



# V. NAGARAJAN & CO.,

Chartered Accountants

## AUDITORS' REPORT TO THE MEMBERS OF BASIX CONSULTING AND TRAINING SERVICES LIMITED

1. We have audited the attached Balance Sheet of **BASIX Consulting and Training Services Limited (the 'Company')** as at March 31, 2012 and the Statement of Profit and Loss for the year ended on that date both annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well evaluating the overall financial statement presentation. We believe that our audit provides reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 and as amended ('the Order'), issued by the Central Government of India in terms of section 227(4A) of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred above we report that:
  - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of accounts as required by the law have been kept by the Company, so far as appears from our examination of the books maintained at the head office and all the branches of the company visited by us;
  - c) The Balance Sheet and the Statement of Profit and Loss dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the Balance Sheet and the Statement of Profit and Loss dealt with by this report comply with the accounting standards referred to in sub section 3(C) of section 211 of the Companies Act, 1956;
  - e) On the basis of the written representations received from the directors as on March 31, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2012 from being appointed as director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
  - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
    - i. In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2012;
    - ii. In the case of Statement of Profit and Loss, of the profits of the Company for the year ended on that date.

Date: May 08, 2012

Place: Bengaluru



for **V. NAGARAJAN & Co.,**  
Chartered Accountants

  
(V. Nagarajan)  
Partner

ICAI Firm Reg. No.: 04879A M. No.: 019959



# V. NAGARAJAN & CO.,

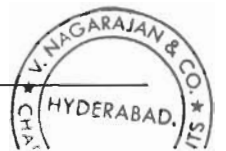
Chartered Accountants

## ANNEXURE TO THE AUDITORS' REPORT OF EVEN DATE TO THE MEMBERS OF BASIX CONSULTING AND TRAINING SERVICES LIMITED ['THE COMPANY']

[Referred to in Paragraph (3) of our report of even date]

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- i. In respect of its fixed assets:
  - a) The Company has maintained proper records to show full particulars, including quantitative details and situation of fixed assets.
  - b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
  - c) In our opinion, no part of fixed assets has been disposed off during the year.
- ii. The Company does not have any inventory. Accordingly the provisions of clause 4(ii) of the order are not applicable.
- iii. The Company has not either granted/availed secured or unsecured loans to/from companies, firms or other parties listed in the register required to be maintain under section 301 of the Companies act, 1956.
- iv. The Company has an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for rendering of services. The activities of the Company do not involve purchase of inventory and the sale of goods. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
- v. (a) In our opinion, the particulars of all contracts or arrangements that need to be entered into the register maintained under section 301 of the Act have not been entered.  
(b) Owing to the unique and specialized nature of the items involved and in the absence of any comparable prices, we are unable to comment as to whether the transactions made in pursuance of such contracts or arrangements have been made at prevailing market prices at the relevant time.
- vi. The Company has not accepted any deposits from the public within the meaning of sections 58A and 58AA of the Act and the Companies (Acceptance of Deposits) Rules, 1975. Accordingly, the provisions of clause 4 (vi) of the Order are not applicable.
- vii. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
- viii. According to the information and explanations given to us in respect of its Statutory dues:
  - a) The Company has been generally regular in depositing undisputed statutory dues including provident fund, Income Tax and other material statutory dues with the appropriate authorities during the year except delay in remittance of Service Tax and Professional Tax. The Company has not remitted service tax for the entire financial year aggregating to Rs. 51,65,206, which was remitted subsequent to the balance sheet date. The Company is in the process of registration for Employee State Insurance.
  - b) There were no undisputed amounts payable in respect of provident fund, ESI, Income Tax, Service Tax and other material statutory dues in arrears as at March 31, 2011 for a period of more than six months from the date they became payable.
  - c) During the financial year there has been no statutory dues payable on account of pending disputes.
- ix. The Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, the provisions of clause 4 (xii) of the Order are not applicable.





