differences on repayment and year-end translation of foreign currency liabilities relating to acquisition of fixed assets are adjusted to the carrying cost of the respective assets. Fixed Assets purchased for a fixed duration projects are depreciated equally over the respective projects life.

Pursuant to applicability of Companies Act, 2013 for accounting period commencing after April 1, 2014, the company has provided for the depreciation based on the useful life of the assets as prescribed in the schedule II of the Companies Act, 2013 (except for those used for specific period projects on which the depreciation has been provided over the life of project).

- E. Foreign Currency Transactions:** Transactions in foreign currency are recorded at the exchange rates prevailing on the date of the transaction. Exchange gains/losses are recognized in the Statement of Profit and Loss except in respect of liabilities incurred to acquire fixed assets in which case, they are adjusted to the carrying amount of such fixed assets.
- F. Investments:** Non-Current investments are carried at cost. Current investments intended to be held for less than one year are stated at the lower of cost and market value and the resultant decline, if any, is charged to revenue and the carrying amount of investments is reduced to that extent. Investment in subsidiary companies is accounted on cost method.
- G. Retirement Benefits:** The Company provides retirement / post retirement benefits in the form of gratuity. Such benefits are provided for based on valuations as on the date of balance sheet.
- H. Borrowing Costs:** Borrowing costs that are directly attributable to the acquisition of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of that asset till the date it is put to use. Other borrowing costs are recognized as an expense in the period in which they are incurred.
- I. Segment Reporting:** Identifiable revenues and expenses of each segment are directly attributed to the segment while non-identifiable expenses are allocated on the basis revenue earned in undertaking.
- J. Provision for Current and Deferred Tax:** Income taxes have been computed using the tax effect accounting method, where taxes are accrued in the same period as the related revenue and expenses. Deferred tax assets and liabilities are recognized for the expected future tax consequences attributable to timing differences between the taxable income and the accounting income for a period. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which the timing differences are expected to be recovered or settled. The effect of changes in the tax rates on deferred tax assets and liabilities is recognized in the statement of income in the period of change. Deferred tax assets are recognized based on management's judgment as to the sufficiency of future taxable income against which the deferred tax asset can be realized.
- K. Provision and contingent liabilities:** A Provision is recognized if, as a result of past event, the company has a present legal obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimates of the outflow of the economic benefits required to settle the obligation at the reporting date. Where no reliable estimates can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

## Notes on Accounts

### 1. Contingent liabilities:

- i. Bank Guarantees outstanding Rs. 28,62,42,230/- (Previous year Rs. 33,60,47,173/-) Counter Guarantee given by the company of Rs 28,62,42,230/- (Previous year Rs. 33,60,47,173/-).
- ii. During the F.Y. 2011-12, company has received an order from The Commissioner, Central Excise, Jaipur-I for deposition of Service Tax liability of Rs. 2,24,71,199/- and penalty of Rs. 2,24,71,199/-. Against this order an appeal has been filed before, The Custom, Excise, Service Tax Appellate Tribunal, New Delhi (CESTAT). The Company has been granted stay by the CESTAT to deposit the demand. The decision for the same is still pending.
- iii. During the F.Y. 2013-14, company has received an order from The Commissioner, Central Excise, Jaipur for deposition of Service Tax liability of Rs. 2,69,86,650/- and penalty of Rs. 2,69,86,650/-. Against this order an appeal has been filed before, The Custom, Excise, Service Tax Appellate Tribunal, New Delhi (CESTAT). The Company has been granted stay by the CESTAT to deposit the demand. The decision for the same is still pending.
- iv. The Company has received an order u/s 143(3) of Income Tax Act, 1961 for the A.Y. 2012-13 raising a demand of Rs. 3,19,17,890/-. The total demand has been adjusted by the department against the refund receivable for the A.Y. 2013-14 and A.Y. 14-15. The Company has gone into appeal before Commissioner of Income Tax (Appeals), the same is still pending.
- v. The company has received an order u/s 143(3) of The Income Tax Act, 1961 for the A.Y. 2006-07 raising a demand of Rs. 6,36,740/-. Against this order company has gone into appeal before Commissioner of Income Tax (Appeals). The amount of said demand has been deposited. The decision of the same is still pending.

- vi. The company has received an order u/s 147 of The Income Tax Act, 1961 for the A.Y. 2009-10 raising a demand of Rs. 34,22,030/-. The said demand was due to some additions made in the income for that assessment year and mismatch of TDS claimed by the company and TDS shown in Form 26AS for the relevant assessment year. The Company has gone into appeal before Commissioner of Income Tax (Appeals), the same is still pending.
- vii. The company has received an order u/s 143(3) of The Income Tax Act, 1961 for the A.Y. 2010-11 raising a demand of Rs. 32,04,680/-. The said demand was due to the mismatch of TDS claimed by the company and TDS shown in Form 26AS for the relevant assessment year. An application u/s 154 has been filed for mismatch of TDS. The same is still pending.
- viii. The company has received an order u/s 143(3) of The Income Tax Act, 1961 for the A.Y. 2011-12 raising a demand of Rs. 77,70,810/-. The said demand was due to some additions made in the income for that assessment year and mismatch of TDS claimed by the company and TDS shown in Form 26AS for the relevant assessment year. The company had gone into appeal before The Commissioner of Income Tax (Appeals) against some additions made in the income. The Commissioner of Income Tax (Appeals) has deleted the additions made by the Assessing Officer except the addition made for CSR expenses claimed by the company. An application for the appeal effect of the same has been filed. The same is still pending. An application u/s 154 against the mismatch of TDS has also been filed which is also still pending.
- ix. During the year, company has received an order u/s 143(3) of the Income Tax Act, 1961 for A.Y. 2013-14 raising a demand of Rs. 11,91,910/-. The company has gone into appeal against the said order before Commissioner of income tax (Appeals). The issue is still pending. The total demand has been adjusted by the department against the refund receivable for the A.Y. 2014-15
- x. During the F.Y. 2014-15, company has received an order from The Commissioner, Central Excise, Jaipur-I raising a demand of Rs. 67,75,356/- for the period October 2011 to March 2013, interest subject to a maximum of Rs. 67,75,356/- and a penalty u/s 76 of the Finance Act, 1994 for Rs. 100/- per day during which the failure continues or at the rate 1% of the amount of service tax due, per month, whichever is higher, starting with the first day after due date till the date of actual payment of the outstanding amount of service tax, subject to maximum amount of Rs. 67,75,356/- . And also the commissioner has imposed a penalty of Rs. 10,000/- u/s 77(2) of the Finance Act, 1994. Against this order company has filed an appeal before Custom, Central Excise & Service Tax Appellate Tribunal, New Delhi. The same is still pending.
- xi. During the year 2013-14, company received an order from The Commissioner, Central Excise, Jaipur-I raising a demand of Rs. 1,24,52,639/- and a penalty for the same amount for the period April 2008 to March 2011. Against this order company has filed an appeal before Custom, Central Excise & Service Tax Appellate Tribunal, New Delhi. The same is still pending.
- xii. During the financial year 2015-16, company has received an order u/s 143(3) of the Income Tax Act, 1961 for A.Y. 2007-08 raising a demand of Rs. 4,30,247/-. The said issue is still pending.
- xiii. During the financial year 2015-16, company has received an order u/s 271(1)(C) of the Income Tax Act, 1961 for A.Y. 2007-08 raising a demand of Rs. 28,80,228/-. Against this order company has gone into appeal before Commissioner of Income Tax (Appeals), the same is still pending.
- xiv. A fixed deposit of Rs. 63,57,470/- (included in Cash and Bank Balances under Balances with banks including FDRs having maturity less than 3 months at Note no. 14) has been made by JVVNL following the directions of High Court in connection with a dispute between the company and JVVNL regarding PF dues. Interest on Fixed Deposit accrues to Company. The matter is still subjudice at Employees Provident Fund Appellate Tribunal. Whether this Fixed Deposit will remain with the company will depend on the outcome of decision of Employees Provident Fund Appellate Tribunal.

**2. Foreign exchange earnings and outgo:**

CIF value of Imports is Rs. Nil (Previous year NIL)

Other expenses incurred in foreign currency on manpower, administrative and marketing expenses– Rs. 27,366/- (Previous year Rs. 72,033/-).

FOB value of exports–Rs. 4,77,06,525/- (Previous year Rs. 3,75,22,577/-).

- 3. A) The classification of trade receivables in terms of expected realization-good or doubtful has been done by the management based on the past experience of the management. The bad debts of Rs. 15,98,59,544/- have been booked in respect of debtors which are unrealized for more than three years despite best efforts by the management and subject to legal recourse available to the Company for their recovery. In respect of confirmations and reconciliations of the debtors (Rs. 54,94,52,243/-) relating to Learning Solution business, these debtors are related to the State Government projects. The Government follows single entry accounting system on cash basis while the Company maintains its Accounts on double entry accounting system on mercantile basis. Further there are multiple points of contact, therefore, despite best efforts on the part of management the State Government has not responded to any request of reconciliation or confirmation of these debtors.

B) Trade Receivables of Rs. 8,47,32,702/- shown under Other Non Current Assets relate to the BSER Project and are outstanding for more than 10 years. In respect of these receivables the Company is in the Arbitration Proceedings as directed by The Honorable Rajasthan High Court on a plea filed by the Company. Trade Payables of Rs. 5,77,03,367/- are related to ABA's of BSER project. The payment of these Trade Payables is dependent upon realization of Trade Receivables of Rs. 8,47,32,702/- related to the BSER project as per the Terms of Agreement with the ABA's.

4. The classification of assets and liabilities into long term or short term as required under schedule III of Companies Act, 2013 has been done on the basis of information, explanations and the estimates given by the management.

5. The previous year's figures have been regrouped /rearranged, wherever found necessary.

**6. Auditor's Remuneration:**

Particulars	As on 31.03.2017	As on 31.03.2016
<b>Remuneration to Auditor during the Year:-</b>		
For Statutory Audit & Tax Audit	2,04,889/-	2,26,048/-
For Taxation Matters	51,222/-	56,512/-
Total	2,56,111/-	2,82,560/-

**7. Dividend remitted in foreign currency:**

PARTICULARS	2016-17	2015-16
For the Financial Year 2014-15	-	1,06,725/-
For the Financial Year 2015-16	1,06,725/-	-
No. of Shares	10,67,250/-	10,67,250/-

**8. Dues to Small-Scale Industrial Undertakings:**

The Company had no outstanding dues for more than Rs. 5,00,000/-to any Small-Scale Industrial Undertaking.

**9. Disclosure on Specified Bank Notes:**

During the year, the Company had Specified Bank Notes (SBNs) or other denomination notes as defined in the MCA notification, G.S.R. 308(E), dated March 31, 2017. However, during the period from November 08, 2016 to December 30, 2016, the company has the Specified Bank Notes (SBNs) or other denomination notes. Therefore, the disclosure on Specified Bank Notes is as follows;

Particular	SBNs	Other denomination notes	Total
Closing Cash in Hand as on 08.11.2016	41,98,000	6,90,770	48,88,770
(+) Permitted Receipts	0	7,49,000	7,49,000
(-) Permitted Payment	0	5,04,100	5,04,100
(-) Amount Deposited in Bank	41,98,000	0	41,98,000
<b>Closing Cash in Hand as on 30.12.2016</b>	<b>0</b>	<b>9,35,670</b>	<b>9,35,670</b>

10. A provision for diminution in the value of Non-Current investments of Rs. 3,08,523/- for current year has been made whereas provision of diminution in value of Non-Current Investments of Rs. 3,89,893/- related to previous year has been written back, as it is no longer required. The net effect of the above amount has been considered in the Statement of Profit and Loss.

**11. Earnings per share:**

Particulars	2016-17	2015-16
A. Profit Attributable to equity shareholders (Rs.)	1,85,22,173/-	6,96,72,245/-
B. Weighted Average Number of Equity Shares (Face Value of Rs. 2/-)	7,91,25,188	7,91,25,188
C. Nominal Value of Equity Shares (Rs.)	2/-	2/-
D. EPS (Basic & Diluted) [A/B]	0.23	0.88

**12. Deferred Taxes:**

Deferred Tax Liabilities:	As at 31.03.2017	As at 31.03.2016
Opening Balance	(1,00,83,720)/-	91,28,236/-
Adjustment of Deferred Tax		
Charged to Statement of Profit & Loss	(3,16,18,528)/-	(1,92,11,956)/-
<b>Net Deferred Tax Liabilities/(Assets)</b>	<b>(4,17,02,248)/-</b>	<b>(1,00,83,720)/-</b>

**13. Retirement Benefits:**

- a) The Company operates post retirement defined benefit plans as follows:  
 i. Post Retirement Gratuity  
 b) Details of the post retirement gratuity plan are as follows:

Description	In Rs.
<b>1. Reconciliation of opening and closing balances of obligation</b>	
a. Opening Defined Benefit Obligation as at 01.04.2016	64,74,272
b. Current Service Cost	17,99,448
c. Interest Cost	4,79,096
d. Actuarial(Gain)/Loss	(18,10,372)
e. Benefits Paid	(2,17,817)
The defined benefit obligation as at 31.3.2017 is funded by the Company	67,24,627
<b>2. Change in Plan Assets (Reconciliation of opening &amp; closing balances)</b>	
a. Fair Value of Plan Assets as at 1.4.2016	-
b. Expected return on Plan Assets	-
c. Actuarial Gain/(Loss)	-
d. Contributions	-
e. Benefits Paid. Fair Value of Plan Assets as at 31.3.2017	-
<b>3. Reconciliation of fair value of assets and obligations</b>	
a. Fair Value of Plan Assets as at 31.3.2017	-
b. Present Value of Obligation as at 31.3.2017	67,24,627
c. Amount recognized in the Balance Sheet	67,24,627
<b>4. Expense recognized during the year</b>	
a. Current Service Cost	17,99,448
b. Interest Cost	4,79,096
c. Expected return on Plan Assets	-
d. Actuarial(Gain)/Loss	(18,10,372)
e. Past Service Cost	-
f. Losses/(gains) on curtailments and settlement	-
Expense recognized during the year	4,68,172
<b>5. Investment Details</b>	<b>%invested</b>
a. GOI Securities	-
b. Public Sector Unit Bonds	-
c. State/Central Guaranteed Securities	-
d. Special Deposit Schemes	-
e. Private Sector Bonds	-
f. Others (including bank balances)	-
<b>6. Assumptions</b>	
a. Discount Rate (per annum)	7.40%
b. Estimated Rate of return on Plan Assets (per annum)	-
c. Rate of Escalation in Salary (per annum)	7.00%

