



**NETLINK SOLUTIONS (INDIA) LIMITED**

**31<sup>st</sup> ANNUAL REPORT**

**2015-2016**





## **NETLINK SOLUTIONS (INDIA) LIMITED**

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### **NOTICE**

NOTICE is hereby given that the Thirty-First Annual General Meeting of the Members of Netlink Solutions (India) Limited (CIN: L45200MH1984PLC034789) will be held on Friday, September 30, 2016 at 10:00 a.m. at the Registered office of the Company at 507, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai – 400053 to transact the following businesses:

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2016 including the Audited Balance Sheet as at 31<sup>st</sup> March, 2016 and the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Rupa Modi (DIN 00378383) who retires by rotation and being eligible, offers herself for re-appointment.
3. To ratify the appointment of Auditors and fix their remuneration.

“**RESOLVED** that pursuant to section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder and pursuant to the recommendation of the Audit Committee and the Board of Directors and pursuant to the approval of the Members at the Twenty Ninth Annual General Meeting, the Company hereby ratifies the appointment of M/s. K U Kothari & Co., Chartered Accountants (ICAI Firm Registration Number 105310W) as Auditors of the Company to hold office until the conclusion of the Thirty-Second Annual General Meeting of the Company to be held in the year 2017, at a remuneration to be determined by the Board of Directors of the Company in addition to out of pocket expenses as may be incurred by them during the course of the Audit.”

By Order of the Board

#### **Registered Office:**

507, Laxmi Plaza, Laxmi Industrial Estate,  
New Link Road, Andheri (W),  
Mumbai – 400053  
CIN :L45200MH1984PLC034789  
e-mail :netlink@easy2source.com,  
Website :[www.nsil.co.in](http://www.nsil.co.in)

Tel. : +91 22 26335583/84

Fax : +91 22 26371746

Place: Mumbai

Date: 26.08.2016

**Rupa Modi**  
**Executive Director & CFO**  
**DIN NO: 00378383**

## **NETLINK SOLUTIONS (INDIA) LIMITED**

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### **Notes**

- A. A Member Entitled to attend and Vote at the Meeting is entitled to appoint a Proxy to attend and Vote instead of himself and a Proxy need not be a Member.
- B. The instrument appointing a proxy, duly completed in all respect, must be deposited with the Company at its Registered Office not less than 48 hours before commencement of the meeting (on or before 28<sup>th</sup> September, 2016, 10.00 AM IST). A proxy form for the AGM is enclosed).
- C. 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 Member. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution/authority as applicable. The Proxy-holder shall prove his identity at the time of attending the Meeting.
- D. The Company's Registrar and Transfer Agents for its Share Registry Work are Adroit Corporate Services Pvt. Ltd.19, Jafferbhoy Industrial Estate, Makwana Road, Marol Naka, Andheri (E), Mumbai – 400 059.
- E. The Register of Members and Transfer Books of the Company will be closed from September 24, 2016 to September 30, 2016 (both days inclusive).
- F. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of section 72 of the Companies Act, 2013. Members desiring to avail of this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to Adroit Corporate Services Pvt. Ltd at the above mentioned address. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.
- G. Pursuant to sections 101 and 136 of the Companies Act, 2013 read with the Rules framed thereunder, the Notice calling the Annual General Meeting along with the Annual Report 2015-16 would be sent by electronic mode to those Members whose e-mail addresses are registered with the Depository or the Company's Registrar and Transfer Agents, unless the Members have requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies would be sent by the permitted mode. Members are requested to support this Green Initiative by registering/updating their e-mail addresses with the Depository Participant (in case of Shares held in dematerialised form)
- H. Members are requested to:
  - (a) intimate to the Company's Registrar and Transfer Agents, Adroit Corporate Services Pvt. Ltd., changes, if any, in their registered addresses at an early date, in case of Shares held in physical form;
  - (b) intimate to the respective Depository Participant, changes, if any, in their registered addresses at an early date, in case of Shares held in dematerialized form;
  - (c) quote their folio numbers/Client ID/DP ID in all correspondence; and
  - (d) Consolidate their holdings into one folio in case they hold Shares under multiple folios in the identical order of names.
- I. Members are requested to bring their copy of the Annual Report to the Annual General Meeting.
- J. Members/Proxies/Representatives are requested to bring the Attendance Slip enclosed in the Annual Report for attending the Meeting.

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K. Mr. Mukesh Siroya, Practicing Company Secretary (Membership No. F5682) has been appointed as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.

L. PROCEDURE FOR REMOTE E-VOTING

I. In compliance with the provisions of section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (Listing Regulations), the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM) but shall not be entitled to cast their vote again.

IV. The remote e-voting period commences on Monday, September 26, 2016 (9:00 am) and ends on Thursday, September 29, 2016 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 23, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

V. The process and manner for remote e-voting are as under:

A. In case a Member receives an e-mail from NSDL [for members whose e-mails IDs are registered with the Company / Depository Participant(s)]:

(i) Open e-mail and open the PDF file 'remotee-voting.pdf' with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.

(ii) Launch an internet browser by typing the following URL: <https://www.evoting.nsdl.com>

(iii) Click on Shareholder - Login.

(iv) Put 'User ID' and 'Initial Password' as noted in step (i) above and click on 'Login'.

(v) Password change menu will appear. Change the Password with a new Password of your choice with minimum 8 digits/characters or combination thereof. Please note the new Password. It is strongly recommended not to share your Password with any person and take utmost care to keep it confidential.

(vi) Home page of e-voting opens. Click on Voting – Active Voting Cycles.

(vii) Select 'EVEN' (E-voting Event Number) of Netlink Solutions (India) Limited.

(viii) Now you are ready for e-voting as 'Cast Vote' page opens.

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- (ix) Cast your vote by selecting appropriate option and click on 'Submit' and also 'Confirm' when prompted.
  - (x) Upon confirmation, the message 'Vote cast successfully' will be displayed.
  - (xi) Once you have confirmed your vote on the resolution, you cannot modify your vote.
  - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter, etc. along with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by an e-mail at [scrutinizer.siroyam@gmail.com](mailto:scrutinizer.siroyam@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- B. In case a member receives physical copy of the Notice of AGM [for members whose e-mails IDs are not registered with the Company/ Depository Participant(s)]:
- (i) Initial Password/PIN is provided at the bottom of the Attendance Slip for the AGM.  
EVEN (Remote e-voting Event Number)                      USER ID    PASSWORD/PIN
  - (ii) Please follow all steps from Sr. No. (ii) to Sr. No. (xii) mentioned above, to cast vote.
- VI. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Members and 'e-voting user manual' for Members available at the downloads section of NSDL's e-voting website [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free No. 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/ PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of September 23, 2016.
- X. Any person, who acquires shares of the Company and becomes the member of the Company after dispatch of the Notice and holding shares as of the cut-off date i.e. September 23, 2016, may obtain the user ID and Password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [ornetlink@easy2source.com](mailto:ornetlink@easy2source.com).
- However, if they are already registered with NSDL for remote e-voting, then they can use their existing user ID and password/PIN for casting their vote. If they have forgotten their password, they can reset their password by using 'Forgot User Details/Password' option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free No. 1800-222-990.
- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Mr. Mukesh Siroya, M Siroya and Company, Company Secretaries (Membership No. 5682) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

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- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than forty eight hours from the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.nsil.co.in](http://www.nsil.co.in) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.
- XVII. The route map of the venue of the Meeting is given in the Notice. The prominent landmark for the venue: Near to Laxmi Industrial Estate.
- XVIII. Mrs. Rupa Modi being longest in the office retires by rotation at the forthcoming Annual General Meeting. Mrs. Rupa Modi Being eligible has offered herself for re-appointment.