# V. NAGARAJAN & CO.,

## Chartered Accountants

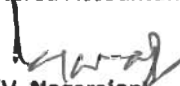
- x. According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
- xi. In our opinion and according to the information and explanations given to us, The Company has not given any guarantee for loans taken by others from bank or financial institutions.
- xii. According to the information and explanations given to us, during the year covered by our audit report, the Company has not made any preferential allotment of equity shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- xiii. The Company has neither issued nor had any outstanding debentures during the year.
- xiv. The Company has not raised any money by public issues during the year.
- xv. Based upon the audit procedure performed and information and explanation given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.
- xvi. The nature of the Company's business/activities during the year is such the clauses (viii), (x), (xi), (xiii), (xvi) and (xvii) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

**Date:** May 08, 2012

**Place:** Bengaluru



for **V. NAGARAJAN & Co.,**  
Chartered Accountants

  
**(V. Nagarajan)**  
Partner

ICAI Firm Reg. No.: 04879N M. No.: 019959

# BASIX CONSULTING AND TRAINING SERVICES LIMITED

(All amounts in ₹. except otherwise stated)

BALANCE SHEET AS AT	Notes	31-Mar-12	31-Mar-11
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
(a) Share capital	2	12,500,000	12,500,000
(b) Reserves and surplus	3	16,887,594	13,831,492
		<u>29,387,594</u>	<u>26,331,492</u>
<b>Non-current liabilities</b>			
(a) Deferred tax liability (net)	4	2,253,635	1,203,200
(b) Long term provisions	5	4,517,443	2,528,452
		<u>6,771,078</u>	<u>3,731,652</u>
<b>Current liabilities</b>			
Other current liabilities	6	27,855,840	12,806,122
		<u>27,855,840</u>	<u>12,806,122</u>
	<b>Total</b>	<b>64,014,512</b>	<b>42,869,266</b>
<b>II. ASSETS</b>			
<b>Non-current assets</b>			
(a) Fixed assets	7		
i) Tangible assets		693,843	456,276
ii) Intangible assets		26,453,421	29,408,433
(b) Long term loans and advances	8	6,236,947	1,306,820
		<u>33,384,211</u>	<u>31,171,529</u>
<b>Current assets</b>			
(a) Trade receivables	9	18,287,789	1,934,247
(b) Cash and cash equivalents	10	1,656,442	3,823,183
(c) Short-term loans and advances	11	10,686,070	5,940,307
		<u>30,630,301</u>	<u>11,697,737</u>
	<b>Total</b>	<b>64,014,512</b>	<b>42,869,266</b>
<b>Significant accounting policies</b>	1		

The accompanying notes are an integral part of these financial statements

As per our report of even date  
for **V. NAGARAJAN & CO.,**  
Chartered Accountants


  
(V. Nagarajan)

Partner

ICAI Firm No. 04879N | M. No.: 019959



For and on behalf of the Board of Directors  
of **BASIX CONSULTING AND TRAINING  
SERVICES LIMITED**

  
(Vijay Mahajan)

Chairman

  
(B.L. Parthasarathy)

Managing Director

Date: May 08, 2012

Place: Bengaluru


# BASIX CONSULTING AND TRAINING SERVICES LIMITED


(All amounts in ₹. except otherwise stated)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED	Notes	31-Mar-2012	31-Mar-2011
<b>INCOME</b>			
Revenue from operations	12	75,885,161	32,387,109
Other income	13	132,737	-
<b>Total Revenue</b>		<b>76,017,898</b>	<b>32,387,109</b>
<b>EXPENSES</b>			
Employee benefits expense	14	32,119,152	11,628,294
Professional and consultancy expenses		12,413,344	5,837,923
Depreciation and amortization expense	7	3,023,393	142,476
Other operating expenses	15	20,356,216	5,993,724
<b>Total Expenses</b>		<b>67,912,105</b>	<b>23,602,417</b>
<b>Profit before exceptional and extraordinary items and tax</b>		<b>8,105,793</b>	<b>8,784,692</b>
Exceptional and extraordinary items		-	-
<b>Profit before tax</b>		<b>8,105,793</b>	<b>8,784,692</b>
<b>Tax expense</b>			
- Current tax		1,500,000	1,750,000
- Deferred tax		1,050,435	1,203,200
<b>Profit/(Loss) for the year</b>		<b>5,555,358</b>	<b>5,831,492</b>
<b>Earning per equity share (EPS) - Rs</b>			
- Basic		18.00	106.49
- Diluted		4.44	102.05
<b>Number of shares considered for</b>			
- Basic		250,000	54,762
- Diluted		1,250,000	57,143
<b>Significant accounting policies</b>	1		