**14. Related Party Disclosures:**

**A. List of Related Parties:**

**(i) Parties where control exists: Subsidiary Companies:**

- ITneer Inc.
- CSL Infomedia Private Limited

**(ii) Other related parties with whom transactions have taken place during the year:**

**a) Key Management Personnel:**

- Mr. Surendra Kumar Surana, Managing Director
- Mr. Sanjeev Nigam, Chief Financial Officer
- Mrs. Swati Jain, Company Secretary and Compliance Officer

**b) Enterprises over which the key management personnel exercises Significant influence:**

- Rishabh Infotech Private Limited
- Sambhav Infotech Private Limited
- Compucom Technologies Private Limited
- Compucom Foundation
- Compucom (India) Private Limited
- Compucom Software Limited Employee Welfare Trust

**c) Others:**

- Mrs. Trishla Rampuria (Relative of Key Managerial Personnel)
- Mr. Ajay Kumar Surana, Director
- Mr. Shubh Karan Surana, Director

**B. Transactions with the related parties:**

(Rs. In Lacs)

Nature of Transaction	Subsidiary	Key Management Personnel	Enterprises over which the key management personnel exercises significant influence	Relatives of Key Management Personnel
Investment Made	0.00	0.00	0.00	0.00
Services Rendered	477.07	0.00	0.00	0.00
Services Received	347.78	0.00	15.50	2.63
Purchase of Assets	0.00	0.00	0.00	0.00
Sale of Assets	0.00	0.00	0.00	0.00
Dividend Paid	0.00	2.08	57.38	1.11
Rent Incurred	0.00	0.00	1.92	4.98
Rent Earned	2.18	3.60	1.31	0.00
Remuneration	0.00	26.16	0.00	0.00
Interest Paid	0.00	0.00	0.00	0.00
Donation Given	0.00	0.00	31.00	0.00
<b>Outstanding Balance as on 31.03.2017</b>				
-Receivables	106.27	0.00	0.00	0.00
-Payables	0.00	0.71	0.00	0.00

**15. Segment reporting:**

The Company has three reportable segments through its three undertakings,

Undertaking	A	B	C
<b>Business</b>	Software and E-governance Services	Learning Solutions	Wind Power Generation
	Provides software support & development and E-Governance services	Provides Computer education and training services.	Generates Electricity through the use of Wind Power.

Organizational structure of the company and also the process of performance measurement and making decisions of allocation of resources amongst these activities, supports these operations constituting distinct segments for reporting of financial information. Accordingly revenues and expenses are attributed and allocated to these three segments.

Secondary segment reporting is performed on the basis of geographical location of customers.

Fixed assets and liabilities are not identifiable between business segments as these are used interchangeably between them. Management believes that it is not practicable to provide segment disclosures of total assets and liabilities, except in the Wind Power Project in which total capital outlay is Rs. 17.08 crores.

**(a) Primary Reporting Segment on the basis of Business Segment:**
**(Rs. in Lakhs)**

Segment	Software Services		Learning Solutions		Wind Power Generation		Treasury		Total	
	16-17	15-16	16-17	15-16	16-17	15-16	16-17	15-16	16-17	15-16
a) Revenue	590.67	461.71	4,427.04	4,938.79	170.73	175.87	224.78	185.19	5,413.22	5,761.56
b) Identifiable operating expenses	234.71	188.96	2,934.38	2,512.84	41.49	34.85	-	-	3,210.58	2,736.65
c) Allocated expenses	60.35	49.74	1,790.80	1,834.16	85.90	86.73	-	-	1,937.03	1,970.63
d) Segment operating income (a-b-c)	295.61	222.99	(298.14)	591.79	43.36	54.28	224.78	185.19	265.61	1,054.28
e) Unallocable expenses	-	-	-	-	-	-	-	-	37.64	39.26
f) Profit before taxes (d-e)	-	-	-	-	-	-	-	-	227.97	1,015.00
g) Income Taxes	-	-	-	-	-	-	-	-	42.75	318.28
h) Profit after Taxes (f-g)	-	-	-	-	-	-	-	-	185.22	696.72

**(b) Secondary Segment Reporting on the basis of Geographical location of revenues earned**
**(Rs. in Lakhs)**

Segment	USA		India		Total	
	16-17	15-16	16-17	15-16	16-17	15-16
Revenue	477.06	375.23	4,936.16	5,386.33	5,413.22	5,761.56
Identifiable Operating expenses	234.59	183.04	2,975.99	2,553.62	3,210.58	2,736.66
Allocated Expenses	46.55	38.40	1,890.48	1,932.23	1,937.03	1,970.63
Segment Operating Income	195.93	153.78	69.68	900.47	265.61	1,054.25
Unallocable expenses	-	-	-	-	37.64	39.26
Profit Before Taxes	-	-	-	-	227.97	1,015.00
Income Taxes	-	-	-	-	42.75	318.28
Profit After Taxes	-	-	-	-	185.22	696.72

**For S. Misra & Associates**
*Chartered Accountants  
FRN - 004972C*

CA Sachindra Misra  
Partner  
Membership No. - 073776  
Jaipur  
May 29, 2017

Surendra Kumar Surana  
Managing Director & CEO  
DIN:00340866

**For and on the behalf of the Board**

Shubh Karan Surana  
Director  
DIN:00341082

CA Sanjeev Nigam  
Chief Financial Officer  
(CFO)

CS Swati Jain  
Company Secretary &  
Compliance Officer

**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)  
In the prescribed form AOC-1

**Part "A": Subsidiaries**

Amounts in lakhs except % of shareholding

Particulars	Details	
Name of the subsidiary	ITneer, Inc., USA	CSL Infomedia Private Ltd.
Reporting period for the subsidiary concerned,	March 31, 2017	March 31, 2017
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	1USD=64.84	
Share capital	648.40	700.00
Reserves & surplus	136.49	(4.18)
Total assets	921.90	841.50
Total Liabilities	137.01	145.68
Investments	133.08	0.20
Turnover	803.06	585.68
Profit before taxation	38.06	100.60
Provision for taxation	4.38	18.71
Profit after taxation	33.68	81.89
Proposed Dividend	-	-
% of shareholding	100%	65%

**Notes:**

- Indian rupee equivalents of the figures given in foreign currencies in the accounts of the subsidiary companies, are based on the exchange rates as on March 31, 2017.**
- The reporting date for all the subsidiaries is March 31, 2017.**
- The above figures of ITneer, Inc., USA have been converted using exchange rate of Reserve Bank of India as on 31.03.2017.**

For and on the behalf of the Board  
Compucom Software Limited

Sd/-  
Surendra Kumar Surana  
DIN: 00340866  
Managing Director

Sd/-  
Shubh Karan Surana  
DIN: 00341082  
Director

Sd/-  
CA Sanjeev Nigam  
Chief Financial Officer

Sd/-  
CS Swati Jain  
Company Secretary  
& Compliance Officer

Place: Jaipur  
Date: August 30, 2017

## INDEPENDENT AUDITOR'S REPORT

To  
The members of  
M/s. **Compucom Software Limited**  
Jaipur

### Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of **Compucom Software Limited** ('the Holding Company') and its Subsidiaries and Associate (collectively referred to as 'the Company' or 'the Group'), comprising the Consolidated Balance Sheet as at March 31, 2017, 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 the Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the Consolidated Financial Position, Consolidated Financial Performance and Consolidated 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 Companies Act, 2013 (hereinafter referred to as 'the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014. The Board of Directors of the Company is responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company 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 the consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditors' 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. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the 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 is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Opinion

We did not audit the financial statements / financial information of one of its subsidiaries namely, ITneer Inc. whose Financial Statements/ financial information reflects total assets of Rs. 9,08,81,583/- as at March 31, 2017, total revenues of Rs. 8,00,89,413/- and net cash flows of Rs. 11,998,082/- for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on the reports of the other auditors.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Consolidated State of Affairs of the Company, as at March 31, 2017, and their Consolidated Profit and their Consolidated Cash Flows for the year ended on that date.



### Report on other legal and regulatory requirements

1. As required by sub-section 3 of Section 143 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.
  - c. The consolidated balance sheet, the consolidated statement of profit and loss, and the consolidated cash flow statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
  - d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary companies incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on March 31, 2017 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'; and
  - g. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
    - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. (Refer to Point no. 1 of Notes on Accounts attached to the Standalone Financial Statements.)
    - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any.
    - iii. The Company has transferred the amount, required to be transferred, to Investor Education and Protection Fund in accordance with the provisions of Companies Act, 2013 and rules made thereunder within the time.
    - iv. The Company has provided requisite disclosures in the financial Statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated November 8, 2016 of the Ministry of Finance, during the Period from November 8, 2016 to December 30, 2016. Based on audit Procedures performed and representations provided to us by the management e report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the management.

#### FOR S. MISRA&ASSOCIATES

Chartered Accountants  
FRN-004972C

#### CA. SACHINDRA MISRA

Partner  
M. No. 073776

Place: Jaipur

Date: May 29, 2017

### Annexure A to the 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 M/S Compucom Software Limited ('the Holding Company') and its subsidiary companies incorporated in India, as at March 31, 2017 in conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended March 31, 2017.

#### Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary companies are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

#### **Auditor's 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') issued by ICAI 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 issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the 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 and its subsidiary companies, which are companies incorporated in India, 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, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

#### **FOR S. MISRA&ASSOCIATES**

Chartered Accountants  
FRN-004972C

#### **CA. SACHINDRA MISRA**

Partner  
M. No. 073776

Place: Jaipur  
Date: May 29, 2017

## CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2017

(in Rs.)

PARTICULARS	Note No.	As at March 31,2017	As at March 31,2016
<b>I EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' funds</b>			
(a) Share Capital	1	158,250,376	158,250,376
(b) Reserves and Surplus	2	1,116,193,171	1,100,279,903
<b>2. Share application money pending allotment</b>			
		-	-
<b>3. Minority Interest</b>			
		24,348,045	21,481,821
<b>4. Non-Current Liabilities</b>			
(a) Long-Term Borrowings	3	2,195,938	63,801,883
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other Long Term Liabilities	4	63,207,090	63,247,090
(d) Long-Term Provisions	5	7,262,994	7,184,118
<b>5. Current Liabilities</b>			
(a) Short-Term Borrowings	6	73,006,181	81,960,198
(b) Trade Payables		15,604,852	16,145,120
(c) Other Current Liabilities	7	99,165,795	163,806,737
(d) Short-Term Provisions	8	132,680,080	160,189,241
	<b>TOTAL</b>	<b>1,691,914,523</b>	<b>1,836,346,487</b>
<b>II ASSETS</b>			
<b>1. Non-Current Assets</b>			
(a) Fixed Assets	9		
(i) Tangible Assets		379,417,602	534,478,796
(ii) Intangible Assets		832,165	657,377
(b) Non-Current Investments	10	14,657,539	13,204,521
(c) Deferred tax assets (net)		40,946,723	9,282,200
(d) Long-Term Loans and Advances	11	66,473,526	35,595,762
(e) Other Non-Current Assets	12	84,732,702	89,553,958
<b>2. Current Assets</b>			
(a) Trade Receivables	13	644,055,432	667,301,104
(b) Inventories		428,648	406,719
(c) Cash and Cash Equivalents	14	322,488,624	333,744,184
(d) Short-Term Loans and Advances	15	137,881,562	152,121,866
	<b>TOTAL</b>	<b>1,691,914,523</b>	<b>1,836,346,487</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 1 to 21

This is the Consolidated Balance Sheet referred to in our report of even date

**For S. Misra & Associates**

Chartered Accountants  
FRN - 004972C

CA Sachindra Misra  
Partner  
Membership No. - 073776  
Jaipur  
May 29, 2017

Surendra Kumar Surana  
Managing Director & CEO  
DIN:00340866

**For and on the behalf of the Board**

Shubh Karan Surana  
Director  
DIN:00341082

CA Sanjeev Nigam  
Chief Financial Officer  
(CFO)

CS Swati Jain  
Company Secretary &  
Compliance Officer

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31, 2017

(in Rs.)			
PARTICULARS	Note No.	For the year ended on March 31, 2017	For the year ended on March 31, 2016
Revenue from Operations	16	559,676,421	592,984,400
Other Income	17	29,350,605	23,401,825
<b>TOTAL REVENUE</b>		<b>589,027,026</b>	<b>616,386,225</b>
<b>Expenditures:</b>			
Employee Benefits Expenditures	18	72,289,867	61,944,977
Learning Solution Expenditures		88,841,731	95,988,647
Finance Costs	19	21,077,819	34,861,033
Depreciation and Amortization Expenditures		149,554,714	148,628,922
Other Expenses	20	226,221,184	157,062,849
<b>TOTAL EXPENDITURES</b>		<b>557,985,316</b>	<b>498,486,428</b>
<b>Profit before Exceptional and Extraordinary Items and Tax</b>		<b>31,041,711</b>	<b>117,899,797</b>
Exceptional Items		-	7,812,956
<b>Profit before Extraordinary Items and Tax</b>		<b>31,041,711</b>	<b>110,086,841</b>
Extraordinary Items		-	-
<b>Profit before Tax</b>		<b>31,041,711</b>	<b>110,086,841</b>
Tax Expenditures:			
(1) For Current tax		39,435,556	52,449,152
(2) For Deferred tax		(31,648,425)	(19,243,337)
(3) For Earlier Years		(1,863,928)	(115,991)
<b>Profit (Loss) for the period from Continuing Operations</b>		<b>25,118,508</b>	<b>76,997,017</b>
Profit/(loss) from Discontinuing Operations		-	-
Tax Expense of Discontinuing Operations		-	-
Profit/(Loss) from Discontinuing Operations (after tax)		-	-
<b>Profit/(Loss) for the year</b>		<b>25,118,508</b>	<b>76,997,017</b>
Earnings Per Equity Share			
<b>(1) Basic</b>		<b>0.32</b>	<b>0.97</b>
<b>(2) Diluted</b>		<b>0.32</b>	<b>0.97</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 1 to 21

This is the consolidated statement of Profit & Loss referred to in our report of even date.