Brief details of Mrs. Rupa Modi, Whole-time Director & CFO seeking re-appointment is given below:

Name of the Director	Mrs. Rupa Modi
Designation	Whole-time Director & CFO
Din No	00378383
Date of Birth	19/12/1963
Date of Appointment	25/02/2005
Directorship held in other companies	Aditya Fincap Private Limited
Memberships/Chairmanships of Committees across Public Companies	No
Brief Profile covering experience, achievements etc	Rich experience in the field of Finance and General Business management
Qualifications	Diploma in Medical Laboratory Technology
Shares held in the Company	637954 Equity Shares
Relationship with Directors	Wife of Mr. Minesh Modi

**Registered Office:**  
507, Laxmi Plaza, Laxmi Industrial Estate,  
New Link Road, Andheri (W),  
Mumbai – 400053  
CIN :L45200MH1984PLC034789  
e-mail :netlink@easy2source.com,  
Website :[www.nsil.co.in](http://www.nsil.co.in)

By Order of the Board

**Rupa Modi**  
**Executive Director & CFO**  
**DIN NO: 00378383**

Tel. : +91 22 26335583/84  
Fax : +91 22 26371746

Place: Mumbai  
Date: 26.08.2016

## NETLINK SOLUTIONS (INDIA) LIMITED

### DIRECTORS' REPORT

#### Directors' Report to the Members

Your Directors present their Thirty First Annual Report together with the Audited Financial Statement of your Company for the year ended 31<sup>st</sup> March, 2016.

#### Financial Highlights

(Rs. in Lacs)

Financial Performance	2015-16	2014-15
Total Income	201.09	203.81
Total Expenditure	173.51	65.75
Profit Before Depreciation and Tax	27.58	138.06
Less: Deprecation	3.65	7.02
Less: Provision for Tax and F.B.T. Incl. Deferred Tax Liability	0.53	(6.11)
<b>Net Profit after Tax</b>	<b>23.40</b>	<b>137.15</b>
Less :Short Provision for Tax	0.24	0.08
Balance Brought Forward	-	-
<b>Amount available for Appropriation</b>	<b>23.16</b>	<b>137.07</b>
Proposed Dividend	-	-
Tax on Dividend	-	-
Transfer to General Reserve	-	-

#### Dividend

The Board has not recommended any Dividend for the current financial year in order to conserve its resources.

#### Reserves

Out of the profits available for appropriation, no amount has been transferred to the General Reserve.

#### Transfer of unclaimed dividend to investor education and protection fund

In terms of provisions of Section 125 of the Companies Act, 2013, unclaimed / unpaid Dividend relating to the financial year 2007–2008 has already been transferred by the Company to the Investor Education and Protection Fund established by the Central Government.

#### Operations/ State of the Company's Affairs

During the year the Total Income of the Company has been Rs. 201.09 Lacs as compared to previous year total of Rs. 203.81 Lacs. Our company has made Profit amounting to Rs.23.16 Lacs after tax.

Netlink Solutions (India) Limited currently has two divisions, Software Division and Print Media Division. The software division has, off late, not performing to our expectations. However, the Print Media Division is doing

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well for the Company. We experienced that the Print Media is gradually edging past electronic media. The Company cut costs and were looking for right opportunity. It is in this context, the Company successfully conducted 1st Exhibition and looking to gain from this experience and feel this division will gain momentum with the time to come. The Company also proposes to venture back into the field of construction and development, which happens to be one of the main objects of the Company.

### **Share Capital**

During the year under the review there is no change in the Issued, Subscribed Share Capital of the Company. However the Company has consolidated the face value of equity shares of the Company from its existing Re. 1 to Rs. 10 per share and accordingly the authorized share capital of the Company of 10,00,00,000 shares of Re.1 each have been consolidated into 1,00,00,000 shares of Rs.10 each and Paid-up share capital of 2,96,70,000 shares of Re.1 each have been consolidated into 29,67,000 shares of Rs. 10 each.

### **Employee Stock Options Scheme**

During the year under the review the Company has not issued any Shares pursuant to the Employee Stock Options Scheme.

### **Holding Company / Subsidiary Company**

The Company does not have any Subsidiary, Joint Venture or Associate Company.

### **Management Discussion and Analysis Report**

In accordance with regulation 34 of SEBI (Listing Obligations and Disclose Requirements) Regulations, 2015, the Management Discussion and Analysis Report forms part of this Report as **Annexure - I**.

### **Corporate Governance**

As per the Regulation 15(2)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which are effective December 1, 2015, provisions with respect to Corporate Governance compliance shall not apply to a listed entity with Paid-up Capital upto Rs. 10,00,00,000 (Indian Rupees Ten Crores) and Net Worth upto Rs. 25,00,00,000 (Indian Rupees Twenty Five Crores), as on the last day of previous financial year.

The Paid-up Share Capital of the Company is Rs. 2.97 Crore only and the Net Worth is Rs. 9.24 Crore only and therefore the requirement of compliance with Corporate Governance is not applicable to the Company.

### **Corporate Social Responsibility (CSR)**

The provisions related to Corporate Social Responsibility are not applicable to the company.

### **Directors and Key Managerial Personnel**

There are no changes in the Board of Directors of the Company during the year under review.

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The Board Comprises of Mr. Minesh Modi, Whole-time Director and Mrs. Rupa Modi, Executive Director and Chief Financial Officer. Mr. Yogesh Becharbhai Girnara, Mr. Rajendra S Lokare and Mr. Premnath T Mishra are the Independent Directors of the Company.

In terms of provisions of Section 152(6) of the Act, Mrs. Rupa Modi (00378383), being longest in the office, shall retire by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

Mr. Amit Dharmani was appointed as Company Secretary and Compliance Officer of the Company and designated as Key Managerial Personnel of the Company w.e.f. November 6, 2015 pursuant to section 203 of the Companies Act, 2013. Mr. Dharmani resigned from the post of Company Secretary of the Company w.e.f. November 22, 2015. The Board places on record sincere thanks to Mr. Dharmani for his services rendered during his tenure as Company Secretary of the Company.

Mr. Rahul Santosh Patidar was appointed as Company Secretary and Compliance Officer of the Company and designated as Key Managerial Personnel of the Company w.e.f. May 10, 2016 pursuant to section 203 of the Companies Act, 2013 and Regulation 6(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mr. Patidar resigned from the post of Company Secretary of the Company w.e.f. July 26, 2016.

### **Board Evaluation**

Pursuant to provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclose Requirements) Regulations, 2015 the Board of Directors has carried out an annual performance evaluation of its own performance, the Directors individually including Independent Directors. Evaluation was done by Nomination and Remuneration Committee. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the evaluation such as adequacy of the size and composition of the Board and Committee thereof with regard to skill, experience, independence, diversity; attendance and adequacy of time given by the Directors to discharge their duties; Corporate Governance practices etc. The Directors expressed their satisfaction with the evaluation process.

