



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
BASIX CONSULTING AND TECHNOLOGY SERVICES LIMITED**
(formerly known as "BASIX Consulting and Training Services Limited")

1. Report on the financial statements

We have audited the accompanying financial statements of **BASIX Consulting and Technology Services Limited** (formerly known as "BASIX Consulting and Training Services Limited") (the 'Company'), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and loss, the Cash Flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

2. 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 of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Accounting standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the 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 judgements 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 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.

3. Auditor's responsibility

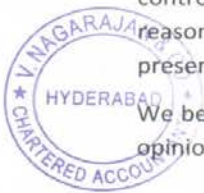
Our responsibility is to express an opinion on these financial statements based on our audit.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. 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 directors, as well as evaluating the overall presentation of the financial statements.

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





V. NAGARAJAN & CO.,

Chartered Accountants

4. Opinion

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

5. Report on other legal and regulatory requirements

- i. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- ii. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of accounts as required by the 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 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, 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of sub-section (2) of section 164 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 does not have any pending litigations which would impact its financial position.
 - II. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - III. There were no amounts which were required to be transferred to the Investor Education and Protection fund by the Company.

Date: May 25, 2016

Place: Pahalgam



for V. Nagarajan & Co.,
Chartered Accountants


(A.G. Sitaraman)
Partner

M. No.: 017799 | ICAI Firm Reg. No.: 04879N



V. NAGARAJAN & CO.,

Chartered Accountants

Annexure - A to the Independent Auditors' Report to the members of BASIX CONSULTING AND TECHNOLOGY SERVICES LIMITED ['the Company'] (formerly known as "BASIX Consulting and Training Services Limited")

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company for the year ended March 31, 2016 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 at reasonable intervals and no material discrepancies were identified on such verification.
 - c) The company does not own any immovable property.
- ii. The Company does not have any inventory. Accordingly the provisions of clause 3 (ii) of the order are not applicable.
- iii. The Company has not granted any secured or unsecured loans to companies, firms or other parties covered in the register maintained under section 189 of the Companies act, 2013.
- iv. The Company has not accepted any deposits from the public within the meaning of section 73 to 76 or any other relevant provisions of the Act and rules framed there under. Accordingly, the provisions of clause 3 (v) of the Order are not applicable.
- v. To the best of our knowledge and belief, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of the services rendered by the Company. Accordingly, the provisions of clause 3 (vi) of the Order are not applicable.

- vi. According to the information and explanations given to us in respect of its Statutory dues:
 - a) The Company is regular in depositing undisputed statutory dues including provident fund, Income tax and other material statutory dues with the appropriate authorities.
 - b) There were no undisputed amounts payable in respect of provident fund, Income Tax, Service Tax and other material statutory dues in arrears for more than six months as at March 31, 2016.
 - c) During the financial year there has been no statutory due payable on account of pending disputes.
- vii. The Company has not issued any debentures or availed any loan from a bank and financial institution or Government.
- viii. 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.
- ix. The managerial remuneration has been paid and provided in accordance with the requisite approvals mandated by the provisions of section 197 of the Companies Act 2013.
- x. All transactions with the related parties are in compliance with the section 177 and 188 of companies act, 2013 and the details have been disclosed in the financial statements as required by the applicable accounting standard.





V. NAGARAJAN & CO.,

Chartered Accountants

- xi. The Company has not entered into any non-cash transactions with the directors or persons connected with.
- xii. Clause iv, v, vi, ix, xii, xiv, xvi of the order 2016 are not applicable during the year under audit.

Date: May 25, 2016

Place: Pahalgam.

for V. NAGARAJAN & Co.,
Chartered Accountants



A.G. Sitaraman
(A.G. Sitaraman)
Partner

ICAI Firm Reg. No.: 04879N

M. No.: 019959



V. NAGARAJAN & CO.,

Chartered Accountants

Annexure - B to the Auditors' 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 **Basix Consulting and Technology Services Limited** ("the Company") as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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





V. NAGARAJAN & CO.,

Chartered Accountants

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

Date : May 25th, 2016
Place : Pahalgam

For V. NAGARAJAN & Co.,
Chartered Accountants



(A.G.SITARAMAN)