**For S. Misra & Associates**  
Chartered Accountants  
FRN - 004972C

**For and on the behalf of the Board**

CA Sachindra Misra  
Partner  
Membership No. - 073776  
Jaipur  
May 29, 2017

Surendra Kumar Surana  
Managing Director & CEO  
DIN:00340866

Shubh Karan Surana  
Director  
DIN:00341082

CA Sanjeev Nigam  
Chief Financial Officer  
(CFO)

CS Swati Jain  
Company Secretary &  
Compliance Officer

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED MARCH 31, 2017**

PARTICULARS	(in Rs.)	
	For the year ended on March 31, 2017	For the year ended on March 31, 2016
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit Before Tax	36,071,631	115,909,983
Interest Expenses	20,955,338	34,286,921
Interest Income	(23,976,163)	(19,646,400)
Depreciation	150,212,654	149,354,006
Loss on Sale of assets / investments	-	68,969
Profit on assets sold, demolished, discarded and scrapped	(25,129)	(33,436)
Provision for Gratuity	58,401	338,828
Preliminary Expenses Written Off	-	-
Provision for Diminution in value of Investments	(81,370)	56,172
Gain on investments	(547,680)	(1,438,789)
Operating Profit before Working Capital Changes	182,667,682	278,896,253
Decrease/(Increase) in Trade Receivables	27,439,290	(23,501,208)
Decrease/(Increase) in Loans and Advances ( Current & Non Current)	(16,350,799)	(19,189,450)
Decrease/(Increase) in Other Current Assets	304,638	1,727,564
Increase/(Decrease) in Current Liabilities	(84,373,158)	(63,649,000)
<b>Cash Generated from Operations</b>	<b>109,687,653</b>	<b>174,284,159</b>
Income Tax Paid	(54,765,594)	(21,555,271)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>54,922,059</b>	<b>152,728,888</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest Income	23,976,163	19,646,400
Purchase of Fixed Assets	(3,393,362)	(13,600,700)
(Purchase) /sale in Shares, Mutual funds and NSC & other Investment	125,129	176,672
Increase / Decrease in unpaid dividend a/c & FDRs having maturity more than 3 months	(76,574,108)	24,678,259
Sale of Fixed Assets	7,048,862	165,000
Purchase of investments	(1,238,673)	(1,008)
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(50,055,989)</b>	<b>31,064,624</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest Expenses	(20,955,338)	(34,286,921)
(Decrease)/Increase in Loan Funds	(61,615,806)	(83,662,760)
Dividend Paid (Including Dividend Tax)	(9,568,134)	(9,532,581)
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>(92,139,279)</b>	<b>(127,482,262)</b>
Effect of change in exchange rate	(556,458)	677,179
Total Increase/(Decrease) in Cash and Cash Equivalents	(87,273,210)	56,311,249
Cash and Cash Equivalents at the beginning of the year	153,508,733	96,520,305
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>65,679,065</b>	<b>153,508,733</b>

This is the Consolidated Cash Flow Statement referred to in our report of even date

**For S. Misra & Associates**

Chartered Accountants  
FRN - 004972C

CA Sachindra Misra  
Partner  
Membership No. - 073776  
Jaipur  
May 29, 2017

Surendra Kumar Surana  
Managing Director & CEO  
DIN:00340866

**For and on the behalf of the Board**

Shubh Karan Surana  
Director  
DIN:00341082

CA Sanjeev Nigam  
Chief Financial Officer  
(CFO)

CS Swati Jain  
Company Secretary &  
Compliance Officer

**NOTES TO CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2017**

**NOTE 1**

	As at March 31, 2017	As at March 31, 2016
<b>Share Capital</b>		
<b>Authorised Capital:</b>		
100,000,000 Equity Shares of Rs. 2/- each	200,000,000	200,000,000
<b>Issued , Subscribed &amp; Paid up Capital:</b>		
79,125,188 Equity Shares of Rs. 2/- each fully paid up	158,250,376	158,250,376
<b>Total</b>	<b>158,250,376</b>	<b>158,250,376</b>

**NOTE 1A**

	As at March 31, 2017		As at March 31, 2016	
	Number	Amount (Rs.)	Number	Amount (Rs.)
<b>Shares outstanding at the beginning of the year</b>	79,125,188	158,250,376	79,125,188	158,250,376
Add: Shares Issued during the year	-	-	-	-
Add: Bonus issue during the year	-	-	-	-
Less: Shares bought back during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>79,125,188</b>	<b>158,250,376</b>	<b>79,125,188</b>	<b>158,250,376</b>

**NOTE 1B**

**Particulars of equity shareholders holding more than 5% of the total number of equity share capital**

Sr. No.	Name of Shareholder	As at March 31, 2017		As at March 31, 2016	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Rishab Infotech Private Limited	17,807,715	22.51%	18,468,650	23.34%
2	Sambhav Infotech Private Limited	19,897,444	25.15%	19,897,444	25.15%
3	Compucom Technologies Private Limited	15,677,930	19.81%	16,025,616	20.25%

**NOTE 1C**

**Particulars of Aggregate number of equity shares issued for the immediately preceding five years**

	No. of Shares as at	
	March 31, 2017	March 31, 2016
Shares out of issued, subscribed and paid up share capital issued by way of bonus shares	-	-

- 1) The company has only one class of equity shares having par value of Rs. 2 per share. Each share holder is entitled to one vote per share.
- 2) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company. Company doesn't have any preferential amounts in the Balance Sheet.
- 3) The Board of Directors, in their meeting on May 29, 2017, proposed dividend @ 5% per equity share. The proposal is subject to the approval of shareholders at the Annual General Meeting. The total dividend appropriation for the year ended on March 31, 2017 amounted to Rs. 0.95 crore including corporate dividend tax of Rs. 0.16 crore.

**NOTE 2**

<b>Reserves &amp; Surplus</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
<b>(a) Capital Reserves</b>		
Opening Balance	21,182,881	21,182,881
Add: Transfer during Current Year	-	-
Add: Forfeiture of Warrant Application money	-	-
Less: Written Back uring Current Year	-	-
<b>Closing Balance</b>	<b>21,182,881</b>	<b>21,182,881</b>
<b>(b) Securities Premium Account</b>		
Opening Balance	135,296,524	135,296,524
Add : Securities premium credited on Issue of Shares	-	-
Less : Premium Utilised for issuing Bonus Shares	-	-
<b>Closing Balance</b>	<b>135,296,524</b>	<b>135,296,524</b>
<b>(c) Foreign Currency Translation Reserve</b>		
Opening Balance	4,476,728	2,240,340
Add: Foreign Currency translation during the year	(446,032)	2,236,388
<b>Closing Balance</b>	<b>4,030,696</b>	<b>4,476,728</b>
<b>(d) Other Reserves</b>		
Opening Balance	148,478,516	148,478,516
Add: Transfer during Current Year	-	-
Less: Written Back during Current Year	-	-
Less: Adjustments during the year	-	-
<b>Closing Balance</b>	<b>148,478,516</b>	<b>148,478,516</b>
<b>(e) Surplus</b>		
Opening balance	790,845,254	719,676,371
Add: Net Profit/(Loss) for the year	25,118,509	76,997,017
Add: Adjustments on account of transalation effect or elimination of investment in foreign subsidiary	764,113	3,740,000
Less: Assets written off	-	-
Less: Proposed Dividends	9,523,322	9,568,134
<b>Closing Balance</b>	<b>807,204,554</b>	<b>790,845,254</b>
<b>Total (a+b+c+d+e)</b>	<b>1,116,193,171</b>	<b>1,100,279,903</b>

**NOTE 3**

**Long Term Borrowings**

**Secured Loans**

**Term loans**

From other parties

(Secured against hypothecation of Equipment financed)

<b>Total</b>	<b>2,195,938</b>	<b>63,801,883</b>
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**NOTE 3A**

Maturity Profile of term loans are set out below:

	Maturity Profile
	1-3 years
Term loan from other parties	2,195,938

	As at March 31, 2017	As at March 31, 2016
<b>NOTE 4</b>		
<b>Other Long Term Liabilities</b>		
EMD/ SD from Vendors	5,134,484	5,174,484
Greater Noida Export Promotion Industrial Park	369,239	369,239
Trade Payables	57,703,367	57,703,367
<b>Total</b>	<b>63,207,090</b>	<b>63,247,090</b>
<b>NOTE 5</b>		
<b>Long Term Provisions</b>		
<b>Provision for employees benefits</b>		
Gratuity	7,262,994	7,184,118
<b>Total</b>	<b>7,262,994</b>	<b>7,184,118</b>
<b>NOTE 6</b>		
<b>Short Term Borrowings</b>		
<b>Secured</b>		
<b>(a) Loans repayable on demand</b>		
Overdraft from banks	72,133,964	80,307,414
(Secured By Land & Building situated at IT 14-15, Sitapura, Jaipur and secured by FDR)		
Current Accounts	872,217	1,652,784
<b>Total</b>	<b>73,006,181</b>	<b>81,960,198</b>
<b>NOTE 7</b>		
<b>Other Current Liabilities</b>		
Current maturities of Long-Term debts	61,605,945	83,506,944
Income received in advance	27,527,075	67,279,670
Unpaid dividends	1,394,206	1,501,911
Interest accrued and but not due on borrowings	914,146	1,936,899
<b>Other payables</b>	-	-
Creditors for Capital Goods	-	-
Creditors for expenses	88,619	34,704
Provision for Expenses	2,101,541	2,549,859
Government Dues Payable	5,360,052	6,808,506
Rental Deposits	174,211	188,244
<b>Total</b>	<b>99,165,795</b>	<b>163,806,737</b>
<b>NOTE 8</b>		
<b>Short Term Provisions</b>		
<b>(a) Provision for employees benefits</b>		
Salary & Allowances	2,917,701	4,127,006
Gratuity	324,023	344,498
<b>(b) Others</b>		
Proposed Dividend	7,912,519	7,912,519
Dividend Tax	1,610,803	1,655,615
Provision for Income Tax	28,194,950	44,276,921
Provision for Projects Execution Expense	91,720,084	101,872,682
<b>Total (a+b)</b>	<b>132,680,080</b>	<b>160,189,241</b>



**NOTE 9 CONSOLIDATED DEPRECIATION AS PER COMPANIES ACT, 2013 FOR THE YEAR ENDED ON MARCH 31, 2017 (in Rs.)**

FIXED ASSETS	GROSS BLOCK					ACCUMULATED DEPRECIATION					NET BLOCK	
	As at April 1, 2016	Additions	Disposals	Revaluations (Impairments)	As at March 31, 2017	As at April 1, 2016	Depreciation Charged for the year	Deduction/ Adjustments during the year (Note)	On Disposals	As at March 31, 2017	As at March 31, 2017	As at April 1, 2016
<b>A. TANGIBLE ASSETS</b>												
Land	29,117,758	-	1,868,701	-	27,249,056	-	-	-	-	27,249,056	29,117,758	
Buildings	71,125,882	94,695	7,845,733	-	63,374,844	15,871,439	23,280	2,292,363	14,978,335	48,396,510	55,254,443	
Assets under lease	5,505,132	-	-	-	5,505,132	1,359,392	87,785	-	1,447,177	4,057,956	4,145,740	
Plant and Equipment	1,527,743,164	1,331,168	436,560	-	1,528,637,772	1,223,337,858	121,608,203	325,223	98,437	1,345,172,848	183,464,924	304,405,306
Furniture and Fixtures	138,009,239	137,069	526,509	-	137,619,799	96,920,461	17,379,473	10,542	3,582,126	110,728,350	26,891,450	41,088,778
Vehicles	8,465,680	-	-	-	8,465,680	6,155,998	979,638	(187,540)	-	6,948,097	1,517,583	2,309,682
Power Plant	170,825,200	1,439,150	-	-	172,264,350	77,960,344	7,592,638	-	85,552,983	86,711,367	92,864,856	
Office Equipment	3,485,863	-	-	-	3,485,863	1,264,790	387,475	413,449	-	2,065,714	1,420,149	2,221,073
Foreign Exchange Difference on account of translation effect of fixed assets						(3,071,160)	3,362,553	-	291,393	(291,393)	3,071,160	
<b>Total (A)</b>	<b>1,954,277,917</b>	<b>3,002,082</b>	<b>10,677,503</b>	<b>-</b>	<b>1,946,602,497</b>	<b>1,419,799,121</b>	<b>149,411,193</b>	<b>3,947,507</b>	<b>5,972,926</b>	<b>1,567,184,897</b>	<b>379,417,602</b>	<b>534,478,796</b>
<b>B. INTANGIBLE ASSETS</b>												
Computer software	16,920,840	-	-	-	16,920,840	16,920,840	-	-	-	16,920,840	-	-
Marketing Rights	8,020,826	-	-	-	8,020,826	8,020,826	-	-	-	8,020,826	-	-
Licenses and franchise	2,000,000	51,400	-	-	2,051,400	1,342,623	135,545	72,986	-	1,551,153	500,247	657,377
Hologram	-	-	-	-	-	-	-	-	-	-	-	-
Intangible Asset	-	339,880	-	-	339,880	-	7,962	-	-	7,962	331,918	-
<b>Total (B)</b>	<b>26,941,666</b>	<b>391,280</b>	<b>-</b>	<b>-</b>	<b>27,332,946</b>	<b>26,284,289</b>	<b>143,506</b>	<b>72,986</b>	<b>-</b>	<b>26,500,781</b>	<b>832,165</b>	<b>657,377</b>
<b>GRAND TOTAL (A+B)</b>	<b>1,981,219,583</b>	<b>3,393,362</b>	<b>10,677,503</b>	<b>-</b>	<b>1,973,935,443</b>	<b>1,446,083,410</b>	<b>149,554,699</b>	<b>4,020,493</b>	<b>5,972,926</b>	<b>1,593,685,678</b>	<b>380,249,767</b>	<b>535,136,173</b>

Note: Adjustments/deductions represents the share of depreciation related to the share of Minorities Interest.