The accompanying notes are an integral part of these financial statements


As per our report of even date  
for **V. NAGARAJAN & CO.,**  
Chartered Accountants

  
(V. Nagarajan)  
Partner



ICAI Firm Reg. No.: 04879N | M. No.: 019389

For and on behalf of the Board of Directors of  
**BASIX CONSULTING AND TRAINING SERVICES LIMITED**

  
(Vijay Mahajan)  
Chairman

  
(B.L. Parthasarathy)  
Managing Director

Date: May 08, 2012

Place: Bengaluru

# BASIX CONSULTING AND TRAINING SERVICES LIMITED

## SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF BALANCE SHEET AND PROFIT & LOSS ACCOUNT FOR THE YEAR MARCH 31, 2012

### 1) ACCOUNTING POLICIES:

#### a) Business Operation:

The company has various business services namely,

- Providing Information Technology solutions including transaction automation for Micro-Finance Institutions and Livelihood Promotion Organizations.
- Providing holistic development consulting and training services NGO-MFIs /CB-MFIs/ APEX organizations including Rural Financial Institutions, which are supporting poor and livelihoods, to help build their capacity on various systems and procedures including governance, operations, funds management, HR, automated Management information systems etc., to transform them into strong organizations capable of managing expansion and scale.
- Identifying potential individuals, including from rural poor and socially disadvantaged communities, training them in building their competencies (knowledge, skill and attitude) and deploy as required by the livelihood sector from time to time, which is known as BASIX Academy for Livelihood and Microfinance Promotion (B-A-LAMP).

#### b) Basis of preparation of financial statements:

The financial statements are prepared under the historical cost convention and comply in all material aspects with the applicable accounting principles in India, accounting Standards notified under sub-section (3C) of Section 211 of the Companies Act, 1956 and the other relevant provisions of the Companies Act, 1956.

#### c) Use of Estimates:

The preparation of financial statements in conformity with Indian Generally Accepted Accounting Policies requires management to make certain estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent assets and liabilities at the date of financial statements and reported amounts of revenue and expenses during the reported period.

Although such estimates are made on a reasonable and prudent basis taking into account all available information, actual results could differ from those estimates.

#### d) Revenue Recognition:

- i) In respect of service contracts income is recognized on the basis of proportionate completion of the contract with reference to the stage of performance and corresponding income.
- ii) Interest income on deposits with banks is recognized on time proportion accrual basis taking into the account, the amount outstanding and rate applicable.

#### e) Fixed Assets:

Fixed assets are stated at cost net of depreciation. The cost of an asset comprises its purchase price (net of capital grants) and any cost directly attributable for bringing the asset to its working condition and location for its intended use.

Fixed Assets includes Intangible Assets for the value of the Business Transfer made from Bhartiya Samruddhi Investments and Consulting Services Limited which will be charged off over four years from the year on which surplus generated.