Partner

ICAI Firm Reg. No.: 04879N

M. No.:017799

BASIX CONSULTING AND TECHNOLOGY SERVICES LIMITED

(formerly known as "Basix Consulting and Training Services Limited")

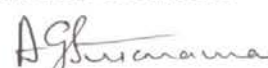
CIN No.: U93000TG2010PLC069614

(All amounts in Rs. except otherwise stated)

BALANCE SHEET AS ON	Notes	31-Mar-16	31-Mar-15
I. EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	1	3,750,000	5,000,000
(b) Reserves and surplus	2	21,279,341	18,172,129
		<u>25,029,341</u>	<u>23,172,129</u>
Non-current liabilities			
(a) Deferred tax liability (net)	3	2,614,718	2,888,519
(b) Long term provisions	4	748,180	715,715
		<u>3,362,898</u>	<u>3,604,234</u>
Current liabilities			
(a) Trade Payable	5	3,780,867	2,734,103
(b) Other current liabilities	6	11,082,945	9,217,794
		<u>14,863,812</u>	<u>11,951,897</u>
Total		<u>43,256,051</u>	<u>38,728,260</u>
II. ASSETS			
Non-current assets			
(a) Fixed assets	7		
i) Tangible assets		122,883	137,893
ii) Intangible assets		14,625,279	17,588,387
(b) Long term loans and advances	8	70,000	20,000
		<u>14,818,162</u>	<u>17,746,280</u>
Current assets			
(a) Trade receivables	9	7,285,811	3,415,435
(b) Work-in-progress		741,783	1,662,480
(c) Cash and cash equivalents	10	19,876,733	15,732,493
(d) Short-term loans and advances	11	533,562	171,572
Total		<u>43,256,051</u>	<u>38,728,260</u>
Other Disclosures	16-20		
Significant accounting policies	21		

The accompanying notes are an integral part of these financial statements

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


(A.G. Sitaraman)
Partner



For **BASIX CONSULTING AND
TECHNOLOGY SERVICES LIMITED**


(Vijay Mahajan)
Chairman


(KV Gouri)
Managing Director

ICAI Firm No. 04879N | M. No.: 017799

Date: May 25, 2016

Place: Pahalgam

BASIX CONSULTING AND TECHNOLOGY SERVICES LIMITED

(formerly known as "Basix Consulting and Training Services Limited")


CIN No.: U93000TG2010PLC069614

(All amounts in Rs. except otherwise stated)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED	Notes	31-Mar-16	31-Mar-15
INCOME			
Revenue from operations	12	39,709,900	21,213,384
Other income	13	2,852,096	1,127,809
Total		42,561,996	22,341,193
EXPENSES			
Employee benefits expense	14	8,600,220	4,835,804
Professional and consultancy expenses		15,553,909	6,986,078
Other operating expenses	15	10,641,018	3,697,653
Depreciation and amortization	7	3,045,938	3,474,664
Total		37,841,085	18,994,199
Profit before tax		4,720,911	3,346,994
Tax expense			
- Previous year Taxes			1,200,000
- Current tax		1,800,000	
- Deferred tax liability/(asset)		(273,801)	(233,433)
Profit/(Loss)		3,194,712	2,380,427
Earning per equity share (EPS) - Rs			
- Basic		12.78	8.62
- Diluted		7.30	4.83
Number of shares considered for			
- Basic		250,000	250,000
- Diluted		437,500	500,000
Other Disclosures	16-20		
Significant accounting policies	21		

The accompanying notes are an integral part of these financial statements

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


(A.G. Sitaraman)
Partner



ICAI Firm No. 04879N | M. No.: 017799

For **BASIX CONSULTING AND
TECHNOLOGY SERVICES LIMITED**


(Vijay Mahajan)
Chairman


(KV Gouri)
Managing Director

Date: May 25, 2016

Place: Pahalgam

BASIX CONSULTING AND TECHNOLOGY SERVICES LIMITED

(formerly known as "Basix Consulting and Training Services Limited")

CIN No.: U93000TG2010PLC069614

(All amounts in Rs. except otherwise stated)