**Note 10**

**Non-Current Investments**

**Details of Investment**

	As at March 31, 2017	As at March 31, 2016
<b>Trade Investments (Refer A below)</b>		
Investment in Equity instruments	261,813	261,813
Investments in Mutual Funds	500,000	600,000
<b>Total (a)</b>	<b>761,813</b>	<b>861,813</b>
<b>Other Investments (Refer B below)</b>		
Investment in Equity instruments	13,118,749	11,647,101
Investments in Government or Trust securities	1,085,500	1,085,500
<b>Total (b)</b>	<b>14,204,249</b>	<b>12,732,601</b>
<b>Grand Total (a + b)</b>	<b>14,966,062</b>	<b>13,594,414</b>
Less : Provision for diminution in the value of Investments	308,523	389,893
<b>TOTAL</b>	<b>14,657,539</b>	<b>13,204,521</b>
<b>Particulars</b>	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
Aggregate amount of quoted investments (Market value of Rs 4,72,226)	564,946	676,426
Aggregate amount of unquoted investments	196,867	185,387

A. Details of Trade Investments												
Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted/ Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (Rs.)		Whether stated at Cost Yes / No	If Answer is 'No' - Basis of Valuation
			As at March 31, 2017	As at March 31, 2016			As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016		
(a)	Investment in Equity Instruments											
1	Apple Finance Ltd	Others	100	100	Quoted	Fully paid	Less Than 1%	1,944	1,944	Yes	Yes	
2	Birla Power Solutions Ltd	Others	1,200	1,200	Quoted	Fully paid	Less Than 1%	2,625	2,625	Yes	Yes	
3	Datapro Information Tech	Others	100	100	Quoted	Fully paid	Less Than 1%	365	365	Yes	Yes	
4	Hmt Ltd	Others	100	100	Quoted	Fully paid	Less Than 1%	1,235	1,235	Yes	Yes	
5	Autopal Industries Ltd.	Others	100	100	Quoted	Fully paid	Less Than 1%	2,151	2,151	Yes	Yes	
6	Jenson & Nicholson India Ltd.	Others	50	50	Quoted	Fully paid	Less Than 1%	2,172	2,172	Yes	Yes	
7	Atv Projects India Ltd	Others	1,700	1,700	Quoted	Fully paid	Less Than 1%	12,330	12,330	Yes	Yes	
8	Fedral Bank	Others	100	100	Quoted	Fully paid	Less Than 1%	3,476	3,476	Yes	Yes	
9	Lok Housing	Others	100	100	Quoted	Fully paid	Less Than 1%	19,180	19,180	Yes	Yes	
10	Uniworth International Ltd	Others	900	900	Quoted	Fully paid	Less Than 1%	8,865	8,865	Yes	Yes	
11	Dunlop India Ltd.	Others	100	100	Quoted	Fully paid	Less Than 1%	2,677	2,677	Yes	Yes	
12	Denso India	Others	100	100	Quoted	Fully paid	Less Than 1%	2,060	2,060	Yes	Yes	
13	Rpg Life Sciences	Others	50	50	Quoted	Fully paid	Less Than 1%	4,380	4,380	Yes	Yes	
14	Spice Mobile Ltd	Others	200	200	Quoted	Fully paid	Less Than 1%	1,220	1,220	Yes	Yes	
15	Oswal Agro Mills Ltd	Others	300	300	Quoted	Fully paid	Less Than 1%	2,325	2,325	Yes	Yes	
16	Rhodia Speciality Chemicals India Ltd	Others	50	50	Quoted	Fully paid	Less Than 1%	9,420	9,420	Yes	Yes	
17	Alpine Industries Ltd.	Others	500	500	Un-Quoted	Fully paid	Less Than 1%	7,275	7,275	Yes	Yes	
18	Altos Ltd.	Others	400	400	Un-Quoted	Fully paid	Less Than 1%	11,969	11,969	Yes	Yes	
19	Amrut Ltd.	Others	1,000	1,000	Un-Quoted	Fully paid	Less Than 1%	15,200	15,200	Yes	Yes	
20	BPL Refrigerator	Others	300	300	Un-Quoted	Fully paid	Less Than 1%	4,025	4,025	Yes	Yes	
21	Bpl Sanyo Tech	Others	100	100	Un-Quoted	Fully paid	Less Than 1%	1,315	1,315	Yes	Yes	
22	Compulearn	Others	4,550	4,550	Un-Quoted	Fully paid	Less Than 1%	25,888	25,888	Yes	Yes	
23	C&RB Caps	Others	100	100	Un-Quoted	Fully paid	Less Than 1%	3,283	3,283	Yes	Yes	
24	Data Lines & Research	Others	200	200	Un-Quoted	Fully paid	Less Than 1%	1,250	1,250	Yes	Yes	
25	Elbee	Others	200	200	Un-Quoted	Fully paid	Less Than 1%	9,595	9,595	Yes	Yes	
26	G.R.Market	Others	100	100	Un-Quoted	Fully paid	Less Than 1%	875	875	Yes	Yes	
27	Hind Devlop	Others	1,500	1,500	Un-Quoted	Fully paid	Less Than 1%	20,682	20,682	Yes	Yes	
28	Hind Power Plus	Others	200	200	Un-Quoted	Fully paid	Less Than 1%	7,052	7,052	Yes	Yes	
29	lfb Venture	Others	100	100	Un-Quoted	Fully paid	Less Than 1%	415	415	Yes	Yes	
30	Iggi Resorts	Others	1,000	1,000	Un-Quoted	Fully paid	Less Than 1%	13,090	13,090	Yes	Yes	
31	Master Plus	Others	1,300	1,300	Un-Quoted	Fully paid	Less Than 1%	18,130	18,130	Yes	Yes	
32	Modi Xerox Ltd.	Others	100	100	Un-Quoted	Fully paid	Less Than 1%	4,836	4,836	Yes	Yes	
33	Orkay Ind.	Others	500	500	Un-Quoted	Fully paid	Less Than 1%	2,700	2,700	Yes	Yes	
34	Paam Pharma	Others	300	300	Un-Quoted	Fully paid	Less Than 1%	3,240	3,240	Yes	Yes	

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted/ Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (Rs.)		Whether stated at Cost Yes / No	If Answer is 'No' - Basis of Valuation
			As at March 31, 2017	As at March 31, 2016			As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016		
35	Palpeugaut	Others	500	500	Un-Quoted	Fully paid	Less Than 1%	3,525	3,525	Yes		
36	Pcl Lid.	Others	100	100	Un-Quoted	Fully paid	Less Than 1%	2,515	2,515	Yes		
37	Pru Cap Market	Others	100	100	Un-Quoted	Fully paid	Less Than 1%	1,667	1,667	Yes		
38	Pansumi India	Others	200	200	Un-Quoted	Fully paid	Less Than 1%	470	470	Yes		
39	Raj Trustee Co	Others	100	100	Un-Quoted	Fully paid	Less Than 1%	10,000	10,000	Yes		
40	Sanghi Polyster	Others	100	100	Un-Quoted	Fully paid	Less Than 1%	640	640	Yes		
41	South Shipping	Others	200	200	Un-Quoted	Fully paid	Less Than 1%	5,505	5,505	Yes		
42	Standard Batt	Others	200	200	Un-Quoted	Fully paid	Less Than 1%	2,530	2,530	Yes		
43	Usha India	Others	400	400	Un-Quoted	Fully paid	Less Than 1%	4,560	4,560	Yes		
44	Wool Worth	Others	100	100	Un-Quoted	Fully paid	Less Than 1%	3,156	3,156	Yes		
(b)	<b>Investments in Mutual Funds</b>							<b>261,813</b>	<b>261,813</b>			
1	Baroda Pioneer Fund	Others	50,000	50,000	Quoted	Fully Paid	Less Than 1%	500,000	500,000	Yes		
2	Reliance Liquid Fund - T.P.	Others	-	71	Quoted	Fully Paid	Less Than 1%	-	100,000	Yes		
	<b>Total</b>							<b>500,000</b>	<b>600,000</b>			
								<b>761,813</b>	<b>861,813</b>			

B. Details of Other Investments												
Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted/ Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (Rs.)		Whether stated at Cost Yes / No	If Answer is 'No' - Basis of Valuation
			As at March 31, 2017	As at March 31, 2016			As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016		
(a)	<b>Investment in Equity Instruments</b>											
	-ITNeer, Inc.	Others	50%	50%	Unquoted	Fully paid			13,118,749	11,647,101	Yes	
	TCIS LLC (Partnership)											
(b)	<b>Investments in Government or Trust securities</b>											
	-NSC in Post office	Others	-	-					1,085,500	1,085,500	Yes	
	<b>Total</b>								<b>14,204,249</b>	<b>12,723,601</b>		

	As at March 31, 2017	As at March 31, 2016
<b>NOTE 11</b>		
<b>Long Term Loans and Advances</b>		
<b>(a) Security Deposits</b>		
Secured, considered good	-	-
Unsecured, considered good	8,935,926	9,575,882
Doubtful		
<b>Total (a)</b>	8,935,926	9,575,882
<b>(b) Other loans and advances</b>		
Secured, considered good	-	-
Unsecured, considered good		
Withholding Income Tax and others	57,537,600	26,019,880
Advance Income Tax	-	-
<b>Total (b)</b>	57,537,600	26,019,880
<b>Total (a+b)</b>	<b>66,473,526</b>	<b>35,595,762</b>
<b>NOTE 12</b>		
<b>Other Non Current Assets</b>		
<b>Others</b>		
Unsecured, considered good		
Transline business solutions	-	833,256
Trade Receivable	84,732,702	88,720,702
<b>Total</b>	<b>84,732,702</b>	<b>89,553,958</b>
<b>NOTE 13</b>		
<b>Trade Receivables</b>		
Trade receivables outstanding for a period less than or equal to six months:		
Secured, considered good		
Unsecured, considered good	400,459,139	218,564,573
Unsecured, considered doubtful		
	400,459,139	218,564,573
Trade receivables outstanding for a period exceeding six months:		
Secured, considered good		
Unsecured, considered good	243,626,586	448,946,495
Unsecured, considered doubtful		
	243,626,586	448,946,495
Less: Advances from debtors	30,293	209,963
<b>Total</b>	<b>644,055,432</b>	<b>667,301,104</b>

	As at March 31, 2017	As at March 31, 2016
<b>NOTE 14</b>		
<b>Cash and Bank Balances</b>		
<b>a. Cash and Cash Equivalents</b>		
i. Balances with banks including FDRs having maturity less than 3 months	54,534,664	123,387,016
ii. Cheques, drafts on hand	10,694,537	29,939,451
iii. Cash on hand	449,864	182,266
<b>Total (a)</b>	<b>65,679,065</b>	<b>153,508,733</b>
<b>b. Other Bank balances</b>		
i. Unpaid dividend a/c	1,394,206	1,501,911
ii. FDR's with Bank having maturity more than 3 months	255,415,353	178,733,540
<b>Total (b)</b>	<b>256,809,559</b>	<b>180,235,451</b>
<b>Total (a+b)</b>	<b>322,488,624</b>	<b>333,744,184</b>
<b>NOTE 14A</b>		
A. Bank deposits with more than 12 months maturity from the date of Balance Sheet	24,262,603	-
B. Above stated cash and bank balances includes FDRs of Rs. 6 Crore which are under bank's lien against bank guarantee issued by bank on behalf of the company.		
<b>NOTE 15</b>		
<b>Short-Term Loans and Advances</b>		
<b>Others</b>		
Unsecured, considered good		
For Supply of Goods and Services	899,546	915,906
Interest accrued but not due	3,136,031	3,233,258
Advance Income Tax	32,840,110	73,234,682
Prepaid Expenses	9,458,601	9,178,389
Accrued Income	90,603,502	64,705,544
Advances to Employees- Salary Advance	510,125	854,087
Advances against Government Dues	433,647	-
<b>Total</b>	<b>137,881,562</b>	<b>152,121,866</b>

## NOTES TO CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31, 2017

	(in Rs.)	
	For the Year Ended on March 31, 2017	For the Year Ended on March 31, 2016
<b>NOTE 16</b>		
<b>Revenue From Operations</b>		
Sale of products (Wind Power Generation)	17,073,467	17,586,961
Sale of services	542,602,954	575,397,439
<b>Total</b>	<b>559,676,421</b>	<b>592,984,400</b>
<b>NOTE 17</b>		
<b>Other Income</b>		
Interest Income	23,349,815	18,857,176
Other non-operating income	6,000,790	4,544,649
<b>Total</b>	<b>29,350,605</b>	<b>23,401,825</b>
<b>NOTE 18</b>		
<b>Employees Benefit Expenses</b>		
Salary and Allowances	63,763,282	53,949,934
Contributions to Provident fund and ESI	7,859,069	7,802,351
Contributions to Gratuity fund	468,172	180,692
Staff welfare Expenditures	199,344	12,000
<b>Total</b>	<b>72,289,867</b>	<b>61,944,977</b>