#### f) Depreciation:

- i) Depreciation is provided on the Straight-line method at the following stated rates specified under Schedule XIV of the Companies Act, 1956:

Class of fixed assets	Rate
Furniture & Fixtures	6.33%
Office Equipment	7.07%
Computers & Peripherals	16.21%
Intangible Assets	10.00%

- ii) Depreciation is provided on the pro-rata basis from the date the asset is being put to use.
- iii) In view of the nature business and the enduring nature for exploitation of intangible assets, the same is written off



*(Handwritten signatures and initials)*

# BASIX CONSULTING AND TRAINING SERVICES LIMITED

## SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF BALANCE SHEET AND PROFIT & LOSS ACCOUNT FOR THE YEAR MARCH 31, 2012

over 10 years, with depreciation rate of 10%

**g) Employee Benefits:**

- i) Short term employee benefits including salaries, social security contributions, short term compensated absences (such as paid annual leave) where the absences are expected to occur within twelve months after the end of the period in which the employees render the related service, profit sharing and bonuses payable within twelve months after the end of the period in which the employees render the related services and non monetary benefits (such as medical care) for current employees are estimated and measured on an un-discounted basis.

**ii) Defined Contribution Plan**

Company's contributions paid / payable during the year to Provident Fund and Pension fund are recognized in the Profit and Loss Account.

**iii) Defined Benefit Plan:**

Liabilities for gratuity funded in terms of a scheme administered by the Life Insurance Corporation of India, are determined by Actuarial Valuation on Projected Unit Credit Method made at the end of each financial year. Provision for liabilities pending remittance to the fund is carried in the Balance Sheet.

Actuarial gains and losses are recognized immediately in the statement of Profit and Loss Account as income or expense. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government bonds.

**h) Income Taxes & Deferred Taxes:**

Provision for current year tax is made after taking into consideration benefits /disallowances admissible under the provisions of the Income Tax Act, 1961. Current tax is determined as the amount of tax payable in

respect of taxable income for the year. Deferred tax is recognized, on timing difference, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets on unabsorbed depreciation and carried forward business losses, are recognized only if there is virtual certainty that they will be realized and are reviewed every year. The tax effect is calculated on the accumulated timing differences at the end of the year based on enacted or substantially enacted tax rates.

**i) Earnings per share:**

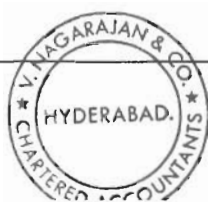
Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period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

**j) Provisions and contingent liabilities:**

The Company creates a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and reliable estimate can be made of the amount of obligation. A disclosure of contingent liability is made, when there is a possible obligation or a present obligation that will probably not require outflow of resources or where reliable estimate of the obligation cannot be made.

**k) Foreign Currency Transactions:**

- i) Initial Recognition: Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction.



# BASIX CONSULTING AND TRAINING SERVICES LIMITED

## SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF BALANCE SHEET AND PROFIT & LOSS ACCOUNT FOR THE YEAR MARCH 31, 2012

---

- ii) Conversion: Foreign currency monetary items are reported using the exchange rate prevailing at the close of the financial year.
- iii) Exchange Difference: Exchange differences arising on the settlement of monetary items, or on reporting monetary items of

the Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

---

As per our report of even date  
for **V. Nagarajan & Co.,**  
Chartered Accountants

For and on behalf of the Board of Directors of  
**BASIX CONSULTING AND TRAINING SERVICES**  
**LIMITED**

May 08, 2012  
Place: Bengaluru



**(V. Nagarajan)**  
Partner

Firm Reg. No.: 01879X | M.No. 019959

  
**(Vijay Mahajan)**  
Chairman  
**(B.L. Parthasarathy)**  
Managing Director



# BASIX CONSULTING AND TRAINING SERVICES LIMITED

## NOTES FORMING PART OF BALANCE SHEET AND STATEMENT OF PROFIT LOSS FOR THE YEAR MARCH 31, 2012

(All amounts in ₹. except otherwise stated)