### **Separate Meeting of the Independent Directors**

In Compliance with the provision of the Companies Act, 2013 SEBI (Listing Obligations and Disclose Requirements) Regulations, 2015, the Independent Directors held a Meeting on March 31, 2016, and they, inter alia:

- i. Reviewed the performance of non-independent directors and the Board as a whole;
- ii. Reviewed the performance of the Chairperson of the Company
- iii. Assessed the quality, quantity and timeliness of flow of information between the Company's Management and the Board, which is necessary for the Board to effectively and reasonably perform their duties.

The Independent Directors holds a unanimous opinion that the Non-Independent Directors bring to the Board constructive knowledge in their respective field. The Independent Directors expressed their satisfaction with overall functioning and implementations of their suggestions.

## NETLINK SOLUTIONS (INDIA) LIMITED

### Familiarisation Programme for Independent Directors

The details of programmes for familiarisation of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters alongwith other details as required pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are available on the website of the Company at [www.nsil.co.in](http://www.nsil.co.in).

### Policies on Appointment of Directors and Remuneration of Directors, Key Managerial Personnel and Employees

In accordance with the provisions of section 134(3) (e) of the Companies Act, 2013 ("the Act") read with section 178(2) of the Act and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has adopted a Policy on Appointment of Directors and Senior Management and succession planning for orderly succession to the Board and the Senior Management, which inter alia, includes the criteria for determining qualifications, positive attributes and independence of Directors.

Your Company has also adopted the appointment of Policy of directors and senior management and Policy on Remuneration of Directors, Key Managerial Personnel and Employees of the Company in accordance with the provisions of sub-section (4) of section 178, and the same are appended as **Annexure II-A and Annexure II-B** and form part of this Report.

### Declaration of Independent Directors

The Company has received necessary declaration from each Independent Director under section 149(7) of the Companies Act, 2013 that they meet the criteria of Independent laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### Meetings

During the year under review the Board of Directors met 6 (Six) times on May 29, 2015, July 23, 2015, August 25, 2015, October 30, 2015, January 30, 2016 and March 21, 2016. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Sr. No.	Name of Directors	Number of Meetings held	Number of Meetings attended
1	Minesh V. Modi	6	6
2	Rupa M. Modi	6	6
3	Yogesh B. Girnara	6	6
4	Rajendra S. Lokare	6	6
5	Premnath T. Mishra	6	6

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### **Directors' Responsibility Statement**

The Board of Directors acknowledge the responsibility for ensuring compliances with the provisions of section 134(3)(c) read with Section 134 (5) of the Companies Act, 2013, Clause 49 (III)(D)(4)(a) of the Listing Agreement with Stock Exchanges (applicable up to November 30, 2015) and provisions of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and based on the information provided by the management, your Directors state that:

- (a) in the preparation of the annual accounts for the year ended March 31, 2016, the applicable accounting standards read have been followed and there are no material departures from the same;
- (b) they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2016 and of the profit of the Company for that period;
- (c) they 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) they had prepared the annual accounts on a going concern basis;
- (e) they had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **Internal Financial Controls and their Adequacy**

The Company has in place adequate internal financial controls with reference to the financial statements. The Audit Committee of the Board periodically reviews the internal control systems with the management, Internal Auditors and Statutory Auditors and the adequacy of internal audit function, significant internal audit findings and follow-ups thereon.

### **Composition of Audit Committee**

The Audit Committee comprises of Mr. Minesh Modi, Mr. Yogesh Girnara and Mr. Rajendra Lokare. Mr. Yogesh Girnara is the Chairman of the Committee. The role, terms of reference and powers of the Audit Committee are in conformity with the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee met 5 times during the year under review on May 29, 2015, July 23, 2015, October 30, 2015, January 30, 2016 and March 21, 2016. The Committee discussed on financials, audit reports and appointment of auditors. The Board accepted all recommendations of the Audit Committee made from time to time.

### **Vigil mechanism / Whistle Blower Mechanism**

The Company has established a vigil mechanism by adopting a Whistle Blower Policy for Directors and employees to report genuine concerns in the prescribed manner. The vigil mechanism is overseen by the Audit Committee and provides adequate safeguards against victimization of employees and Directors. Whistle Blower Policy is a mechanism to address any complaint(s) related to fraudulent transactions or reporting intentional non-compliance with the Company's policies and procedures and any other questionable accounting/operational process followed. It provides a mechanism for employees to approach the Chairman

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of Audit Committee or Chairman of the Company or the Corporate Governance Cell. During the year, no such incidence was reported and no personnel were denied access to the Chairman of the Audit Committee or Chairman of the Company or the Corporate Governance Cell. The Whistle Blower Policy of the Company is available at web link <http://nsil.co.in/policy.php>.

### **Risk Management**

The Company has in place the procedure to inform the Board about the risk assessment and minimization procedures. Your Company has appropriate risk management systems in place for identification and assessment of risks, measures to mitigate them, and mechanisms for their proper and timely monitoring and reporting. Audit Committee has been assigned the task of ensuring Risk Management, for monitoring and reviewing of the risk assessment, mitigation and risk management plan from time to time. The Board periodically reviews implementation and monitoring of the risk management plan for the Company including identification therein of elements of risks, if any, which in the opinion of the Board may threaten the existence of the Company.

### **Auditors**

M/s. K U Kothari & Co., Chartered Accountants (ICAI Firm Registration Number 105310W), were re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of the 29<sup>th</sup> Annual General Meeting (AGM) held on September 30, 2014 until the conclusion of the third consecutive AGM of the Company to be held in the year 2017 (subject to ratification of their appointment by the Members at every AGM held after the AGM held on September 30, 2014).

As required under the provisions of section 139(1) of the Companies Act, 2013, the Company has received a written consent from M/s. K U Kothari & Co., Chartered Accountants to their appointment and a Certificate, to the effect that their appointment, if made, would be in accordance with the Companies Act, 2013 and the Rules framed thereunder and that they satisfy the criteria provided in section 141 of the Companies Act, 2013.

The Members are requested to ratify the appointment of the Statutory Auditors as aforesaid and fix their remuneration.

The notes of the financial statements referred to in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditor's Report does not contain any qualification, reservation or adverse remark.

### **Secretarial Auditor**

The Board has appointed M/s. M. Batham & Associates, Practising Company Secretaries, Mumbai to conduct the Secretarial Audit for the financial year 2015-16. The Secretarial Audit report for the financial year ended March 31, 2016 is annexed herewith and marked as **Annexure III** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

### **Particulars of loans, guarantees or investments under Section 186 of the Companies Act, 2013**

There was no loan advanced, guarantees given or security provided by the Company under Section 186 of the Companies Act, 2013 during the year under review. Particulars of investments made are provided in the financial statement (Please refer to Note no. 10 to the financial statement).

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### **Contracts and Arrangements with Related Parties**

All contracts/transactions, if any, executed by the Company during the financial year with related parties were on arm's length basis and in ordinary course of business. In the opinion of the Board there were no material contracts entered into by the Company and therefore the particular required in Form AOC 2 pursuant to Section 188 is not given.

### **Deposits, Loans and Advances**

Your Company has not accepted any deposits from the public or its employees during the year under review. **Explanation or Comments on Qualifications, Reservations or adverse remarks or disclaimers made by the Auditors and the Practicing Company Secretary in their reports**

There were no qualifications, reservations or adverse remarks made either by the Auditors or by the Practicing Company Secretary in their respective reports.

### **Particulars of Remuneration of Employees and Other Required Disclosures**

There are no employees drawing remuneration in excess of the limits specified in Rule 5(2) and Rule 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 further amended by Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016.