	For the Year Ended on March 31, 2017	For the Year Ended on March 31, 2016
<b>NOTE 19</b>		
<b>Finance costs</b>		
Interest expense	17,147,354	29,961,209
B.G. Commission & Bank Charges	3,930,465	4,899,825
<b>Total</b>	<b>21,077,819</b>	<b>34,861,033</b>
<b>NOTE 20</b>		
<b>Other Expenses</b>		
Advertisement and Publicity Expenditures	352,299	697,852
Auditor's Remuneration		
- Statutory Audit and Tax Audit	213,367	235,968
- For taxation Matters	56,874	63,125
Bad Debts and SLA deductions	162,794,204	95,501,211
Communication Expenditures	1,537,887	1,442,532
Director Sitting Fees	191,029	192,366
Donations	3,000,000	3,000,000
Insurance Expenditures	866,089	1,211,485
Interest on Service Tax, TDS & VAT	2,126,501	9,184
Office & General Expenditures	14,397,600	2,214,405
Patrakar Kalyan Kosh	83,619	81,487
Printing and Stationary	618,366	737,051
Rent and Facility Support	2,080,403	1,440,542
Corporate Social Responsibility Expenditures	1,229,722	2,456,706
Miscellaneous Expenses	-	8,405,602
Repair and Maintenance	1,488,973	2,972,306
Operation and Maintenance (Wind Power)	4,143,434	3,444,413
Vehicle Running and Maintenance	825,373	1,108,666
Travelling and Conveyance Expenditures	2,296,225	3,947,488
Water and Electricity Expenditures	2,381,354	2,540,538
Sub-Contracting	6,733,454	6,855,752
Legal and Professional Expenditures	2,302,409	1,850,056
Interest on Taxes	-	38,368
Diminution in the value of investment	(81,370)	56,172
Software	670,286	437,984
Broadcasting and News Coverage Expenses	15,913,087	16,121,589
<b>Total</b>	<b>226,221,184</b>	<b>157,062,849</b>

**Note-21**
**Notes to the Consolidated Financial Statements**

- The Financial Statements prepared by consolidating the financial statements of Compucom Software Limited with its subsidiary companies; namely ITneer Inc. incorporated in United States of America and CSL Infomedia Private Limited are presented as additional information in terms of the requirements of Accounting Standard-21 "Consolidated Financial Statements" notified by the Companies (Accounts) Rules, 2014. These are not intended to substitute the separate financial statements of the Company issued as primary statements. The notes on consolidated financial statements should be read in conjunction with the notes on the separate financial statements of the holding Parent Company, and subsidiaries ITneer Inc. and CSL Infomedia Pvt. Ltd. which form part of the financial statements of the respective entities.
- Controlling interest of Parent in subsidiary companies:**

	2016-17	2015-16
ITneer Inc, USA	100%	100%
CSL Infomedia Pvt. Ltd.	65%	65%
- The Audited Financial Statements of ITneer, Inc. and CSL Infomedia Pvt. Ltd. are also annexed hereinafter this report.
- Principles of consolidation:** Consolidated Financial Statements presents result of operations and financial position on the basis of group as a single entity. The consolidation of the accounts is done for Compucom Software Limited, the parent company, with its wholly owned foreign subsidiary company ITneer Inc., incorporated in USA and CSL Infomedia Private Limited in accordance with the requirements of Accounting Standard-21 "Consolidated financial statements" notified by the Companies (Accounts) Rules, 2014 and generally accepted accounting principles. They are prepared combining items on a line- by- line basis in the separate financial statements of the Parent and

the subsidiary companies and eliminating all intra-group transactions, profits, investments, receivables and payables. They are consolidated assuming same set of accounting principles and policies as followed by the company in preparation of its separate set of accounts. Accounting period of the subsidiaries and Company are same.

- 5. Foreign currency translation:** The functional currency of parent company is Indian Rupees and that of ITneer Inc. is US Dollars. For the purpose of consolidation, as per accounting standard-11 (Revised) "The effect of change in foreign exchange rates", the operations of ITneer Inc. are considered as non-integral foreign operations. Assets and Liabilities (Both monetary and non-monetary) are translated using exchange rate effected as on March 31, 2017. Revenue and expenses are translated using the average exchange rate during the period, except depreciation and provision for income tax, which has been translated at closing rate. Exchange difference created on account of translations are accounted in foreign currency translation reserve.
- 6. Disclosure on Specified Bank Notes:** During the year, the Company had Specified Bank Notes (SBNs) or other denomination notes as defined in the MCA notification, G.S.R. 308(E), dated March 31, 2017. However, during the period from November 08, 2016 to December 30, 2016, the company has the Specified Bank Notes (SBNs) or other denomination notes. Therefore, the disclosure on Specified Bank Notes is as follows :

Particular	SBNs	Other denomination notes	Total
Closing Cash in Hand as on 08.11.2016	42,45,000	6,97,473	49,42,473
(+) Permitted Receipts	0	8,43,000	8,43,000
(-) Permitted Payment	0	5,82,943	5,82,943
(-) Amount Deposited in Bank	42,45,000	0	42,45,000
<b>Closing Cash in Hand as on 30.12.2016</b>	<b>0</b>	<b>9,57,530</b>	<b>9,57,530</b>

Note:- Since one of the subsidiary company namely, Itneer Inc, USA, is a foreign subsidiary company which does not hold Indian Ruppee, therefore, the above information includes the details of SBNs and other denomination notes of the holding company and Indian Subsidiary Company i.e. CSL Infomedia Private Limited.

7. Previous year's figures have been regrouped and /rearranged, wherever found necessary.

**8. Consolidated Segment Reporting:**

**(a) Primary Reporting Segment by Business Segment**

(Rs. in lacs)

Segment	Software Services		Learning Solutions		Wind Power		Others		Elimination		Total	
	16-17	15-16	16-17	15-16	16-17	15-16	16-17	15-16	16-17	15-16	16-17	15-16
Revenue	1338.33	1063.57	4427.04	4938.79	170.73	175.87	658.71	588.21	(704.54)	(602.57)	5890.27	6163.86
Identifiable Operating Exp.	1018.56	815.01	2934.38	2512.84	41.49	34.85	315.30	292.97	(704.54)	(602.57)	3605.19	3053.10
Allocated Expenses	60.34	49.75	1790.79	1834.16	85.89	86.73	-	-	-	-	1937.03	1970.64
Segment Operating Income	259.43	198.81	(298.13)	591.79	43.35	54.28	343.41	295.24	-	-	348.05	1140.13
Unallocable Expenses	-	-	-	-	-	-	-	-	-	-	37.64	39.26
Profit Before Taxes	-	-	-	-	-	-	-	-	-	-	310.42	1100.87
Income Taxes	-	-	-	-	-	-	-	-	-	-	59.23	330.90
Net Profit after Tax	-	-	-	-	-	-	-	-	-	-	251.19	769.97

**(b) Secondary Reporting Segment by Geographical Segment**

(Rs. in lacs)

Segment	USA		India		Elimination		Total	
	16-17	15-16	16-17	15-16	16-17	15-16	16-17	15-16
Revenue	1277.96	1,011.48	5089.38	5,527.61	(477.07)	(375.23)	5890.27	6,163.86
Identifiable Operating Expenses	860.63	809.08	3221.62	2,619.24	(477.07)	(375.23)	3605.19	3,053.10
Allocated Expenses	46.55	38.40	1890.48	1,932.23	-	-	1937.03	1,970.64
Segment Operating Income	370.78	163.99	(22.73)	976.14	-	-	348.05	1,140.13
Unallocable Expenses	-	-	-	-	-	-	37.64	39.26
Profit Before Taxes	-	-	-	-	-	-	310.42	1,100.87
Income Taxes	-	-	-	-	-	-	59.23	330.90
Net Profit after Tax	-	-	-	-	-	-	251.19	769.97

**For S. Misra & Associates**

Chartered Accountants  
FRN - 004972C

CA Sachindra Misra  
Partner  
Membership No. - 073776  
Jaipur  
May 29, 2017

Surendra Kumar Surana  
Managing Director & CEO  
DIN:00340866

**For and on the behalf of the Board**

Shubh Karan Surana  
Director  
DIN:00341082

CA Sanjeev Nigam  
Chief Financial Officer

CS Swati Jain  
Company Secretary &  
Compliance Officer

## INDEPENDENT AUDITOR'S REPORT

To  
 The Board of Directors  
 ITneer, Inc.  
 Buford, GA 30518

I have audited the accompanying financial statements of ITneer, Inc. which comprise the balance sheets as of March 31, 2017 and the related statements of income, retained earnings and cash flows for the year then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

### Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of ITneer, Inc. as of March 31, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Ravi Ramaswamy, CPA  
 Manmouth Junction, New Jersey  
 May 16, 2017

## ITNEER, INC. BALANCE SHEET AS OF MARCH 31, 2016

<b>ASSETS</b>		(Amount in \$)
Cash and cash equivalents		433,522
Accounts Receivable	Note 4	84,388
Prepaid Taxes		4,682
Inventory	Note 3	6,706
<b>Total Current Assets</b>		529,298
Land		233,634
Building & Improvements, net of accumulated depreciation of \$ 124,575)	Note 7	419,899
Furniture & Equipment, net of accumulated depreciation of \$ 56,041)	Note 7	30,463
<b>Total Fixed Assets Net</b>		683,996
Investment - TCIS LLC	Note 8	34,387
Investment - E-Trade Bonds	Note 2	170,850
Security Deposits		3,271
<b>Total Other Assets</b>		208,508
<b>TOTAL ASSETS :</b>		1,421,802
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Accounts Payable		193,126
Payroll Taxes Payable		173
Current Income Tax		2,109
Deferred Income Tax		13,240
Rental Deposit		2,650
<b>Total Current Liabilities :</b>		211,298
<b>STOCKHOLDER'S EQUITY</b>		
Common Stock: 1,000,000 authorised common stock at no-par		
Paid in capital		1,000,000
Retained Earnings		210,504



Total Stockholder's Equity	1,210,504
<b>TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY</b>	<b>1,421,802</b>

See Independent Auditor's Report and Notes to Financial Statements.

### STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED MARCH 31, 2017

<b>Income :</b>	(Amount in \$)
Income From Services	1,156,202
<b>Other Income</b>	
Investment - Portfolio- gain/(loss)	2,319
Un-realized gain/(loss) - Portfolio	8,331
Gain on sale of assets	36,284
Shipping income	2,101
Investment : Rental	33,291
<b>Total Income</b>	<b>1,238,528</b>
<b>Expenses :</b>	
Sub-Contracting	818,831
Salaries	161,104
Fringes and employee's benefits	55,808
Depreciation and Amortization	22,003
Travel Expense	21,571
Supplies	10,541
Commission	14,820
Legal and Professional Fees	16,906
Repairs and Maintenance	13,959
Real Estate Tax	11,398
Utilities	6,198
Insurance	8,695
Condo Dues	2,781
Meals & Entertainment	3,096
Donation	771
License and Permits	762
Security	311
Telephone and Internet Expenses	5,500
Bank Charges	1,198
Postage	2,701
Dues & Subscriptions	121
Loss on Retired Assets	748
<b>Total Expense</b>	<b>1,179,823</b>
Income before Taxes	58,705
Current	(6,400)
Deferred	(358)
<b>Net Income after Taxes</b>	<b>51,947</b>
<b>Retained Earnings, Beginning of Year</b>	<b>158,557</b>
<b>Retained Earnings, End of Year</b>	<b>210,504</b>

See Independent Auditor's Report and Notes to Financial Statements.

### STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2017

<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	(Amount in \$)
Net Income/(Loss)	51,947
Adjustments to Reconcile Income	
Current Year Depreciation	22,003
Changes in operating assets and liabilities	
Accounts Receivable	34,437
Inventory	(488)
Prepaid Expenses and Taxes	(7,782)
Unrealized (gain)/loss on investments	(8,331)
Accounts Payable	4,774
Loan and Employee Receivable	5,149
<b>Net Cash provided/(used) by Operating Activities</b>	<b>101,709</b>

**CASH FLOWS FROM INVESTING ACTIVITIES :**

Investment Receivable	(143)
Bond Investment	(18,699)
Sale of Assets	102,080
<b>Net Cash provided/(used) from investing activities</b>	<b>83,238</b>

**CASH FLOWS FROM FINANCING ACTIVITIES :**

Deposit payables	(150)
Loan Payable	0
<b>Net Cash Provided/(Used) By Financing Activities</b>	<b>(150)</b>

Net (decrease) / Increase in cash	184,797
Cash / (overdraft) - beginning of year	248,725
Cash / (overdraft) - end of year	433,522

**Cash paid during the year for**

Income Taxes - Current	9,000
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See Independent Auditor's Report and Notes to Financial Statements.

**Notes to Financial Statements March 31, 2017**

**Note 1 : INTRODUCTION**

ITneer, Inc. (Company) is a closely - held New Jersey corporation wholly owned subsidiary of Compucum Software Limited, India, with the headquarters located in the state of Georgia. The Company provides computer consulting services in the form of turn-key projects and skilled programmers to various clients. The Majority of turn-key projects are done by parent Company in India.

**Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Financial Statement Presentation**

**Accrual Basis:** The Financial Statements have been prepared using the accrual basis of accounting, which recognizes income when earned and expenses when incurred.

**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 assets and liabilities at the date of the Financial Statements and the reported of income and expenses during the reporting period. Actual result could differ from those estimates.

**Cash and cash equivalents:** For the purpose of financial statement presentation the Company considers all high liquid instruments with maturity of three months or less to be considered cash equivalent. Cash and cash equivalents consist of cash held in checking, money market accounts and cash management investment account.

**Fixed Assets:** Acquisition of fixed assets are recorded at cost and depreciation is provided over the estimated useful lives of the respective assets on a straight-line basis.

**Income Taxes:** Deferred income taxes in the accompanying Financial Statements reflect temporary difference in reporting results of operation for income tax and financial accounting purposes.

**Concentration of credit and market risk:** Financial instruments that potentially expose ITneer, Inc. to concentrations of credit and market risk consist primarily of cash. Accounts at financial institutions are guaranteed by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000 for each bank. As of March 31, 2017 ITneer, Inc. has not experienced any losses in such accounts and believes no significant credit risk exists with respect to cash.