CASH FLOW STATEMENT FOR YEAR ENDED	31-Mar-16	31-Mar-15
A. Cash flows from operating activities		
Profit/ (loss) before taxation and after prior period items	4,720,911	3,346,994
Adjustments for		
Depreciation and amortization	3,045,938	3,474,664
Loss on sale/write off of Assets	-	19,124
Provision for gratuity	-	-
Operating profit before working capital changes	7,766,849	6,840,782
Decrease / (Increase) in trade receivables	(3,870,376)	(1,593,093)
Decrease / (Increase) in other current assets	558,707	(422,786)
Decrease / (Increase) in Long term loans and advances	(50,000)	332,490
Payment of Gratuity	-	-
(Decrease) / Increase in current liabilities	921,915	9,135,216
Cash from / (used in) operating activities	5,327,095	14,292,609
Income tax refund/(paid)	222,465	1,436,761
Net cash from / (used in) operating activities	5,549,560	15,729,370
B. Cash flows from investing activities		
Purchase of tangible assets	(67,820)	(48,166)
Sale of Assets	-	31,500
Net cash from/(used) in investing activities	(67,820)	(16,666)
C. Cash flows from financing activities		
Redemption of preference shares	(1,250,000)	-
Payment for Securities Premium	(87,500)	-
Dividend on Preference shares	-	(225,000)
Dividend distribution tax	-	(34,763)
Net cash (used in) / provided by financing activities	(1,337,500)	(259,763)
Net change in cash and cash equivalents during the year (A+B+C)	4,144,240	15,452,941
Cash and cash equivalents at the beginning of the year	15,732,493	279,552
Cash and cash equivalents at the end of the year (Refer note 10)	19,876,733	15,732,493

The accompanying notes are an integral part of these financial statements

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

A.G. Sitaraman
(A.G. Sitaraman)
Partner



ICAI Firm No. 04879N | M. No.: 017799

Date: May 25, 2016

Place: Pahalgam

For **BASIX CONSULTING AND
TECHNOLOGY SERVICES LIMITED**

Vijay Mahajan
(Vijay Mahajan)
Chairman

KV Gouri
(KV Gouri)
Managing Director

BASIX CONSULTING AND TECHNOLOGY SERVICES LIMITED

(formerly known as "Basix Consulting and Training Services Limited")

CIN No.: U93000TG2010PLC069614

NOTES FORMING PART OF FINANCIAL STATEMENTS*(All amounts in Rs. except otherwise stated)*

1) Share capital	31-Mar-16	31-Mar-15
Authorised		
25,00,000 Equity Shares of Rs.10 each	25,00,000	25,00,000
25,00,000 Preference Shares of Rs.10 each	25,00,000	25,00,000
	50,00,000	50,00,000
Equity		
Issued, subscribed and paid-up		
2,50,000 (Previous period: 2,50,000) equity shares of Rs.10 each fully paid-up	2,50,000	2,50,000
Preference Share Capital		
Issued, subscribed and paid-up		
Opening Balance	2,50,000	2,50,000
9% Optionally Cumulative Convertible Preference Shares (OCCPS) of Rs.10 each fully paid-up redeemed during the	1,25,000	-
Sub-Total	1,25,000	2,50,000
Total	3,75,000	5,00,000

a) The details of shareholder(s) holding more than 5% shares as at March 31, 2016 is set out below:

Name of the Shareholder		31-Mar-16	31-Mar-15
i). Equity shares of Rs. 10 Each			
Bhartiya Samruddhi Investment and Consulting Services Ltd	No's %	238,000 95.20%	238,000 95.20%
ii). Preference shares of Rs. 10 Each			
Bhartiya Samruddhi Investment and Consulting Services Ltd	No's %	125,000 100.00%	250,000 100.00%

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 2,00,000 shares issued in the period 2010-11 for consideration other than cash.

c) **Rights, preferences, restrictions of Preference Share Capital**

9% Optionally Cumulative Convertible Preference Shares (OCCPS) shall be eligible for conversion into equity shares.