The ratio of remuneration of each Director to the median employees' remuneration and other details in terms of Section 197 (12) 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 IV**.

### **Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo**

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished as follows:

#### **Conservation of Energy**

The company is not a manufacturing company and hence the details in respect of the above are not applicable.

#### **Research and Development**

The company has not undertaken any Research and Development activity in any specific area during the year under review, and hence no cost has been incurred towards same.

Technology Absorption	:	Nil
Foreign Exchange Earning	:	Rs. 62,905
Foreign Exchange Outgo	:	Rs. 2,94,247

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## NETLINK SOLUTIONS (INDIA) LIMITED

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### Extract of Annual Return

Pursuant to sub-section 3(a) of section 134 and sub-section (3) of section 92 of the Companies Act, 2013, with rule 12 off the Companies (Management and Administration) Rules, 2014, extract of the Annual Return forms part of this Report as **Annexure V**.

### General

During the year under review, no revision was made in the financial statement of the Company. During the year ended March 31, 2016 , there were no cases filed / reported pursuant to the Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

There are no material changes and commitment affecting financial position of the Company which have occurred between the end of the financial year of the Company ie 31<sup>st</sup> March, 2016, and the date of the Directors Report.

No penalties/strictures were imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital market since the listing of the Company's equity shares. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operation in future.

### Cautionary statement:

*Certain statements in the Directors' Report describing the Company's objectives, projections, estimates, expectations or predictions may be forward-looking statements within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include labour and material availability, and prices, cyclical demand and pricing in the Company's principal markets, changes in government regulations, tax regimes, economic development within India and other incidental factors.*

### Acknowledgment

The Directors would like to thank all shareholders, customers, bankers, contractors, suppliers and associates of your Company for the support received from them during the year. The Directors would also like to place on record their appreciation of the dedicated efforts put in by the employees of the Company.

### For and on behalf of the Board of Directors,

**Minesh Modi**  
**Chairman & Whole Time Director**  
**DIN : 00378378**  
**Add: 507, Laxmi Plaza,**  
**Laxmi Industrial Estate,**  
**Newlink Road, Andheri (W),**  
**Mumbai – 400 053.**

**Rupa Modi**  
**Executive Director & CFO**  
**Din No: 00378383**  
**Address: A/83, Vishnu Baug,**  
**137, S V Road, Andheri (West),**  
**Mumbai - 400 058.**

Place: Mumbai  
Date: 26.08.2016

# NETLINK SOLUTIONS (INDIA) LIMITED

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Annexure – I

## MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

### 1. Industrial Structure and Developments

In 2015-16, the Indian Economy emerged as one of the large economies with an encouraging outlook. The factors contributing to this positive outlook were controlled inflation, rise in domestic demand, increase in investments, decline in oil prices and the boost to reforms among others. According to IMF, India is set to become the world's fastest growing major economy by 2016, ahead of China.

### 2. Outlook on Opportunities, Threats, Risk and Concerns

#### Opportunities

Netlink Solutions (India) Limited currently has two divisions, Software Division and Print Media Division. The software division has, off late, not performing to our expectations. However, the Print Media Division is doing well for the Company. We experienced that the Print Media is gradually edging past electronic media. The Company cut costs and were looking for right opportunity. It is in this context, the Company successfully conducted 1<sup>st</sup> Exhibition and looking to gain from this experience and feel this division will gain momentum with the time to come. The Company also proposes to venture back into the field of construction and development, which happens to be one of the main objects of the Company.

#### Threats, Risk and Concerns:

Being a software and print media company, Netlink is exposed to specific risks that are particular to its business and the environment within which it operates, including software obsolescence volatility, economic cycle, credit risk and market risk. The most important among them are credit risk, market risk and operational risk. The measurement, monitoring management of risk remains key focus areas for the Company.

### 3. Internal Control Systems and their Adequacy

The Company has a proper and adequate system of internal control in all spheres of its activities to ensure that all its assets are safeguarded and protected against loss from unauthorized use or disposition and that the transactions are authorized, recorded and reported diligently. The Company ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines.

### 4. Financial Performance\

The Company's total turnover for the financial year 31-03-16 is Rs.201 lacs (Previous Year Rs. 204 lacs). Net Profit before tax was Rs. 24 lacs as compared to Previous Year's Rs.131 lacs. The Company is optimistic about its proposed business ventures.

### 5. Development of Human Resources

The Company has been proactive to build the requisite skill-sets in the organization for its new project initiatives. The relevant industry experience of the team coupled with commitment towards adherence to the operating processes adopted by the company is a unique feature demonstrated by the company. Employees are encouraged to upgrade their skills and knowledge through various training programs.

#### **Note :**

This report contains forward-looking statements based on beliefs of the company's management. The words anticipate, believe, estimate, forecast, expect, intend, plan, should and project are used to identify forward-looking statements. Such statements reflect the company's current views with respect to the future events and are subject to risks and uncertainties. Many factors could cause the actual result to be materially different, including amongst others, changes in the general economic and business conditions, changes in the currency exchange rates and interest rates, introduction of competing products, lack of acceptance of new products or services, and changes in business strategy. Actual results may vary materially from those projected here. The company does not intend to assume any obligation to update these forward-looking statements

# NETLINK SOLUTIONS (INDIA) LIMITED

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## Annexure II-A

### **POLICY ON APPOINTMENT OF DIRECTORS AND SENIOR MANAGEMENT AND SUCCESSION PLANNING FOR ORDERLY SUCCESSION TO THE BOARD AND THE SENIOR MANAGEMENT**

#### **DEFINITIONS**

The definitions of some of the key terms used in this Policy are given below.

“**Board**” means Board of Directors of the Company.

“**Company**” means Netlink Solutions (India) Limited.

“**Committee(s)**” means Committees of the Board for the time being in force.

“**Employee**” means employee of the Company whether employed in India or outside India including employees in the Senior Management Team of the Company.

“**HR**” means the Human Resource department of the Company.

“**Key Managerial Personnel**” (KMP) refers to key managerial personnel as defined under the Companies Act, 2013 and includes:

- (i) Managing Director (MD), or Chief Executive Officer (CEO); or Manager; or Whole time Director (WTD)
- (ii) Chief Financial Officer (CFO); and
- (iii) Company Secretary (CS)

“**Nomination and Remuneration Committee**” (NRC) means Nomination and Remuneration Committee of Board of Directors of the Company for the time being in force.

“**Senior Management**” means personnel of the Company who are members of its Core Management Team excluding Board of Directors comprising of all members of management one level below the executive directors including the functional heads.

#### **I. APPOINTMENT OF DIRECTORS**

The NRC reviews and assesses Board composition and recommends the appointment of new Directors. In evaluating the suitability of individual Board member, the NRC shall take into account the following criteria regarding qualifications, positive attributes and independence of director:

1. All Board appointments will be based on merit, in the context of the skills, experience, independence and knowledge, for the Board as a whole to be effective.
2. Ability of the candidates to devote sufficient time and attention to his professional obligations as Independent Director for informed and balanced decision making
3. Adherence to the Code of Conduct and highest level of Corporate Governance in letter and in spirit by the Independent Directors

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## **NETLINK SOLUTIONS (INDIA) LIMITED**

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Based on recommendation of the NRC, the Board will evaluate the candidate(s) and decide on the selection of the appropriate member. The Board through the Whole Time Director(s) will interact with the new member to obtain his/her consent for joining the Board. Upon receipt of the consent, the new Director will be co-opted by the Board in accordance with the applicable provisions of the Companies Act 2013 and Rules made there under.