**Fair value measurements:** ITneer, Inc. has adopted ASC 820 and its applicable amendments. ASC 820 defines fair value, establishes a framework for measuring fair value under generally accepted accounting principles and enhances disclosure about fair value measurements. Fair value is defined under ASC 820 as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between markets participants on the measurement date. Valuation techniques used to measure fair value under ASC 820 must maximize the use of observable inputs and minimize the use of unobservable inputs. The standard describes how to measure fair value based on a three level hierarchy of inputs, of which the first two are considered observable and the last unobservable.

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liability. Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The adoption of this statement did not have a material impact on ITneer statements of income.

As of March 31, 2017 all investments were classified as Level 1 under ASC 820.

**Subsequent events:** ITneer, Inc. evaluated its March 31, 2017 Financial Statements for subsequent events through May 16, 2017, the date the Financial Statements were available to be issued. ITneer, Inc. is not aware of any subsequent events which would require recognition or disclosure in the financial statements.

**Note 3. INVENTORY**

The company has purchased computers and other peripherals for resale in the amount of \$6,218. This has been recorded as inventory in the current year.

**Note 4. ACCOUNT RECEIVABLES**

The Account receivable of \$84,388 is to be received from two of its customers. A loss of these customers could have a material impact on the financial condition of the Company.

**Note 5. OTHER RECEIVABLE**

The other receivable of \$10,000 is a short term loan given to Print serve MPS, LLC for a period of 2 years carrying an interest rate of 6% per annum. The repayment of loan will start from April 2015 on a monthly basis. As of March 31, 2017 the loan was fully paid.

**Note 6. COMMITMENTS**

ITneer, Inc. has no lease commitment.

**Note 7. FIXED ASSETS**

	Cost	Accumulated Depreciation	Net	(Amount in \$) Estimated Useful Lives
Land	233,634	-0-	233,634	
Building and Improvement	544,474	124,575	419,899	27/39/10 years
Furniture and Equipment	86,504	56,041	30,463	3/5/7 years
Total	864,612	216,748	683,996	

The Company provides straight line depreciation for the book purposes and recorded \$22,003 for the year ended March 31, 2017. There were some retirement of assets which ended in a loss of \$748.

The Company sold the guest house property it owned at 1869 Appaloosa Mill CT. on May 6, 2016 for \$169,000. All proceeds, recapture of depreciation and net gain has been recorded in the current fiscal year.

**Note 8. INVESTMENTS**

The Company has made a 50% Partnership in Tekmark-CSL International Solutions, LLC (TCIS), a domestic calendar year Limited Liability Company. For the year ending December 31, 2017, the Company's share of profit from the investment was \$143 which was recorded as an increase to the Investment in TCIS as of March 31, 2017. There was no distributions received during the year.

**Note 9. RENTAL INCOME**

The Company owns two properties in the State of Georgia and rental income received from the properties is reflected in the financial statement as other income.

**Note 10. OUTSOURCING**

The total outsourcing costs of \$818,831 was recorded as of March 31, 2017 of which \$713,020 was from Compucom Software Limited, India (a Parent Company) and there was an outstanding amount of \$163,880 payable to Compucom Software Limited, India as of March 31, 2017.

**Note 11. RETIREMENT PLAN**

The Company offers 100% employer sponsored retirement plan - SEP-IRA, which covers all eligible employees who have completed three years of services with the company. Under the provisions of the plan employer contributes up to 25% of employee's salary. Total retirement contribution made for 2016 was \$43,274.

## CSL INFOMEDIA PRIVATE LIMITED

### Independent Auditor's Report

To  
The Members of  
M/s. CSL Infomedia Private limited  
Jaipur

#### Report on the Financial Statements

We have audited the accompanying financial statements of **M/s. CSL Infomedia Private Limited** ('the Company'), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, Cash Flow Statement for the year then ended and a summary of significant accounting policies & other explanatory information.

#### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation 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 Accounting Standards notified 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. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and the 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 disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Management as well as evaluating the overall presentation of the financial statements.

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

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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 the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows 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 Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure A**, a statement of the matters specified in paragraphs 3 and 4 of the Order.
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 purpose of our audit;
  - b. In our opinion proper books of accounts 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, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
- d. In our opinion the aforesaid standalone financial statements comply with the accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of the written representations received from the directors as on March 31, 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of section 164(2) of the Companies Act, 2013;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refers to our separate report in 'Annexure B'; and
- 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:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
  - ii. The Company has made provisions, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long-term contracts including derivative contracts if any.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund. Therefore issue of delay in transferring such sums does not arise.
  - iv. The Company has provided requisite disclosures in the financial Statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated November 8, 2016 of the Ministry of Finance, during the Period from November 8, 2016 to December 30, 2016. Based on audit Procedures performed and representations provided to us by the management e report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the management.

**FOR S. MISRA & ASSOCIATES**

Chartered Accountants  
FRN 004972C

**CA. SACHINDRA MISRA**

Partner  
Membership No. 073776  
Place: Jaipur  
Date: May 22, 2017

**Annexure A to the Auditor's Report**

The Annexure (referred to in paragraph 1 under the heading "Report on other Legal and Regulatory Requirements" of our report of even date) on the financial statements for the year ended March 31, 2017 of **M/s CSL Infomedia Private Limited**.

**i. Fixed Assets:**

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The management during the year has physically verified the major assets and in our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the record of the company, the Company has constructed building on rented premises, Therefore matter of title deeds is not applicable.

**ii. Inventories:**

Since the Company is a service providing concern, primarily rendering advertising & broadcasting service, therefore, it does not hold any physical inventories. Thus, paragraph 3(ii) of the order is not applicable to the company.

**iii. Loans to the parties covered in the register maintained under Section 189 of the Act:**

The Company has not granted any loan to the parties covered in the register maintained under Section 189 of the Act, therefore, paragraph 3(iii) of the order are not applicable.

**iv. Compliance of provisions of section 185 and 186 of the Companies Act, 2013:**

In our opinion and according to the information and explanation given to us, the company has not given any advance/ deposit to company on which section 185 applies, therefore, the provisions of section 185 and 186 does not apply. Thus, paragraph 3(iv) of the order is not applicable to the company.

**v. Public Deposits:**

The Company has not accepted deposits from the public. Therefore, the paragraph 3(v) of the order is not applicable to the Company.

**vi. Cost Records:**

According to the information and explanations given to us, the maintenance of cost records has not been prescribed by the Central Government under section 148(1) of the Companies Act, for any of the services rendered by the Company.

**vii. Statutory Dues:**

- a) Undisputed Statutory Dues: According to the information and explanations given to us and on the basis of our examination of the record of the company, undisputed statutory dues including provident fund, ESI, Income Tax, Value added tax, service tax, cess and other material statutory dues have been generally regularly deposited during the year by the company with the appropriate authorities.
- a) Disputed statutory dues: According to the information and explanations given to us, there are no disputed dues which have remained outstanding as at the end of the financial year, for a period of more than six months from the date they became payable.

**viii Dues to Financial Institution or Bank or Debenture holders:**

According to the information and explanations given to us and based on the documents and records produced before us, the company does not have any outstanding dues from Financial Institution or Bank or Debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.

**ix Application of IPO, FPO and Term loans:**

According to the information and explanations given to us, the company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the order is not applicable.

**x Fraud on or by the company-noticed or reported:**

According to the information and explanations given to us, and to the best of our knowledge and belief, 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.

**xi Managerial Remuneration:**

According to the information and explanations given to us and to the best of our knowledge, the Company has not paid any managerial remuneration during the year. Therefore paragraph 3(xi) of the order is not applicable.

**xii Nidhi Company:**

Since the company is not a Nidhi Company, therefore, paragraph 3(xii) of the order is not applicable.

**xiii Related Party Transaction:**

According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where ever applicable and details of such transaction have been disclosed in the financial statements as required by the applicable accounting standards

**xiv Preferential allotment and Private placement:**

According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of share or fully or partly convertible debenture during the year.

**xv Non-Cash Transaction:**

According to the information and explanations given to us and based on our examination of the record of the company, the company has not entered into non-cash transactions with the directors or persons connected with him. Accordingly, paragraph 3(xv) of the order is not applicable.

**xvi Registration under Reserve Bank of India Act, 1934:**

The Company is not required to be registered under section 45-IA of the RBI Act 1934.

**For S. Misra & Associates**

Chartered Accountants  
FRN 004972C

**CA. SACHINDRA MISRA**

Partner  
Membership No. 073776

Place: Jaipur

Date: May 22, 2017

**‘Annexure B’ to the Auditors Report (referred to in paragraph 2(F) under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date) on the financial statements for the year ended March 31, 2017 of M/s. CSL Infomedia Private Limited**

We have audited the internal financial controls over financial reporting of CSL Infomedia Private Limited (‘the Company’) as on March 31, 2017 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 (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor’s 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 were 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.

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

**Meaning of Internal Financial Controls over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as on March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For S. Misra & Associates**

Chartered Accountants  
FRN 004972C

**CA. SACHINDRA MISRA**

Partner  
Membership No. 073776

Place: Jaipur  
Date: May 22, 2017

**CSL INFOMEDIA PRIVATE LIMITED  
BALANCE SHEET AS AT MARCH 31, 2017**

	Note No.	As at March 31, 2017	As at March 31, 2016
<b>(Rs.)</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>A. Shareholders' funds</b>			
(i) Share Capital	1	70,000,000	70,000,000
(ii) Reserves and Surplus	2	(417,642)	(8,606,854)
<b>B. Non-Current Liabilities</b>			
(i) Deferred Tax Liabilities (Net)		755,525	801,520
(ii) Other Long Term Liabilities	3	197,000	222,000
(iii) Long - Term Provisions	4	794,270	1,021,476
<b>C. Current liabilities</b>			
(i) Short-Term Borrowings	5	872,217	1,652,784
(ii) Trade Payables		179,308	2,471,192
(iii) Other Current Liabilities	6	9,661,129	14,558,679
(iv) Short-Term Provisions	7	2,108,078	2,221,273
<b>TOTAL</b>		<b>84,149,884</b>	<b>84,342,070</b>
<b>ASSETS</b>			
<b>A. Non-Current Assets</b>			
(i) Fixed Assets	8		
(a) Tangible Assets		14,730,350	16,017,725
(b) Intangible Assets		500,247	657,377
(ii) Non-Current Investments	9	20,000	20,000
(iii) Long-Term Loans and Advances	10	3,299	3,299
<b>B. Current Assets</b>			
(i) Trade Receivables	11	10,519,563	26,187,549
(ii) Cash and Bank Balances	12	48,964,095	29,584,454
(iii) Short-Term Loans and Advances	13	9,412,329	11,871,666
<b>TOTAL</b>		<b>84,149,884</b>	<b>84,342,070</b>

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS 1 to 18**

The notes attached form an integral part of the Balance Sheet  
As per our Report of Even Date

**For S. Misra & Associates**  
Chartered Accountants  
FRN - 004972C

**For and on the behalf of the Board**

**CA Sachindra Misra**  
Partner  
Membership No. - 073776

**Surendra Kumar Surana**  
Director  
DIN: 00340866

**Shubh Karan Surana**  
Director  
DIN: 00341082

**CS Heena Garg**  
Company Secretary

Jaipur  
May 22, 2017



**CSL INFOMEDIA PRIVATE LIMITED  
STATEMENT OF PROFIT AND LOSS  
FOR THE YEAR ENDED ON MARCH 31, 2017**

(In Rs.)

	Note No.	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Revenue from Operations	14	55,966,780	54,292,575
Other Income		2,601,005	2,418,554
<b>TOTAL REVENUE</b>		<b>58,567,785</b>	<b>56,711,129</b>
Direct Expenses	15	24,481,672	24,802,445
Employee's Benefit Expenses	16	13,137,429	13,075,137
Finance Cost		188,432	883,250
Depreciation and Amortization Expenses		1,879,828	2,071,670
Other Expenses	17	8,820,239	4,239,069
<b>TOTAL EXPENSES</b>		<b>48,507,600</b>	<b>45,071,571</b>
<b>Profit before exceptional and extraordinary items and tax</b>		<b>10,060,185</b>	<b>11,639,558</b>
Exceptional items		-	-
<b>Profit before extraordinary items and tax</b>		<b>10,060,185</b>	<b>11,639,558</b>
Extraordinary Items		-	-
<b>Profit before tax</b>		<b>10,060,185</b>	<b>11,639,558</b>
Tax Expenses:			
(1) Current tax		1,916,968	1,120,921
(2) Deferred tax		(45,995)	(48,279)
<b>Profit (Loss) for the period from continuing operations</b>		<b>8,189,212</b>	<b>10,566,916</b>
Profit/(loss) from discontinuing operations		-	-
Tax expense of discontinuing operations		-	-
Profit/(loss) from Discontinuing operations (after tax)		-	-
<b>Profit (Loss) for the period</b>		<b>8,189,212</b>	<b>10,566,916</b>
Earnings Per Equity Share			
(1) Basic		1.17	1.51
(2) Diluted		1.17	1.51

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS 1 to 18**

The notes attached form an integral part of the Balance Sheet

As per our Report of Even Date

**For S. Misra & Associates**

Chartered Accountants  
FRN - 004972C

**CA Sachindra Misra**  
Partner  
Membership No. - 073776

Jaipur  
May 22, 2017

**For and on the behalf of the Board**

**Surendra Kumar Surana**  
Director  
DIN: 00340866

**Shubh Karan Surana**  
Director  
DIN: 00341082

**CS Heena Garg**  
Company Secretary

**CSL INFOMEDIA PRIVATE LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017**

	(in Rs.)	
	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit Before Tax	10,060,185	11,639,558
Interest Income	(2,302,785)	(2,254,924)
Provision for Gratuity	(191,954)	296,203
Depreciation	1,879,828	2,071,670
Operating Profit before Working Capital Changes	<b>9,445,274</b>	<b>11,752,507</b>
Decrease/(Increase) in Trade Receivables	15,667,986	3,593,951
Decrease/(Increase) in Loans and Advances (Current & Non Current)	2,459,337	(3,769,652)
Increase/(Decrease) in Current & Non-Current Liabilities	(8,939,496)	(10,421,233)
<b>Cash Generated from Operations</b>	<b>18,633,100</b>	<b>1,155,573</b>
Income Tax paid	1,120,921	-
<b>Net Cash Flow From Operating Activities (A)</b>	<b>17,512,179</b>	<b>1,155,573</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed assets	(773,446)	(578,713)
FDRs having maturity more than 3 months	(14,888,713)	3,584,506
Interest Income	2,302,785	2,254,925
Transfer of Assets	338,123	-
<b>Net Cash Flow From Investing Activities (B)</b>	<b>(13,021,251)</b>	<b>5,260,718</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
<b>Net Cash Flow From Financing Activities (C)</b>	-	-
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	4,490,928	6,416,291
Cash and Cash Equivalents at the Beginning of the Year	7,584,454	1,168,163
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>12,075,382</b>	<b>7,584,454</b>

The Notes attached form an integral part of Balance Sheet.  
As per our report of even date.