2) Reserves and surplus	31-Mar-16	31-Mar-15
Capital Redemption Reserve		
Opening balance	7,50,000	7,50,000
Additions during the period	1,25,000	-
	8,75,000	7,50,000
Securities Premium Reserve		
Opening balance	8,00,000	8,00,000
Deductions during the period	87,500	-
	7,912,500	8,00,000
General Reserve		
Opening balance	446,126	446,126
	446,126	446,126



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BASIX CONSULTING AND TECHNOLOGY SERVICES LIMITED

(formerly known as "Basix Consulting and Training Services Limited")

CIN No.: U93000TG2010PLC069614

NOTES FORMING PART OF FINANCIAL STATEMENTS*(All amounts in Rs. except otherwise stated)*

Surplus		
Opening balance	2,226,003	105,339
Profit/(Loss) for the year	3,194,712	2,380,427
<i>Deductions during the year</i>		
Transfer to Capital Redemption Reserve	1,250,000	-
Dividend on preference share capital	-	225,000
Dividend Distribution Tax	-	34,763
	4,170,715	2,226,003
Total	21,279,341	18,172,129
3) Deferred tax liability (net)		
	31-Mar-16	31-Mar-15
Opening balance	2,888,519	3,121,952
Add: Provided during the year	(273,801)	(233,433)
Total	2,614,718	2,888,519
<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>		
4) Long Term Provisions		
	31-Mar-16	31-Mar-15
Provision for income tax (net of taxes Rs. 18,00,000 and TDS recoverable is Rs.10,51,820)	748,180	715,715
Total	748,180	715,715
Employee Benefits		
i). The Company has taken a group gratuity policy for its employees with the Life Insurance Corporation of India (LIC). Under this policy the eligible employees are entitled to receive gratuity payments upon their resignation or death in lump sum after deduction of necessary taxes up to a maximum limit of Rs.1,000,000, as per the provisions of Payment of Gratuity Act, 1972.		
ii). The disclosure as required under Accounting Standard (AS) – 15, was not made available in Actuarial Valuation provided by Life Insurance Corporation of India. 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 favour of LIC.		
5) Trade Payables		
	31-Mar-16	31-Mar-15
Expenses Payable	3,780,867	2,734,103
Total	3,780,867	2,734,103
6) Other Current Liabilities		
	31-Mar-16	31-Mar-15
Consultancy income received in advance	9,376,935	7,271,769
Statutory liabilities	235,678	531,719
Other expenses payable		
Payable to employees	742,934	127,788
Other payables	727,398	1,061,518
Dividend payable on CCPS	-	225,000
Total	11,082,945	9,217,794



BASIX CONSULTING AND TECHNOLOGY SERVICES LIMITED

(formerly known as "Basix Consulting and Training Services Limited")
CIN No.: U93000TG2010PLCC69614

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR YEAR ENDED MARCH 31, 2016

Note 7: Fixed assets

(All amounts in Rs. unless otherwise stated)

Particulars	Gross block			Depreciation/amortization			Net block		
	As at April 1, 2015	Additions	Deletions	As at March 31, 2016	Up to March 31, 2015	Charge	Deletions	As at March 31, 2016	As at March 31, 2015
(i) Tangible assets									
Office equipment	69,325	-	-	69,325	41,046	13,208	-	54,254	28,279
Furniture & fixtures	32,636	-	-	32,636	13,737	3,108	-	16,845	18,899
Computers	716,020	67,820	485,428	298,412	625,305	66,514	485,428	206,391	90,715
Sub total	817,981	67,820	485,428	400,373	680,088	82,830	485,428	277,490	137,893
ii) Intangible assets									
Technical know-how, logo usage charges, brand and business commercial rights	29,550,111	-	-	29,550,111	11,961,724	2,963,108	-	14,924,832	17,588,387
Sub total	29,550,111	-	-	29,550,111	11,961,724	2,963,108	-	14,924,832	17,588,387
Total	30,368,092	67,820	485,428	29,950,484	12,641,812	3,045,938	485,428	15,202,322	17,726,280
Previous year	30,516,208	48,166	196,282	30,368,092	9,312,806	3,474,664	145,658	17,726,280	21,203,402