### **REMOVAL OF DIRECTORS**

If a Director is attracted with any disqualification as mentioned in any of the applicable Act, rules and regulations there under or due to non - adherence to the applicable policies of the company, the NRC may recommend to the Board with reasons recorded in writing, removal of a Director subject to the compliance of the applicable statutory provisions.

### **SENIOR MANAGEMENT PERSONNEL**

The NRC shall identify persons who are qualified to become directors and who may be appointed in senior management team in accordance with the criteria laid down above.

Senior Management personnel are appointed or promoted and removed/relieved with the authority of Chairman & Managing Director based on the business need and the suitability of the candidate. The details of the appointment made and the personnel removed one level below the Key Managerial Personnel during a quarter shall be presented to the Board.

## **II. SUCCESSION PLANNING:**

### **Purpose**

The Talent Management Policy sets out the approach to the development and management of talent in the Netlink Solutions (India) Limited to ensure the implementation of the strategic business plans of the Company and the Management's Aspiration of being among the Top Companies in the business.

### **Board:**

The successors for the Independent Directors shall be identified by the NRC atleast one quarter before expiry of the scheduled term. In case of separation of Independent Directors due to resignation or otherwise, successor will be appointed at the earliest but not later than the immediate next Board meeting or three months from the date of such vacancy, whichever is later.

The successors for the Executive Director(s) shall be identified by the NRC from among the Senior Management or through external source as the Board may deem fit.

The NRC will accord due consideration for the expertise and other criteria required for the successor.

The Board may also decide not to fill the vacancy caused at its discretion.

### **Senior Management Personnel:**

A good succession-planning program aims to identify high growth individuals, train them and feed the pipelines with new talent. It will ensure replacements for key job incumbents in KMPs and senior management positions in the organization.

## **NETLINK SOLUTIONS (INDIA) LIMITED**

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### **Policy Statement**

The Talent Management framework of the Company has been created to address three basic issues:

- 1) Given the strategic business plans, do we have the skills and competencies required to implement them? If not, how do we create them – by developing them internally or through lateral induction from outside?
- 2) For critical positions, what is the succession pipeline?
- 3) What are the individual development plans for individuals both in the succession pipeline as well as others?

The framework lays down architecture and processes to address these questions using the **3E** approach:

- a) **Experience** i.e. both long and short-term assignments. This has 70% weightage
- b) **Exposure** i.e. coaching and mentoring – 20% weightage
- c) **Education** i.e. learning and development initiatives – 10% weightage

### **Policy Governance**

Policy Sponsor **Chairman of the Nomination & Remuneration Committee**

# **NETLINK SOLUTIONS (INDIA) LIMITED**

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## **Annexure II-B**

### **POLICY FOR REMUNERATION OF THE DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES**

#### **Purpose**

This Policy sets out the approach to Compensation of Directors, Key Managerial Personnel and other employees in Netlink Solutions (India) Limited.

#### **Policy Statement**

We have a well-defined Compensation policy for Managing Director, Whole Time Director, Manager, Key Managerial Personnel and all employees, of the Company. The overall compensation philosophy which guides us is that in order to achieve global leadership and dominance in domestic markets, we need to attract and retain high performers by compensating them at levels that are broadly comparable with the median of the comparator basket while differentiating people on the basis of performance, potential and criticality for achieving competitive advantage in the business.

In order to effectively implement this, we have built our Compensation structure by a regular annual benchmarking over the years with relevant players across the industry we operate in.

#### **NON-EXECUTIVE INCLUDING INDEPENDENT DIRECTORS:**

The Nomination and Remuneration Committee (NRC) shall decide the basis for determining the compensation, both Fixed and variable, to the Non-Executive Directors, including Independent Directors, whether as commission or otherwise. The NRC shall take into consideration various factors such as director's participation in Board and Committee meetings during the year, other responsibilities undertaken, such as membership or Chairmanship of committees, time spent in carrying out their duties, role and functions as envisaged in Schedule IV of the Companies Act 2013 and such other factors as the NRC may consider deem fit for determining the compensation. The Board shall determine the compensation to Non-Executive Directors within the overall limits specified in the Shareholders resolution.

#### **Executive Directors:**

The remuneration to Whole Time Directors and Executive Director(s) shall be recommended by NRC to the Board. The remuneration consists of both fixed compensation and variable compensation and shall be paid as salary, commission, performance bonus, stock options (where applicable), perquisites and fringe benefits as approved by the Board and within the overall limits specified in the Shareholders resolution. While the fixed compensation is determined at the time of their appointment, the variable compensation will be determined annually by the NRC based on their performance.

#### **Key Managerial Personnel (KMPs)**

The terms of remuneration of Chief Financial Officer (CFO) and Company Secretary (CS) & other Key Management personnel, if any, shall be determined by the Nomination and Remuneration Committee from time to time. The remuneration shall be consistent with the competitive position of the salary for similar positions in the industry and their Qualifications, Experience, Roles and Responsibilities. Pursuant to the provisions of section 203 of the Companies Act 2013 the Board shall approve the remuneration at the time of their appointment.

The remuneration to directors, KMPs and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

## **NETLINK SOLUTIONS (INDIA) LIMITED**

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### **Employees**

We follow a differential approach in choosing the comparator basket for benchmarking, depending upon the level in the organization:

a. For all employees from Operational to Executive Band, we benchmark with a set of comparators from the same industry.

b. For Strategic band and above, we have a position-based approach and the comparator basket includes benchmarks from across relevant industries.

We have a CTC (Cost to Company) concept which includes a fixed component (Guaranteed Pay) and a variable component (Performance pay). The percentage of the variable component increases with increasing hierarchy levels, as we believe employees at higher positions have a far greater impact and influence on the overall business result. The CTC is reviewed once every year and the compensation strategy for positioning of individuals takes into consideration the following elements:

- Performance
- Potential
- Criticality
- Longevity in grade

Remuneration for the new employees other than KMPs and Senior Management Personnel will be decided by the HR, in consultation with the concerned business unit head at the time of hiring, depending upon the relevant job experience, last compensation and the skill-set of the selected candidate.

The Company may also grant Stock Options to the Employees and Directors (other than Independent Directors and Promoter) in accordance with the ESOP Scheme, if any, of the Company and subject to the compliance of the applicable statutes and regulations.

### **Policy Governance**

Policy Sponsor Chairman of Nomination & Remuneration Committee

# NETLINK SOLUTIONS (INDIA) LIMITED

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Annexure III

Form No. MR-3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
The Members,  
Netlink Solutions (India) Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Netlink Solutions (India) 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, 2016 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, 2016 according to the applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder and the applicable provisions of the Companies Act, 1956;
- (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') to the extent applicable to the Company :-
  - a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 upto May 14, 2015 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 w.e.f. May 15, 2015;
  - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

## **NETLINK SOLUTIONS (INDIA) LIMITED**

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- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009(not applicable to the Company during the Audit period)
  - d) 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;
  - e) Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015;
  - f) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Regulations, 2009 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October, 2014 (not applicable to the Company during the Audit period)
  - g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable to the Company during the Audit period).
  - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009(not applicable to the Company during the Audit period)
  - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998(not applicable to the Company during the Audit period);
- (vi) As confirmed by the management, there are no other laws specifically applicable in relation to the business of the Company.