### 2) Share capital

	31-Mar-12	31-Mar-11
<b>Authorized</b>		
2,500,000 Equity Shares of Rs.10 each	25,000,000	25,000,000
2,500,000 Preference Shares of Rs.10 each	25,000,000	25,000,000
	<b>50,000,000</b>	<b>50,000,000</b>
<b>Equity</b>		
<b>Issued, subscribed and paid-up</b>		
250,000 equity shares of Rs.10 each fully paid-up	2,500,000	2,500,000
<b>Preference Share Capital</b>		
<b>Issued, subscribed and paid-up</b>		
1,000,000, 9% Optionally Cumulative Convertible Preference Shares (OCCPS) of Rs.10 each fully paid-up	10,000,000	10,000,000
<b>Total</b>	<b>12,500,000</b>	<b>12,500,000</b>

a) The details of shareholder(s) holding more than 5% shares as at March 31, 2012 is set out below:

Name of the Shareholder		31-Mar-12	31-Mar-11
<b>i). Equity shares of ₹10 each</b>			
Bhartiya Samruddhi Investment and Consulting Services Ltd	Number of Shares	238,000	238,000
	% of holding	95.20%	95.20%
<b>ii). Preference shares of ₹10 each</b>			
Bhartiya Samruddhi Investment and Consulting Services Ltd	Number of Shares	1,000,000	1,000,000
	% of holding	100.00%	100.00%

b) Rights, preferences, restrictions of Equity Share Capital

- (i). The Company has only one class of equity shares and each share is entitled to one vote per share.  
(ii). The equity shares include 200,000 shares issued in the year 2010-11 for consideration other than cash.

c) Rights, preferences, restrictions of Preference Share Capital

- The 9% Optionally Cumulative Convertible Preference Shares (OCCPS) shall be  
i) eligible for conversion into equity shares before March 25, 2014 or  
ii) redemption on or before 20 years from the date of issue .

### 3) Reserves and surplus

	31-Mar-12	31-Mar-11
<b>General Reserve</b>		
Opening Balance	-	-
Additions during the year	3,000,000	-
Deductions during the year	-	-
	<b>3,000,000</b>	-
<b>Securities Premium Reserve</b>		
Opening Balance	8,000,000	-
Additions during the year	-	8,000,000
Deductions during the year	-	-
	<b>8,000,000</b>	<b>8,000,000</b>
<b>Surplus</b>		
Opening Balance	5,831,492	-
Additions during the year		
<i>Profit for the year</i>	5,555,358	5,831,492
Deductions during the year		
Transfer to General Reserve	3,000,000	-



*(Handwritten signatures)*

# BASIX CONSULTING AND TRAINING SERVICES LIMITED

## NOTES FORMING PART OF BALANCE SHEET AND STATEMENT OF PROFIT LOSS FOR THE YEAR MARCH 31, 2012

(All amounts in ₹. except otherwise stated)

Dividend on		
Equity Share Capital	1,250,000	-
Preference Share Capital*	914,795	-
Dividend Distribution Tax	334,461	-
	<b>5,887,594</b>	<b>5,831,492</b>
<b>Total</b>	<b>16,887,594</b>	<b>13,831,492</b>

\*An amount of ₹ 914,795 is proposed to be distributed as dividend to holders of 9% Optionally Cumulative Convertible Preference Shares for the period March 26, 2011 to March 31, 2012.

#### 4) Deferred tax liability (net)

	<b>31-Mar-12</b>	<b>31-Mar-11</b>
<i>[Arising out of differences in depreciation and amortisation in block of fixed assets and intangible assets as per tax books and financial books]</i>		
Opening balance	1,203,200	-
Add: Provided during the year	1,050,435	1,203,200
<b>Total</b>	<b>2,253,635</b>	<b>1,203,200</b>

#### 5) Long Term Provisions

	<b>31-Mar-12</b>	<b>31-Mar-11</b>
Employee benefits - Gratuity	1,267,443	778,452
Provision for Income Tax liability	3,250,000	1,750,000
<b>Total</b>	<b>4,517,443</b>	<b>2,528,452</b>

#### Employee Benefits

The following table sets out the status of the gratuity plan as required under Accounting Standard (AS) – 15, to the extent made available in Actuarial Valuation provided by Life Insurance Corporation of India. The change in the Projected Benefit Obligation, Change in Plan Assets Position is not made available and hence reported upon. However, the obligation by the formation of independent trust with LIC and making the full contribution to the same, the company is absolved of the entire future accruing gratuity obligation, in favor of LIC.