**For S. Misra & Associates**  
Chartered Accountants  
FRN - 004972C

**For and on the behalf of the Board**

**CA Sachindra Misra**  
Partner  
Membership No. - 073776

**Surendra Kumar Surana**  
Director  
DIN: 00340866

**Shubh Karan Surana**  
Director  
DIN: 00341082

**CS Heena Garg**  
Company Secretary

Jaipur  
May 22, 2017

**NOTES TO FINANCIAL STATEMENTS AS AT MARCH 31, 2017**

**NOTE 1**

**SHARE CAPITAL**

	As at March 31, 2017	As at March 31, 2016
<b>Authorised</b>		
70,00,000 Equity Shares of Rs. 10 each	70,000,000	70,000,000
<b>Issued, Subscribed and Fully Paid up</b>		
70,00,000 Equity Shares of Rs. 10 each Fully Paid	70,000,000	70,000,000
<b>Total</b>	<b>70,000,000</b>	<b>70,000,000</b>

**NOTE 1A**

**Reconciliation of shares**

	As at March 31, 2017		As at March 31, 2016	
	Number	Amount (Rs.)	Number	Amount (Rs.)
<b>Shares outstanding at the beginning of the year</b>	7,000,000	70,000,000	7,000,000	70,000,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>7,000,000</b>	<b>70,000,000</b>	<b>7,000,000</b>	<b>70,000,000</b>

**NOTE 1B**

45,50,000 Equity Shares (Rs. 4,55,00,000) are held by Compucom Software Limited, the holding company.

**NOTE 1C**

**Particulars of equity shareholders holding more than 5% of the total number of equity share capital**

Sr. No.	Name of Shareholder	As at March 31, 2017		As at March 31, 2016	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Compucom Software Limited	4,550,000	65.00%	4,550,000	65.00%
2	Sambhav Infotech Private Limited	2,440,000	34.86%	2,440,000	34.86%

- 1) The company has only one class of equity shares having par value of Rs. 10 per share. Each shareholder is entitled to one vote per share.
- 2) Company has not declared any dividend during the year ended March 31, 2017
- 3) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company. Company doesn't have any preferential amounts in the Balance Sheet.

**NOTE 2**

**Reserves & Surplus**

	As at March 31, 2017	As at March 31, 2016
<b>Surplus</b>		
Opening balance	(8,606,854)	(19,173,770)
Net Profit/(Net Loss) For the current year	8,189,212	10,566,916
<b>Closing Balance</b>	<b>(417,642)</b>	<b>(8,606,854)</b>

**NOTE 3**

**Other Long Term Liabilities**

Security Deposits	197,000	222,000
<b>Total</b>	<b>197,000</b>	<b>222,000</b>

**NOTE 4**

**Long Term Provisions**

**Provision for employee benefits**

Gratuity	794,270	1,021,476
<b>Total</b>	<b>794,270</b>	<b>1,021,476</b>

(In Rs.)

	As at March 31, 2017	As at March 31, 2016
<b>NOTE 5</b>		
<b>Short Term Borrowings</b>		
<b>Unsecured Loans repayable on demand</b>		
From Banks		
Current Account	872,217	1,652,784
<b>Total</b>	<b>872,217</b>	<b>1,652,784</b>
<b>NOTE 6</b>		
<b>Other Current Liabilities</b>		
Expenses Payable	124,312	106,103
TDS Payable	332,425	387,065
Creditors for Expenses	88,619	34,704
Service Tax Payable	-	180,653
VAT Payable	55,365	24,546
Unearned Income	9,060,408	13,825,608
<b>Total</b>	<b>9,661,129</b>	<b>14,558,679</b>
<b>NOTE 7</b>		
<b>Short Term Provisions</b>		
<b>(a) Provision for employee benefits:</b>		
Gratuity	68,120	32,868
Salary & Reimbursements	122,990	1,067,484
<b>(b) Others</b>		
Provision for Income Tax	1,916,968	1,120,921
<b>Total</b>	<b>2,108,078</b>	<b>2,221,273</b>

**NOTE 8**

**DEPRECIATION AS PER COMPANIES ACT, 2013 FOR THE PERIOD ENDED ON MARCH 31, 2017**

FIXED ASSETS	GROSS BLOCK						ACCUMULATED DEPRECIATION					NET BLOCK	
	As on April 1, 2016	Additions	Disposals/ Transfer	Acquired through business combina- tions	Revaluat- ions/ (Impair- ments)	As on March 31, 2017	As on April 1, 2016	Deprecia- tion charged for the year	Adjust- ment due to revalu- ations	On Dispo- sals	As at March 31, 2017	As at March 31, 2017	As at March 31, 2016
<b>Tangible Assets</b>													
Building	4,090,717	94,695	-	-	-	4,185,412	231,059	66,514	-	-	297,573	3,887,839	3,859,658
Plant and Machinery	14,594,107	616,816	436,560	-	-	14,774,363	4,805,699	929,210	-	98,437	5,636,472	9,137,891	9,788,408
Vehicles	281,015	-	-	-	-	281,015	139,039	42,641	-	-	181,681	99,334	141,976
Office Equipment	3,485,863	-	-	-	-	3,485,863	1,469,598	596,116	-	-	2,065,714	1,420,149	2,016,265
Furniture & Fixture	304,103	10,535	-	-	-	314,638	92,684	36,817	-	-	129,502	185,137	211,419
<b>Total</b>	<b>22,755,805</b>	<b>722,046</b>	<b>436,560</b>	<b>-</b>	<b>-</b>	<b>23,041,291</b>	<b>6,738,080</b>	<b>1,671,298</b>	<b>-</b>	<b>98,437</b>	<b>8,310,941</b>	<b>14,730,350</b>	<b>16,017,725</b>
<b>Intangible Assets</b>													
Licenses and Franchise Fees	2,000,000	51,400	-	-	-	2,051,400	1,342,623	208,530	-	-	1,551,153	500,247	657,377
<b>Total</b>	<b>2,000,000</b>	<b>51,400</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,051,400</b>	<b>1,342,623</b>	<b>208,530</b>	<b>-</b>	<b>-</b>	<b>1,551,153</b>	<b>500,247</b>	<b>657,377</b>
<b>TOTAL</b>	<b>24,755,805</b>	<b>773,446</b>	<b>436,560</b>	<b>-</b>	<b>-</b>	<b>25,092,691</b>	<b>8,080,703</b>	<b>1,879,828</b>	<b>-</b>	<b>98,437</b>	<b>9,862,094</b>	<b>15,230,597</b>	<b>16,675,102</b>

**Note 9**

**Non-Current Investment**

(In Rs.)

Details of Investment	As at March 31, 2017	As at March 31, 2016
<b>Trade Investments</b>	-	-
<b>Other Investments (Refer Table A below)</b>		
Investments in Government or Trust securities	20,000	20,000
<b>Total</b>	<b>20,000</b>	<b>20,000</b>
Less : Provision for diminution in the value of Investments	-	-
<b>TOTAL</b>	<b>20,000</b>	<b>20,000</b>

**Details of Other Investments**

Sr. No.	Name of the Body Corporate	Subsidiary/ Associate/ JV/ Controlled Entity/ Others	No. of Shares/Units		Quoted/ Unquoted	Partly Paid/ Fully paid	Extent of Holding (%)		Amount (in Rs.)		Whether stated at Cost Yes/No	If Answer to Column (9) is 'No' Basis of Valuation
			As at 31-Mar-17	As at 31-Mar-16			As at 31-Mar-17	As at 31-Mar-16	As at 31-Mar-17	As at 31-Mar-16		
(a)	Investments in Government or Trust securities											
	NSC in Post Office	Others	NA	NA	NA	NA	NA	NA	20,000	20,000	Yes	NA
	<b>Total</b>								<b>20,000</b>	<b>20,000</b>		

**NOTE 10**

**Long Term Loans and Advances**

**Security Deposits**

Unsecured, considered good

**Total**

As at March 31, 2017

As at March 31, 2016

	3,299	3,299
<b>Total</b>	<b>3,299</b>	<b>3,299</b>

**NOTE 11**

**Trade Receivables**

Trade receivables outstanding for a period less than six months

Trade receivables outstanding for a period exceeding six months

Less: Advance receipts from Trade Receivables

**Total**

8,418,190  
2,131,666  
10,549,856  
30,293  
**10,519,563**

6,832,386  
19,565,126  
26,397,512  
209,963  
**26,187,549**

**NOTE 12**

**Cash and Bank Balances**

**a. Cash and Cash Equivalents**

a. Balances with banks including FDRs having maturity less than 3 months

b. Cheques, drafts on hand

c. Cash on hand

**Total (a)**

**b. Other Bank balances**

FDR's with Bank having maturity more than 3 months

**Total (b)**

**Total (a+b)**

1,274,333  
10,694,537  
106,513  
**12,075,383**  
36,888,713  
**36,888,713**  
**48,964,095**

(3,752,060)  
11,329,812  
6,702  
**7,584,454**  
22,000,000  
**22,000,000**  
**29,584,454**

**NOTE 12A**

FDR's with Bank having maturity more than 12 months

5,310,841

-

	(In Rs.)	
	As at March 31, 2017	As at March 31, 2016
<b>NOTE 13</b>		
<b>Short-Term Loans and Advances</b>		
<b>Others</b>		
Unsecured, considered good		
For Supply of Goods and Services	105,495	238,467
Interest accrued but not due	645,894	462,096
Tax Deducted at Source	4,270,206	6,422,064
Prepaid Expenses	4,346,281	4,709,710
Advances to Employees- Salary Advance	20,090	39,329
Service Tax Receivable	24,363	-
<b>Total</b>	<b>9,412,329</b>	<b>11,871,666</b>
<b>NOTE 14</b>		
<b>Revenue From Operations</b>		
	For the Year Ended on March 31, 2017	For the Year Ended on March 31, 2016
Advertisement Receipts	16,636,855	14,749,375
Studio & Satellite Education Services	39,329,925	39,543,200
<b>Total</b>	<b>55,966,780</b>	<b>54,292,575</b>
<b>NOTE 15</b>		
<b>Direct Expenses</b>		
<b>Jan TV operational expenses</b>		
Advertisement Commission	49,495	8,820
Internet Leaseline & Broadcasting Charges	13,598,816	13,089,575
Jan TV Bihar Expenses	293,518	253,618
News Content Charges	339,324	415,259
News Coverage Exp. Bihar	511,400	468,100
News Coverage Expenses	1,506,510	1,419,810
Placement Execution Expenses	6,897,255	7,982,476
Other Operational Expenses	808,642	1,164,787
Downlinking Charges	476,712	-
<b>Total</b>	<b>24,481,672</b>	<b>24,802,445</b>
<b>NOTE 16</b>		
<b>Manpower Cost</b>		
Salaries & Allowances	12,345,200	12,295,805
Contribution to Statutory Fund	792,229	779,332
<b>Total</b>	<b>13,137,429</b>	<b>13,075,137</b>
<b>NOTE 17</b>		
<b>Other expenses</b>		
Auditor's Remuneration		
-For Statutory Audit & Tax Audit	13,043	15,261
-For Taxation Matters	8,695	10,174
Advertisement Expenses	300,659	231,508
Bad Debts Written Off	-	300,000
Insurance Expenses	163,910	193,676
Interest on Service Tax, TDS & VAT	39,481	14,129

	(In Rs.)	
	For the Year Ended on March 31, 2017	For the Year Ended on March 31, 2016
Legal & Professional Fees	69,591	70,509
Miscellaneous Expenses	1,061,057	816,927
Office Expenses	346,271	376,702
Patrakar Kalyan Kosh	128,645	125,365
Printing & Stationary	50,710	42,741
SLA Deduction	4,514,400	-
Rent	1,229,958	1,089,092
Repair & Maintenance Expenses	258,921	269,394
Swacch Bharat Cess Expenses	103,383	52,081
Telephone & Internet Expenses	191,588	168,139
Travelling & Conveyance Expenses	249,843	208,985
Water & Electricity Expenses	90,084	254,386
<b>Total</b>	<b>8,820,239</b>	<b>4,239,069</b>

**Note 18**

**Significant Accounting Policies and Notes on Accounts**

**A. ACCOUNTING POLICIES**

**1. Basis of preparation of Financial Statements:**

The Financial Statements are prepared in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 2013. Accounts are maintained following historical cost convention. Incomes and expenses are accounted on accrual basis and all known expenses and liabilities are provided in full.

**2. Income Taxes and Deferred Taxes:**

Income taxes have been computed using the tax effect accounting method, where taxes are accrued in the same period as the related revenue and expenses. Deferred tax assets and liabilities are recognized for the expected future tax consequences attributable to timing differences between the taxable income and the accounting income for a period. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which the timing differences are expected to be recovered or settled. The effect of changes in the tax rates on deferred tax assets and liabilities is recognized in the statement of income in the period of change. Deferred tax assets are recognized based on management's judgment as to the sufficiency of future taxable income against which the deferred tax asset can be realized.