We have also examined the compliance with the applicable clauses of the following:

- i. Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and general Meetings (SS-2) issued by The Institute of Company Secretaries of India made effective from July 1, 2015;
- ii. The Listing Agreements entered into by the Company with the BSE Limited.

During the period under review the Company has complied with the provisions of the Act, Old Act, Rules, Regulations, Guidelines, Standards etc. 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 decisions were carried through at the meetings of the Board of Directors of the Company. There were no dissenting views by any Member of the Board of Directors during the period under review.

## **NETLINK SOLUTIONS (INDIA) LIMITED**

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**We further report that** based on review of compliance mechanism established by the Company and on the basis of compliance certificate(s) issued by the Director/Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that there are adequate systems and processes in the Company which is 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 undertaken following major event/action having a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above:

- (i) On September 30, 2015, the members at their Annual General Meeting, adopted and approved new set of Article of Association;
- (ii) On September 30, 2015, the members at their Annual General Meeting approved Consolidation of every Ten Equity shares of Re. 1/- each into One Equity share of Rs. 10/- each.

**For M. Batham & Associates  
Company Secretaries**

**Manju Batham  
Proprietor  
FCS No.: 7092  
CP No.: 14820**

**Date: 26<sup>th</sup> August, 2016  
Place: Thane**

## **NETLINK SOLUTIONS (INDIA) LIMITED**

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**Annexure A'**

To,  
The Members,  
Netlink Solutions (India) Limited

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. Wherever required, we have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the 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.

**For M. Batham & Associates**  
**Company Secretaries**

**Manju Batham**  
**Proprietor**  
**FCS No. : 7092**  
**CP No. : 14820**

**Date : 26<sup>th</sup> August, 2016**  
**Place : Thane**

## NETLINK SOLUTIONS (INDIA) LIMITED

### ANNEXURE IV

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:

1. The ratio of the remuneration of each director to the median remuneration of the employees for the financial year

Name	Designation	Ratio
Mr. Minesh Modi	Whole Time Director	14.70 times the median remuneration of the employees of the Company
Mrs. Rupa Modi	Whole Time Director and Chief Financial Officer	14.70 times the median remuneration of the employees of the Company

For this purpose, no sitting fees was paid to the above Directors or any other non-executive directors of the Company and therefore have not been considered as remuneration.

2. The percentage increase in remuneration of each director, CFO, CEO, CS or Manger, if any, in the financial year.

There was no increase in remuneration of the Directors above during the year ended on March 31, 2016 vis-à-vis last year. No other director received any remuneration during the year. As regards CFO no remuneration was paid during the financial year. And with respect to CS, the payment was for a part of the year and strictly not comparable and therefore not taken into consideration for the purpose of increase/decrease.

3. The Percentage increase in the median remuneration of employees in the financial year.

During the year there is increase in percentage terms in the median remuneration of the employees by 34.84% as compared to previous year. The calculation of percentage decrease in median remuneration is done based on comparable employees. Employees who were not eligible for any increment have been excluded for this purpose of this calculation.

4. The Number of permanent Employees on the rolls of the Company:

The number of on-rolls employees is 11. Out of this, there were 5 permanent employees as on March 31, 2016.

5. 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 exceptional circumstances for increase in the managerial remuneration, if any:

There was no increase made in salaries of employees other than the Key Managerial Personnel for FY2016 and there was no increase either in the salaries of the Key managerial personnel during the year under review and therefore this clause is not applicable.

6. Affirmation that the remuneration is as per the remuneration policy of the Company:

Yes

# NETLINK SOLUTIONS (INDIA) LIMITED

ANNEXURE V

Form MGT-9

## EXTRACT OF ANNUAL RETURN

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

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

### I. REGISTRATION AND OTHER DETAILS:

i)	<b>CIN</b>	L45200MH1984PLC034789
ii)	<b>Registration Date</b>	13.12.1984
iii)	<b>Name of the Company</b>	Netlink Solutions (India) Limited
iv)	<b>Category / Sub-Category of the Company</b>	Company Limited by Shares (Indian Non-Government Company)
v)	<b>Address of the Registered office and contact details</b>	507, Laxmi plaza, Laxmi Industrial Estate, Newlink Road, Andheri (W), Mumbai, Maharashtra – 400 053.
vi)	<b>Whether listed company Yes / No</b>	Yes
vii)	<b>Name, Address and Contact details of Registrar and Transfer Agent, if any</b>	Adroit Corporate Services Pvt. Ltd.19, Jafferbhoy Industrial Estate, Makwana Road, Marol Naka, Andheri (E), Mumbai – 400 059. Tel. No.: 022 - 28596060 / 28594060 / 40053636/ 40052115 Fax No. : 022 - 28503748

### 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 and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Info Media (Advertisement and Exhibition related Income)	18112 and/or 7310	95.62%

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sr. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
N.A.	NIL	N.A.	N.A.	N.A.	N.A.

## NETLINK SOLUTIONS (INDIA) LIMITED

### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

#### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (as on 01.04.2015)				No. of Shares held at the end of the year (as on 31.03.2016)*				% 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	14426121	0	14426121	48.62	14426121	0	14426121	48.62	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	624	0	624	0	624	0	624	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (1):-</b>	<b>14426745</b>	<b>0</b>	<b>14426745</b>	<b>48.62</b>	<b>14426745</b>	<b>0</b>	<b>14426745</b>	<b>48.62</b>	<b>0</b>
(2) Foreign									
a) NRIs -									
Individuals	0	0	0	0	0	0	0	0	0
b) Other -									
Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	0	0	0	0	0	0	0	0	0
d) Banks / 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) (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>14426745</b>	<b>0</b>	<b>14426745</b>	<b>48.62</b>	<b>14426745</b>	<b>0</b>	<b>14426745</b>	<b>48.62</b>	<b>0</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FII's	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</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>2. Non-Institutions</b>									
a) Bodies Corporate									
i) Indian	2372538	0	2372538	8.00	227413	0	227413	7.67	-0.33
ii) Overseas	0	0	0	0	0	0	0	0	0

## NETLINK SOLUTIONS (INDIA) LIMITED

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) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	11616126	0	11616126	39.15	1170277	0	1170277	39.44	0.29
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1198094	0	1198094	4.04	119808	0	119808	4.04	0.00
c) Others (specify)									
c-i) clearing Member	199	0	199	0.00	0.00	0	0.00	0.00	0.00
c-ii) NRIs	56298	0	56298	0.19	6828	0	6828	0.23	0.04
<b>Sub-total (B)(2):-</b>	<b>15243255</b>	<b>0</b>	<b>15243255</b>	<b>51.38</b>	<b>1524326</b>	<b>0</b>	<b>1524326</b>	<b>51.38</b>	<b>0.00</b>
Total Public Shareholding (B)=(B)(1)+(B)(2)	15243255	0	15243255	51.38	1524326	0	1524326	51.38	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>29670000</b>	<b>0</b>	<b>29670000</b>	<b>100</b>	<b>2967000</b>	<b>0</b>	<b>2967000</b>	<b>100</b>	<b>Nil</b>

\* The Shares of the Company have been consolidated during the year from Re. 1 each to Rs. 10 each and accordingly, the number of shares have been shown to be 2967000 equity shares of Rs. 10 each instead of 29670000 equity shares of Re. 1 each.