Net employees benefit cost (recognized in employee cost):

<b>Particulars</b>	<b>31-Mar-12</b>	<b>31-Mar-11</b>
Current service cost	275,476	1,07,102
Interest cost on benefit obligation	Nil	Nil
Expected return on plan assets	Nil	Nil
Net actuarial (gain) / loss recognized in the year	Nil	6,71,350
Past service cost	1,041,967	Nil
Net benefit expense	1,317,443	7,78,452

Amount to be recognised in Balance sheet:

<b>Particulars</b>	<b>31-Mar-12</b>	<b>31-Mar-11</b>
Defined benefit obligation	1,317,443	7,78,452
Fair value of plan assets	50,000	Nil
Less: Unrecognized past service cost	Nil	Nil
Plan asset / (liability)	(1,267,443)	(7,78,452)

The principal assumptions used in determining gratuity benefit obligations for the company's plans are shown below:

<b>Particulars</b>	<b>31-Mar-12</b>	<b>31-Mar-11</b>
Discount rate	8.00%	8.00%
Salary Escalation	4.00%	7.50%
Attrition rate	10.00%	10.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in employment market.



**BASIX CONSULTING AND TRAINING SERVICES LIMITED**

**NOTES FORMING PART OF BALANCE SHEET AND STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2012**

**Note 7: Fixed assets**

(All amounts in ₹. unless otherwise stated)

Particulars	Gross block			Depreciation/amortization			Net block		
	As at April 1, 2011	Additions during the year	Deletions during the year	As at March, 31 2012	Up to March 31, 2011	Charge for the year	Deletions during the year	As at March 31, 2012	As at March 31, 2011
<b>(i) Tangible assets</b>									
Office Equipment	86,648	9,221	-	95,869	101	6,772	-	88,996	86,547
Furniture & Fixtures	187,037	-	-	187,037	195	11,872	-	174,970	186,842
Computers	183,388	296,728	-	480,116	501	49,738	-	429,877	182,887
<b>Sub total</b>	<b>457,073</b>	<b>305,949</b>	<b>-</b>	<b>763,022</b>	<b>797</b>	<b>68,382</b>	<b>-</b>	<b>693,843</b>	<b>456,276</b>
<b>ii) Intangible assets</b>									
Technical know-how, logo usage charges, brand, business commercial rights	29,550,111	-	-	29,550,111	141,679	2,955,011	-	26,453,421	29,408,432
<b>Sub total</b>	<b>29,550,111</b>	<b>-</b>	<b>-</b>	<b>29,550,111</b>	<b>141,679</b>	<b>2,955,011</b>	<b>-</b>	<b>26,453,421</b>	<b>29,408,432</b>
<b>Total</b>	<b>30,007,184</b>	<b>305,949</b>	<b>-</b>	<b>30,313,133</b>	<b>142,475</b>	<b>3,023,393</b>	<b>-</b>	<b>27,147,264</b>	<b>29,864,708</b>
<b>Previous year</b>	<b>10,376,046</b>	<b>30,007,184</b>	<b>-</b>	<b>30,007,184</b>	<b>-</b>	<b>142,476</b>	<b>-</b>	<b>29,864,708</b>	<b>-</b>



*(Handwritten signature and initials)*

# BASIX CONSULTING AND TRAINING SERVICES LIMITED

NOTES FORMING PART OF BALANCE SHEET AND STATEMENT OF PROFIT LOSS FOR THE YEAR MARCH 31, 2012

(All amounts in ₹. except otherwise stated)