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

A.G. Sitarman
(A.G. Sitarman)
Partner

ICAI Firm No. 04879N | M. No.: 017799



For BASIX CONSULTING AND
TECHNOLOGY SERVICES LIMITED

Vijay Mahajan
(Vijay Mahajan)
Chairman
KV Gouri
(KV Gouri)
Managing Director

Date: May 25, 2016
Place: Pahalagam

BASIX CONSULTING AND TECHNOLOGY SERVICES LIMITED

(formerly known as "Basix Consulting and Training Services Limited")

CIN No.: U93000TG2010PLC069614

NOTES FORMING PART OF FINANCIAL STATEMENTS

(All amounts in Rs. except otherwise stated)

Dues to Micro, Small and Medium Enterprises (MSME)		
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		
8) Long term loans and advances	31-Mar-16	31-Mar-15
Non current		
Security deposits	70,000	20,000
Total	70,000	20,000
9) Trade receivables	31-Mar-16	31-Mar-15
<i>Outstanding for less than six months</i>		
Unsecured, considered good	7,285,811	3,415,435
<i>Outstanding for more than six months</i>		
Unsecured, considered good	-	-
Total	7,285,811	3,415,435
10) Cash and cash equivalents	31-Mar-16	31-Mar-15
Balances with banks		
- in current accounts	2,898,293	3,334,654
- in term deposits	16,943,830	12,397,839
Cash on hand	-	-
Currency In Hand	34,611	
Total	19,876,733	15,732,493.21
- Term deposits with less than 12 months maturity	Nil	Nil
- 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.		
11) Short-term receivables and advances	31-Mar-16	31-Mar-15
Others		
Prepaid expenses	38,814	16,477
Interest accrued on fixed deposits	251,220	51,543
Advances to staff & others	243,528	103,552
Total	533,562	171,572



BASIX CONSULTING AND TECHNOLOGY SERVICES LIMITED

(formerly known as "Basix Consulting and Training Services Limited")

CIN No.: U93000TG2010PLC069614

NOTES FORMING PART OF FINANCIAL STATEMENTS*(All amounts in Rs. except otherwise stated)*

12) Revenue from operations	31-Mar-16	31-Mar-15
Sale of Services - Consulting and Others		
a) International Consulting Services	17,740,226	7,394,927
Information Technology and MIS	17,740,226	5,437,203
BASIX Academy for Livelihood and Micro Banking Practice	-	1,957,724
b) Domestic Consulting Services	21,227,891	12,155,977
Inclusive Financial Services Development	13,650,895	4,439,857
Information Technology and MIS	3,456,390	2,175,036
Institution Development and Livelihood Promotion Services	4,120,606	5,541,084
c) Unbilled Consulting Services	741,783	1,662,480
Inclusive financial services development		
Institution Development and Livelihood Promotion Services	-	168,900
Information Technology and MIS	741,783	1,493,580
d) Recovery from bad debts written-off		
Total	39,709,900	21,213,384
13) Other income	31-Mar-16	31-Mar-15
Interest on term deposits	1,215,513	302,221
Miscellaneous income	1,636,583	825,588
Total	2,852,096	1,127,809
14) Employee benefit expense	31-Mar-16	31-Mar-15
Salaries, wages and bonus	8,165,683	4,436,044
Contributions to provident and other funds	425,592	371,600
Staff welfare expenses	2,500	24,275
Gratuity	6,445	3,885
Total	8,600,220	4,835,804
15) Other operating expenses	31-Mar-16	31-Mar-15
Traveling Expenses	6,837,446	1,997,742
Payments to the auditor as		
Audit fees	200,000	200,000
for reimbursement of expenses	18,818	9,250
Director's sitting fee	170,000	155,000
Rent	258,000	225,000
Miscellaneous expenses	1,058,712	295,048
Electricity & water expenses	108,761	86,097
Rates and taxes	63,408	453,796
Insurance	26,198	35,194
Communication expenses	269,481	66,544
Printing & stationery	381,477	35,661
Bank charges	21,558	10,574
Office Maintenance	246,676	52,581
Meeting expenses	980,483	75,166
Total	10,641,018	3,697,653



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NOTES FORMING PART OF FINANCIAL STATEMENTS

(All amounts in Rs. except otherwise stated)