**3. Fixed Assets:**

- i. All fixed assets are stated in the Balance Sheet at cost less accumulated depreciation. Cost comprises the purchase price and any other attributable costs incurred by the Company in bringing the asset in its present location and making it fit for its intended use.
- ii. Depreciation is provided taking the useful life of the assets as per schedule II of the Companies Act, 2013 on average pro-rata basis from the date on which assets come in to operation or put to use except in case of License and Franchise Fees paid for downlinking and uplinking charges where the depreciation has been charged on the basis of the period for which the license fee has been paid.

**B. NOTES ON ACCOUNTS**

**1. Quantitative details:**

The Company has not carried out any manufacturing and production activities during the year. Hence, it is not possible to give the quantitative details of sales and certain information.

**2. Contingent Liabilities: Nil**

**3.** The Company has not paid any remuneration to Directors during the year. There was no foreign exchange earning or outgo. The Company did not owe any money to any small-scale organization as at the end of financial year.

**4.** The previous year's figures have been recasted/restated, wherever necessary, to conform to the same with the current financial year.

**5. Deferred Taxes:**

Particulars	As on 31.03.2017	As on 31.03.2016
Opening Balance of Deferred Tax Liability	8,01,520	8,49,799
Deferred Tax Liability created during the year	(45,995)	(48,279)
Closing Balance of Deferred Tax Liability	7,55,525	8,01,520

**6. Auditor's Remuneration:**

Particulars	As on 31.03.2017	As on 31.03.2016
<b>(Amount in Rs.)</b>		
<b>Remuneration to Auditor during the Year:-</b>		
For Statutory Audit & Tax Audit	13,043/-	15,261/-
For Taxation Matters	8,695/-	10,174/-

**7. Retirement Benefits:**

a) The Company operates post retirement defined benefit plans as follows:

(i) Post Retirement Gratuity

b) Details of the post retirement gratuity plan are as follows:

Description	Amount (Rs.)
<b>1. Reconciliation of opening and closing balances of obligation</b>	
a. Opening Defined Benefit Obligation as at 1.4.2016	10,54,344
b. Current Service Cost	2,35,929
c. Interest Cost	78,021
d. Actuarial (Gain)/Loss	(5,05,904)
e. Benefits Paid	-
The defined benefit obligation as at 31.3.2017 is funded by the Company	8,62,390
<b>2. Change in Plan Assets (Reconciliation of opening &amp; closing balances)</b>	
a. Fair Value of Plan Assets as at 1.4.2016	-
b. Expected return on Plan Assets	-
c. Actuarial Gain/(Loss)	-
d. Contributions	-
e. Benefits Paid	-
f. Fair Value of Plan Assets as at 31.3.2017	-
<b>3. Reconciliation of fair value of assets and obligations</b>	
a. Fair Value of Plan Assets as at 31.3.2017	-
b. Present Value of Obligation as at 31.3.2017	8,62,390
c. Amount Recognised in the Balance Sheet	8,62,390
<b>4. Expense recognized during the year</b>	
a. Current Service Cost	2,35,929
b. Interest Cost	78,021
c. Expected return on Plan Assets	-
d. Actuarial(Gain)/Loss	(5,05,904)
e. Past Service Cost	Nil
f. Losses/(gains) on curtailments and settlement	Nil
Expenses Recognised during the Year	(1,91,954)
<b>5. Investment Details</b>	<b>%invested</b>
a. GOI Securities	-
b. Public Sector Unit Bonds	-
c. State/Central Guaranteed Securities	-
d. Special Deposit Schemes	-
e. Private Sector Bonds	-
f. Others (including bank balances)	-
<b>6. Assumptions</b>	
a. Discount Rate (per annum)	7.40%
b. Estimated Rate of return on Plan Assets (per annum)	-
c. Rate of Escalation in Salary (per annum)	7.00%



**8. Disclosure on Specified Bank Notes :**

During the year, the Company had Specified Bank Notes (SBNs) or other denomination notes as defined in the MCA notification, G.S.R. 308(E), dated March 31, 2017. However, during the period from November 08, 2016 to December 30, 2016, the company have the Specified Bank Notes (SBNs) or other denomination notes. Therefore, the disclosure on Specified Bank Notes are as follows:

Particulars	SBNs	Other	Total
Closing Cash in Hand as on 08.11.2016	47,000	6,703	53,703
(+) Permitted Receipts	0	94,000	94,000
(-) Permitted Payment	0	78,843	78,843
(-) Amount Deposited in Bank	47,000	0	47,000
Closing Cash in Hand as on 30.12.2016	0	21,860	21,860

**8. Related Party Disclosure:**

**A. List of Related Parties:**

**(a) Holding company**

- Compucom Software Ltd.

**(b) Key Management Personnel**

- Mr. Surendra Kumar Surana, Director
- Mr. Shubh Karan Surana, Director
- Ms. Heena Garg, Company Secretary

**(c) Enterprises over which the Key Management Personnel exercises significant influence:**

- Sambhav Infotech Private Limited
- Compucom Technologies Private Limited
- Compucom (India) Private Limited
- Rishab Infotech Private Limited
- Compucom Foundation

**B. Transactions with the related parties:**

(Rs. in lakhs)

Nature of Transaction	Holding Company	Key Management Personnel	Enterprises over which the key management personnel exercises significant influence
Share Capital Issued	0.00	0.00	0.00
Services Rendered	347.78	0.00	0.00
Services Received	0.00	0.00	0.00
Purchase of Assets	0.00	0.00	0.00
Sale of Assets	0.00	0.00	0.00
Water & Electricity Expenses Paid	0.00	0.00	0.90
Rent Paid	2.18	0.00	7.67
Rent Earned	0.00	0.00	0.00
Remuneration	0.00	1.95	0.00
Interest Paid	0.00	0.00	0.00
<b>Balance O/S as on 31.03.2017</b>			
Receivables	0.00	0.00	0.00
Payable	0.00	0.00	0.00

**For S. Misra & Associates**

Chartered Accountants  
FRN - 004972C

**CA Sachindra Misra**

Partner  
Membership No. - 073776

Jaipur  
May 22, 2017

**For and on the behalf of the Board**

**Surendra Kumar Surana**

Director  
DIN: 00340866

**Shubh Karan Surana**

Director  
DIN: 00341082

**CS Heena Garg**

Company Secretary

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**COMPUCOM SOFTWARE LIMITED**

CIN:-L72200RJ1995PLC009798  
 Registered Office: IT - 14-15, EPIP, Sitapura, Jaipur - 302 022  
 Venue: "KRISHNA AUDITORIUM", Compucom Institute of Technology & Management Compound,  
 SP-5, EPIP, RIICO Industrial Area, Sitapura, Jaipur- 302 022 (Rajasthan) E-mail : cs@compucom.co.in  
 23rd Annual General Meeting - 27th September, 2017

**ATTENDANCE SLIP**

(Please complete this Form and hand it over at the entrance)

DP Id \_\_\_\_\_  
 Client Id \_\_\_\_\_ Folio No \_\_\_\_\_  
 (For shares held in Demat Form) (For shares held in Physical Form)  
 Name of Member \_\_\_\_\_  
 No. of Shares held \_\_\_\_\_  
 Name of Proxy \_\_\_\_\_  
 (To be filled in only when a Proxy attends the Meeting)

I hereby record my presence at the Twenty Third Annual General Meeting being held on Wednesday, September 27, 2017 at 11.30 AM at "KRISHNA AUDITORIUM", Compucom Institute of Technology & Management Compound, SP-5, EPIP, RIICO Industrial Area, Sitapura, Jaipur- 302 022 (Rajasthan)

Signature of the Shareholder/Proxy/  
 Authorized representative

- NOTES: -**
1. Shareholder/Proxy holder wishing to attend the Meeting must bring this attendance slip, duly signed, to the Meeting and hand it over at the entrance.
  2. Shareholder/Proxy holder desiring to attend the Meeting should bring his/her copy of Annual Report for reference at the Meeting.

**COMPUCOM SOFTWARE LIMITED**

CIN:-L72200RJ1995PLC009798  
 Registered Office : IT - 14-15, EPIP, Sitapura, Jaipur - 302 022  
 Venue: "KRISHNA AUDITORIUM", Compucom Institute of Technology & Management Compound,  
 SP-5, EPIP, RIICO Industrial Area, Sitapura, Jaipur- 302 022 (Rajasthan) E-mail : cs@compucom.co.in  
 23rd Annual General Meeting - 27th September, 2017

**FORM OF PROXY**

Name of the member(s) : \_\_\_\_\_  
 Registered Address : \_\_\_\_\_  
 E-mail ID: \_\_\_\_\_ Folio No/\*Client ID/\*DPID: \_\_\_\_\_

I / We, being member(s) of \_\_\_\_\_ shares of Compucom Software Limited, hereby appoint:

1. \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ of failing him;
2. \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ of failing him;
3. \_\_\_\_\_ of \_\_\_\_\_ having e-mail id sign \_\_\_\_\_ as my/our proxy to vote for me/us on my/our behalf at the Meeting of shareholders of Compucom Software Limited to be held on Wednesday, September 27, 2017 at 11.30 A.M. and at any adjournment thereof in respect of such relations as indicated below:

Resolution No.	Resolution	Vote (Please mention No. of Shares)		
		For	Against	Abstain
Ordinary Business				
1.	Adoption of (i) Audited standalone Financial Statements and Reports of the Board of Directors and Auditors thereon for the financial year ended 31st March, 2017. (ii) Audited consolidated Financial Statements and Reports of Auditors thereon for the financial year ended 31st March, 2017.			
2.	Declaration of final dividend on equity shares.			
3.	Re-appointment of Mrs. Trishla Rampuria as a Director who is liable to retire by rotation.			
4.	Appointment of Statutory Auditors of the company for the five consecutive year commence from the 23rd Annual General Meeting.			

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2017.

Signature of proxy holder

**Note:**

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself.
2. A Proxy need not be a Member.
3. This form in order to be effective must be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not later than 48 hours before the commencement of the Meeting.

Revenue  
stamp  
of 1 Re

Signature of Shareholder  
/first named holder

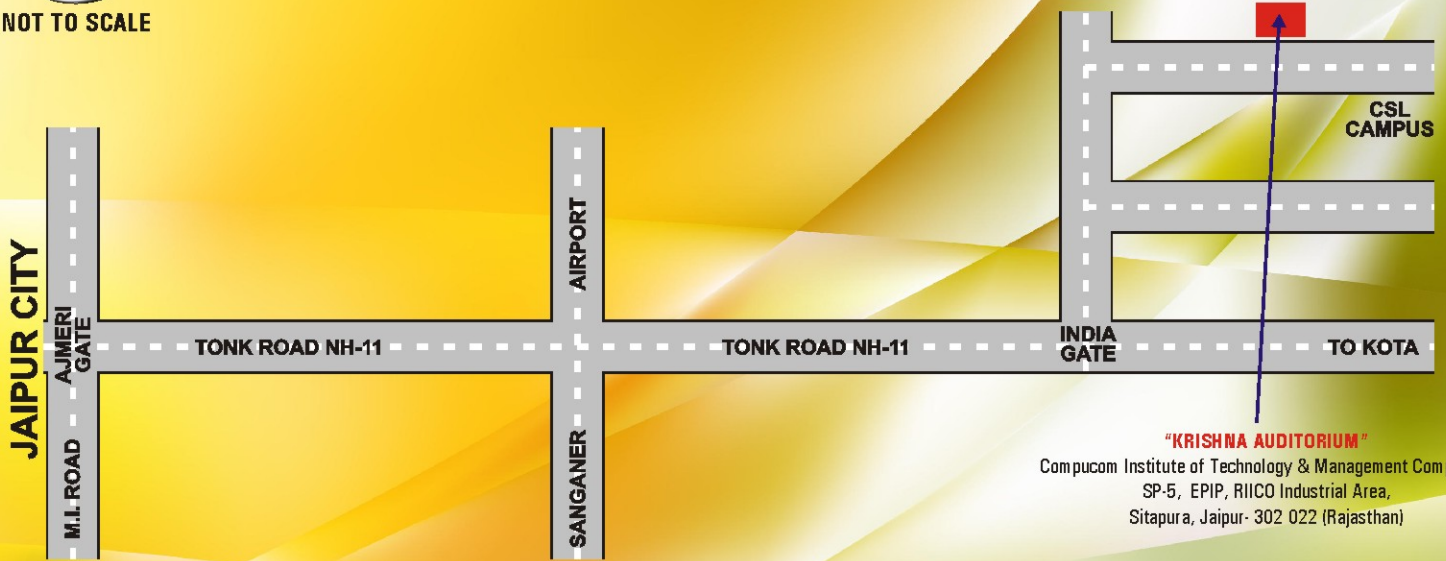




NOT TO SCALE

# BOOK-POST

## Route Map to the Venue of the Twenty Third Annual General Meeting of Compucom Software Limited to be held on Wednesday, September 27, 2017



**"KRISHNA AUDITORIUM"**  
 Compucom Institute of Technology & Management Compound,  
 SP-5, EPIP, RIICO Industrial Area,  
 Sitapura, Jaipur- 302 022 (Rajasthan)

### INDIA LOCATIONS

#### Compucom Software Limited

**Regd. & Corporate Office:**  
 IT 14-15, EPIP, Sitapura,  
 Jaipur (Rajasthan) - 302022, India  
 Ph. : +91-141-5115908 (10 Lines),  
 Fax : +91-141-2770335  
 E-mail : investor@compucom.co.in

**Bihar Office:**  
 Sarnagat House,  
 M3/15, Srikishnapuri  
 PS Srikishnapuri, Patna  
 Bihar, India  
 Tel. : +91-77810-16750



### OVERSEAS LOCATIONS

#### ITneer, Inc.

1880 South Lee CT,  
 South Lee Business Park,  
 Buford GA 30518 USA  
 E-mail : usa@itneer.com



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