### (ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding 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.	Aditya Fincap Private Limited	624	0.00	0.00	62	0.00	0.00	0.00
2.	Minesh V Modi	8046581	27.12	0.00	804658	27.12	0.00	0.00
3.	Rupa M Modi	6379540	21.50	0.00	637954	21.50	0.00	0.00
	Total	14426745	48.62	48.62	1442674	48.62	0.00	0.00

\* change in number of shares is as a result of consolidation, as explained herein before.

## NETLINK SOLUTIONS (INDIA) LIMITED

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

**(a) Aditya Fincap Private Limited**

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	624	0.00	624	0.00
	Date wise Increase /Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	30 <sup>th</sup> January, 2016: Consolidation of Face Value from Re. 1/- to Rs. 10/-	62	0.00	62	0.00
	At the End of the year	62	0.00	62	0.00

**(b) Minesh V Modi**

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	8046581	27.12	8046581	27.12
	Date wise Increase /Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	30 <sup>th</sup> January, 2016: Consolidation of Face Value from Re. 1/- to Rs. 10/-	804658	27.12	804658	27.12
	At the End of the year	804658	27.12	804658	27.12

**(c) Rupa M Modi**

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	6379540	21.50	6379540	21.50
	Date wise Increase /Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer /bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	30 <sup>th</sup> January, 2016: Consolidation of Face Value from Re. 1/- to Rs. 10/-	637954	21.50	637954	21.50
	At the End of the year	6379540	21.50	6379540	21.50



## NETLINK SOLUTIONS (INDIA) LIMITED

				30-01-2016	Consolidated from Re. 1/- each to Rs. 10/- each		1738	0.06
				19-02-2016	(400)		1338	0.05
				26-02-2016	586		1824	0.06
				04-03-2016	(86)		1738	0.06
				11-03-2016	(500)		1238	0.04
				31-03-2016	-		1238	0.04
2	Mansukh Stock Brokers Limited	149185	0.50	-	-	-	-	-
				24.04.2015	(5000)	Market Sale & Purchase	144185	0.49
				22-05-2015	200		144385	0.49
				05.06.2015	100		144485	0.49
				12-06-2015	310		144795	0.49
				30-06-2015	390		145185	0.49
				03-07-2015	500		145685	0.49
				30-09-2015	(20)		145665	0.49
				09-10-2015	510		146175	0.49
				16-10-2015	20		146195	0.49
				20-11-2015	(20)		146175	0.49
				27-11-2015	(700)		145475	0.49
				31-12-2015	(9000)		136475	0.46
				08-01-2016	(1070)		135405	0.46
				15-01-2016	(500)		134905	0.45
				22-01-2016	(800)		134105	0.45
				29-01-2016	0		134105	0.45
				30-01-2016	Consolidated from Re. 1/- each to Rs. 10/-each		13410	0.45
				12-02-2016	10		13420	0.45
				19-02-2016	10		13430	0.45
				26-02-2016	(11)		13419	0.45
				04-03-2016	(1)	13418	0.45	
				31-03-2016	0	13418	0.45	

## NETLINK SOLUTIONS (INDIA) LIMITED

3	Mukesh Mahesh Taliwal	605000	2.04	-	-	-	60500	2.04
4	Aum Securities Pvt Limited	1577860	5.32	-	-	-	157786	5.32
5	Vivek Raghu Shetty	103294	0.35	-	-	-	10329	0.35
6	Moti Lal Laxkar	165537	0.56	-	-	-	16553	0.56
7	Gunwantiben Amritlal Sanghvi	125000	0.42	-	-	-	12500	0.42
8	Sanjay Amritlal Sanghvi	100000	0.34	-	-	-	10000	0.34
9	Kanahaiya Lal Saraf	199263	0.67	-	-	-	19926	0.67
10	Rohini Chandresh Bhatt	100000	0.34	-	-	-	10000	0.34
11	Amit Viren Sagar#	100000	0.34	-	-	-	10000	0.34

# Not in the list of Top 10 shareholder as on 01-04-2015. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31-03-2016.

### (v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the Year	
		No. of shares at the beginning of the year(1/04/ 2015)	% of total shares of the company				No. of shares end of the year(31/ 03/2016)*	% of total shares of the company
<b>A</b>	<b>DIRECTORS</b>							
1	Minesh Modi	8046581	27.12	-	-	-	804658	27.12
2	Rupa Modi	6379540	21.50	-	-	-	637954	21.50

\* change in number of shares is as a result of consolidation, as explained herein before.

### V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	Nil	Nil	Nil	NA
ii) Interest due but not paid	Nil	Nil	Nil	NA
iii) Interest accrued but not due	Nil	Nil	Nil	NA
<b>Total (i+ii+iii)</b>	Nil	Nil	Nil	NA
<b>Change in Indebtedness during the financial year</b>	Nil	Nil	Nil	NA
• Addition	Nil	Nil	Nil	NA
• Reduction	Nil	Nil	Nil	NA
<b>Net Change</b>	Nil	Nil	Nil	NA
<b>Indebtedness at the end of the financial year</b>	Nil	Nil	Nil	NA
i) Principal Amount	Nil	Nil	Nil	NA
ii) Interest due but not paid	Nil	Nil	Nil	NA
iii) Interest accrued but not due	Nil	Nil	Nil	NA
<b>Total (i+ii+iii)</b>	Nil	Nil	Nil	NA

## NETLINK SOLUTIONS (INDIA) LIMITED

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

Sl.No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Minesh Modi (Whole Time Director)	Rupa Modi (Whole Time Director & CFO)	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6,00,000	6,00,000	12,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - Others, specify...	-	-	-
5.	Others, please specify	-	-	-
	Total (A)	6,00,000	6,00,000	12,00,000
	Ceiling as per the Act	10% of the net profit of the Company calculated as per Section 198 of the Companies, 2013 read with Schedule V of the Companies Act, 2013 (the "Act"). However, members in their general meeting approved the above remuneration in compliance with the chedule V of the Act.		

### B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. Yogesh Girnara	Rajendra Lokare	Premnath Mishra	
B1	Independent Directors				
	● Fee for attending board / committee meetings	Nil	Nil	Nil	NA
	● Commission	Nil	Nil	Nil	NA
	● Others, please specify	Nil	Nil	Nil	NA
	<b>Total (B1)</b>	Nil	Nil	Nil	NA
B2	Other Non-Executive Directors	NA	NA	NA	NA
	● Fee for attending board / committee meetings	NA	NA	NA	NA
	● Commission	NA	NA	NA	NA
	● Others, please specify	NA	NA	NA	NA
	<b>Total (B2)</b>	NA	NA	NA	NA
	Total (B3)=(B1+B2)	Nil	Nil	Nil	NA
	Total Managerial Remuneration	Nil	Nil	Nil	NA
	Overall Ceiling as per the Act	1% of the Net Profit of the Company			

## NETLINK SOLUTIONS (INDIA) LIMITED

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD –  
(There was no CEO in the Company)**

Sl. No	Particulars of Remuneration	Key Managerial Personnel			
		Mr. Abhishek Jain (Company Secretary)@	Mr. Amit Dharmani (Company Secretary)#	Mrs. Rupa Modi (CFO)*	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	22,000	15,000	-	37,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission- as % of profit- others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	22,000	15,000	Nil	37,000

@ Mr. Abhishek Jain was resigned from the Company w.e.f. May 28, 2015

#Mr. Amit Dharmani was appointed Company Secretary of the Company w.e.f. November 6, 2015 and resigned from the Company w.e.f. November 22, 2015

\* Mrs. Rupa Modi is Whole Time Director and CFO and therefore the remuneration details have been provided in Table A herein before.