<b>6) Other Current Liabilities</b>		
	<b>31-Mar-12</b>	<b>31-Mar-11</b>
Consultancy Income received in advance	13,397,198	4,312,751
Statutory liabilities	6,860,230	2,473,747
Expenses Payable	4,557,280	3,263,905
Due to Group Companies	876,337	2,755,719
Dividend Payable	2,164,795	-
<b>Total</b>	<b>27,855,840</b>	<b>12,806,122</b>
<b>Dues to Micro, Small and Medium Enterprises (MSME)</b>		
As per the management assessment, there are no enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMEDA).		
<b>8) Long term loans and advances</b>		
	<b>31-Mar-12</b>	<b>31-Mar-11</b>
<b>Non current</b>		
Security deposits	245,000	50,000
Advance Tax	5,991,947	1,256,820
<b>Total</b>	<b>6,236,947</b>	<b>1,306,820</b>
<b>9) Trade receivables</b>		
	<b>31-Mar-12</b>	<b>31-Mar-11</b>
<i>Outstanding for less than six months</i>		
Unsecured, considered good	15,247,294	1,934,247
Doubtful	-	-
	15,247,294	1,934,247
<i>Outstanding for more than six months</i>		
Unsecured, considered good	3,040,495	-
Doubtful	-	-
	3,040,495	-
<b>Total</b>	<b>18,287,789</b>	<b>1,934,247</b>
<b>10) Cash and cash equivalents</b>		
	<b>31-Mar-12</b>	<b>31-Mar-11</b>
Balances with banks	1,656,442	3,823,183
Cash on hand	-	-
<b>Total</b>	<b>1,656,442</b>	<b>3,823,183</b>
- Earmarked balances with banks is Nil		
- Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments is Nil		
<b>11) Short-term loans and advances</b>		
	<b>31-Mar-12</b>	<b>31-Mar-11</b>
Loans and advances to related parties		
- From Holding Company	7,049,461	-
- From fellow subsidiaries	3,234,672	4,747,450
Others		
Prepaid expenses	209,180	23,896
Advances to Staff & Others	192,757	1,168,961
<b>Total</b>	<b>10,686,070</b>	<b>5,940,307</b>



# BASIX CONSULTING AND TRAINING SERVICES LIMITED

NOTES FORMING PART OF BALANCE SHEET AND STATEMENT OF PROFIT LOSS FOR THE YEAR MARCH 31, 2012

(All amounts in ₹. except otherwise stated)

	31-Mar-12	31-Mar-11
<b>12) Revenue from operations</b>		
<b>Sale of Services - Consulting and Others</b>		
International Consulting Services	24,568,629	4,500,668
Domestic Consulting Services	50,209,588	27,886,441
Unbilled Consulting Services	1,106,944	-
<b>Total</b>	<b>75,885,161</b>	<b>32,387,109</b>
<b>13) Other income</b>		
Interest on fixed deposits	34,974	-
Miscellaneous income	97,763	-
<b>Total</b>	<b>132,737</b>	<b>-</b>
<b>14) Employee benefit expense</b>		
Salaries, wages and bonus	30,140,316	10,541,161
Contributions to provident and other funds	1,265,983	308,486
Staff welfare expenses	173,862	195
Gratuity	538,991	778,452
<b>Total</b>	<b>32,119,152</b>	<b>11,628,294</b>
<b>15) Other operating expenses</b>		
Rent, Rates and Taxes	4,111,910	460,500
Traveling Expenses	11,282,299	4,281,354
Payments to the auditor as		
Audit Fees	100,000	100,000
Tax Audit Fee	75,000	-
Other services	29,964	-
for reimbursement of expenses	23,429	1,113
Office Maintenance	973,036	294,868
Postage and Tele Communications	906,426	209,734
Printing & Stationery	603,867	41,002
Electricity & Water expenses	475,597	117,310
Miscellaneous expenses	441,168	39,418
Meeting Expenses	421,898	211,094
Preliminary Expens written-off	346,816	86,704
Program Expenditure	276,593	-
Assets Written-off	124,205	44,887
Bank Charges	118,953	4,405
Net Gain / (Loss) on foreign currency	45,055	101,336
<b>Total</b>	<b>20,356,216</b>	<b>5,993,724</b>
<b>16) Particulars</b>		
Contingent liabilities and commitments	Nil	Nil
<b>17) Earnings per share</b>		
Reconciliation of basic and diluted shares used in computation of earnings per share		
Net profit as per profit and loss account	5,555,358	5,831,492
Weighted average number of shares considered for computation of basic EPS	250,000	54,762
Add: Effect of potential dilutive stock options	1,000,000	2,381
Weighted average number of shares considered for computation of diluted EPS	1,250,000	57,143
Nominal value per share	10	10