Other Disclosures		31-Mar-16	31-Mar-15
16)	i. Contingent liabilities and capital commitments		
	a) Contingent liabilities	Nil	Nil
	b) Capital commitments	Nil	Nil
	ii. Dividend on preference shares (incl tax)	194,822	259,763
17)	Earnings per share		
	Reconciliation of basic and diluted shares used in computation of earnings per share		
		31-Mar-16	31-Mar-15
	Net profit as per profit and loss account	3,194,712	2,380,427
	Weighted average number of shares considered for computation of basic EPS	250,000	250,000
	Add: Effect of potential dilutive shares	125,000	250,000
	Weighted average number of shares considered for computation of diluted EPS	375,000	500,000
	Nominal value per share	10	10

18) Related party disclosures

a) Names of related parties and nature of relationship

Names	Nature of relationship
Bhartiya Samruddhi Investments and Consulting Services Ltd	Holding Company
BASIX Krishi Samruddhi Ltd	Fellow Subsidiary
C-TRAN Consulting Ltd	Fellow Subsidiary
Bhartiya Samruddhi Finance Ltd	Fellow Subsidiary
BASIX SUB-K iTransactions Ltd	Associate to holding company
BASIX Academy for Building Lifelong Employability Limited	Associate to holding company
Indian Grameen Services	Entity in which Director is interested
Institute of Livelihood Research and Training	Entity in which Director is interested
Dr.K.V.Gouri	Key Management Person
Mr. Vijay Mahajan	Key Management Person

b) Nature of transactions

Name of the Related Party	Nature of Transaction	Receipt/ Payment	31-Mar-16	31-Mar-15
Bhartiya Samruddhi Investment and Consulting Services Ltd	Redemption of Preferential share	Paid	1,337,500	
	Preference Dividend	Payment		225,000
Indian Grameen Services	Rent & Electricity Expenses	Payment	366,761	311,097
Institute of Livelihood Research and Training	Consultancy Charges for JICA Project	Paid	124,000	-
K.V.Gouri-Managing Director	Remuneration	Paid	3,215,335	1,942,820

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BASIX CONSULTING AND TECHNOLOGY SERVICES LIMITED

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NOTES FORMING PART OF FINANCIAL STATEMENTS

(All amounts in Rs. except otherwise stated)

19) Earnings and expenditure in foreign currency	31-Mar-16	31-Mar-15
a) Earnings		
Consulting services	17,740,226	4,852,617
20) Prior period comparatives		
The previous year figures are regrouped /rearranged to conform to current year presentation.		

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


(A.G. Sitaraman)
Partner

ICAI Firm No. 04879N | M. No.: 017799



For **BASIX CONSULTING AND
TECHNOLOGY SERVICES LIMITED**


(Vijay Mahajan)
Chairman


(KV Gouri)
Managing Director

Date: May 25, 2016
Place: Pahalgam

BASIX CONSULTING AND TECHNOLOGY SERVICES LIMITED

(Formerly known as BASIX Consulting and Training Services Limited)

CIN No.: U93000TG2010PLC069614

21) SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF FINANCIAL STATEMENTS

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.

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, including accounting Standards specified under Section 133 of the Companies Act, 2013 (the "Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014.

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 year. 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.

f) Depreciation and Amortisation:

- i) Depreciation is provided on the Straight-line method at the following stated rates specified under as per Part "C" of Schedule II of the Companies Act 2013:

Class of fixed assets	Useful life	Rate
Furniture & Fixtures	10 years	9.50%
Office Equipment	5 years	19%
Computers & Peripherals	3 years	31.67%
Intangible Assets	10 years	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 over 10 years, with amortisation 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 year in which the employees render the related service, profit sharing and bonuses payable within twelve months after the end of the year in which the employees render the related services and non monetary benefits (such as



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BASIX CONSULTING AND TECHNOLOGY SERVICES LIMITED

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21) SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF FINANCIAL STATEMENTS

medical care) for current employees are estimated and measured on an undiscounted 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 year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year 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.
- 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.



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21) SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF FINANCIAL STATEMENTS

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


(A.G. Sitaraman)
Partner



ICAI Firm No. 04879N | M. No.: 017799

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


(Vijay Mahajan)
Chairman


(KV Gouri)
Managing Director

Date: May 25, 2016

Place: Pahalgam