*(Handwritten signatures)*

Audited Financial Statements for the year ended March 31, 2012

# BASIX CONSULTING AND TRAINING SERVICES LIMITED

NOTES FORMING PART OF BALANCE SHEET AND STATEMENT OF PROFIT LOSS FOR THE YEAR MARCH 31, 2012

(All amounts in ₹. except otherwise stated)

## 18) Related party disclosures

### a) Names of related parties and nature of relationship

Names	Nature of relationship
Bhartiya Samruddhi Investment and Consulting Services Ltd	Holding Company
BASIX Krishi Samruddhi Ltd	Fellow Subsidiary
BASIX SUB-K iTransactions Ltd	Fellow Subsidiary
C-TRAN Consulting Ltd	Fellow Subsidiary
BASIX Academy for Building Lifelong Employability	Fellow Subsidiary
Krishna Bhima Samruddhi Local Area Bank Ltd	Fellow Subsidiary
Bhartiya Samruddhi Finance Ltd	Associate to Holding Company
Indian Grameen Services	Entity in which Director is interested
The Livelihood School	Entity in which Director is interested
Mr. S.L.Narayana	Key Management Person
Mr. B L Parthasarathy	Key Management Person
Mr. Vijay Mahajan	Key Management Person

### b) Nature of transactions

Name of the Related Party	Nature of Transaction	31-Mar-12	31-Mar-11
Bhartiya Samruddhi Investment and Consulting Services Ltd	Consultancy income	6,858,529	-
	Management Fee	1,413,789	-
	Preference Dividend	914,795	-
	Advance Received	5,000,000	30,380,000
Bhartiya Samruddhi Finance Limited	Consultancy income	698,013	-
Indian Grameen Services	Consultancy income	1,771,594	435,500
	Rent Expenses	1,261,998	-
BASIX Sub-K iTransactions Ltd	Consultancy Exp.	4,000,000	1,000,000
BASIX Krishi Samruddhi Ltd	Advance Given	2,380,950	-
	Consultancy income	860,000	-
The Livelihood School	Consultancy Exp.	1,200,000	300,000
	Consultancy Exp.	503,700	-
Mr. S.L. Narayana	Remuneration	2,292,000	-
Mr. B L Parthasarathy	Remuneration	4,125,600	30,000

## 19) Earnings and expenditure in foreign currency

	31-Mar-12	31-Mar-11
<i>a) Earnings</i>		
Consulting services	12,880,680	2,886,000
<i>b) Expenditure</i>		
Consultancy charges	-	389,000
Travelling expenses	603,943	669,000

20) Other information required under para 5 (viii) of Part II of Revised Schedule VI of the Companies Act, 1956 - Nil/Not applicable

## 21) Prior year comparatives

These financial statements have been prepared in accordance with the requirements of the revised Schedule VI, as notified by the Ministry of Corporate Affairs. The previous year figures are regrouped /rearranged to conform to current period presentation.

As per our report of even date

For V. NAGARAJAN & CO.,  
Chartered Accountants

(V. Nagarajan)  
Partner

ICAI Firm Reg. No.: 04879N | M. No.: 019959



For and on behalf of the Board of Directors of  
BASIX CONSULTING AND TRAINING SERVICES LIMITED

(Vijay Mahajan)  
Chairman

(B.L. Parthasarathy)  
Managing Director

Date: May 08, 2012

Place: Bengaluru