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

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	Nil	NA	NA	NA	NA
Punishment	Nil	NA	NA	NA	NA
Compounding	Nil	NA	NA	NA	NA
<b>B. DIRECTORS</b>					
Penalty	Nil	NA	NA	NA	NA
Punishment	Nil	NA	NA	NA	NA
Compounding	Nil	NA	NA	NA	NA
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	Nil	NA	NA	NA	NA
Punishment	Nil	NA	NA	NA	NA
Compounding	Nil	NA	NA	NA	NA

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## **NETLINK SOLUTIONS (INDIA) LIMITED**

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### **K. U. KOTHARI & CO. CHARTERED ACCOUNTANTS**

**CA. K. U. KOTHARI**  
B. Com. (Hons), LL.B, F.C.A.

**CA. PRAKASH CHECHANI**  
B. Com., F.C.A., Grad. C.W.A.

A/1-205, LARAM CENTRE,  
S.V. ROAD,  
ANDHERI (WEST),  
MUMBAI-400 058  
Tel: 2620 4773 / 2670 4183  
Email: kukothari@rediffmail.com

### **INDEPENDENT AUDITOR'S REPORT**

#### **TO THE MEMBERS OF NETLINK SOLUTIONS (INDIA) LIMITED**

#### **REPORT ON THE STANDALONE FINANCIAL STATEMENTS**

We have audited the accompanying standalone financial statements of **NETLINK SOLUTIONS (INDIA) LIMITED ("the company")** which comprise the Balance Sheet as at 31<sup>st</sup> March 2016, the statement of Profit & Loss Account, the 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 of these standalone 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from 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.

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

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

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

## **NETLINK SOLUTIONS (INDIA) LIMITED**

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

### **Opinion :**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2016, and its profit and its 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 the 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 on the matters specified in paragraph 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 account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the directors as on 31<sup>st</sup> March 2016, taken on record by the Board of Directors, none of the Directors is disqualified as on 31<sup>st</sup> March, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and 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 Auditors' Report in accordance with the 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 has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
    - iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For K.U. Kothari & Co.**  
**Chartered Accountants**  
**Firm Registration No.: 105310W**

**Prakash Chechani**  
**Partner**  
**Membership No.: 104203**

Place: Mumbai  
Date: 30/05/2016

## **NETLINK SOLUTIONS (INDIA) LIMITED**

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

**The Annexure referred to in our independent Auditor's Report to the Members of NETLINK SOLUTIONS (INDIA) LIMITED, on the standalone financial statement for the year ended 31<sup>st</sup> March, 2016.**

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) As explained to us, the company has a regular programme of physical verification of its fixed assets by which all the fixed assets are verified in a phased manner over a period of three years. In our opinion this periodicity of the physical verification is reasonable having regard to the size of the Company and nature of its assets. 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. The company is engaged in the business of web designing, Print media, exhibition and investment in equity shares. The equity shares have been kept in demat form. The Company does not hold any physical inventories hence this clause of the order is not applicable.
- iii. As per the information and explanations given to us, the company has not granted any loans, secured or unsecured to the companies, firms, Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 hence clause no. iii(a), iii(b) and iii(c) of the order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, there are no loans to directors including entities in which they are interested in respect of which the provisions of section 185 of the Companies Act, 2013 are applicable and hence not commented upon. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Companies Act, 2013 in respect of investments made.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits, in terms of directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- vi. According to the information and explanations given to us, the maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013.
- vii. (a) According to the information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income - tax, sales - tax, service -tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues where ever applicable with the appropriate authorities. There are no undisputed statutory dues which are in arrears, as at 31<sup>st</sup> March, 2016 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute.
- viii. The company has not taken any loan from financial institution, bank, Government or there are no due to debenture holders hence the clause viii of the order is not applicable to the company.

## **NETLINK SOLUTIONS (INDIA) LIMITED**

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- ix. 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. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us the managerial remuneration has been paid for provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review therefore clause (xiv) of the order is not applicable.
- xv. 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. Accordingly, clause (xv) of the Order is not applicable.
- xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

**For K.U. Kothari & Co.**  
**Chartered Accountants**  
**Firm Registration No. : 105310W**

**Prakash Chechani**  
**Partner**  
**Membership No. : 104203**

Place : Mumbai  
Date : 30/05/2016

# **NETLINK SOLUTIONS (INDIA) LIMITED**

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## **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 **NETLINK SOLUTIONS (INDIA) LIMITED ("the Company")** as of 31 March 2016 in conjunction with our audit of financial statements of the Company for the period 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 Control 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

## **NETLINK SOLUTIONS (INDIA) LIMITED**

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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, to the best of our information and according to the explanations given to us, 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.

**For K.U. Kothari & Co.**  
**Chartered Accountants**  
**Firm Registration No.: 105310W**

**Prakash Chechani**  
**Partner**  
**Membership No.: 104203**

Place : Mumbai  
Date : 30/05/2016

## NETLINK SOLUTIONS (INDIA) LIMITED

### BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2016

(₹)

Particulars	Note No.		AS AT 31.03.2016		AS AT 31.03.2015
<b>I. EQUITY AND LIABILITIES</b>					
<b>(1) Shareholder's Funds</b>					
(a) Share Capital	2	29,670,000		29,670,000	
(b) Reserves and Surplus	3	62,680,534	92,350,534	60,365,485	90,035,485
<b>(2) Share application money pending allotment</b>					
			-		-
<b>(3) Non-Current Liabilities</b>					
(a) Long-term borrowings		-		-	
(b) Deferred tax liabilities (Net)	4	-		-	
(c) Other Long term liabilities	5	2,228,900		2,228,900	
(d) Long term provisions		-	2,228,900	-	2,228,900
<b>(4) Current Liabilities</b>					
(a) Short-term borrowings		-		-	
(b) Trade payables	6	221,189		103,393	
(c) Other current liabilities	7	1,597,459		395,078	
(d) Short-term provisions	8	2,795,350		2,597,671	
<b>Total</b>			<b>99,193,432</b>		<b>95,360,527</b>
<b>II. Assets</b>					
<b>(1) Non-current assets</b>					
(a) Fixed assets					
(i) Tangible assets	9	936,426		1,215,309	
(ii) Intangible assets		-		-	
(iii) Capital work-in-progress		-		-	
(iv) Intangible assets under development		-		-	
		936,426		1,215,309	
(b) Non-current investments	10	76,081,231		80,773,363	
(c) Deferred tax assets (net)	11	3,156,744		2,957,613	
(d) Long term loans and advances		-		-	
(e) Other non-current assets	12	4,231,227	84,405,628	4,031,227	88,977,512
<b>(2) Current assets</b>					
(a) Current investments		-		-	
(b) Inventories		-		-	
(c) Trade receivables	13	3,317,995		2,234,643	
(d) Cash and cash equivalents	14	7,886,327		1,481,388	
(e) Short-term loans and advances		-		-	
(f) Other current assets	15	3,583,482	14,787,804	2,666,984	6,383,016
<b>Total</b>			<b>99,193,432</b>		<b>95,360,527</b>
Notes on Financial Statements	<b>1 to 31</b>				

As per our report of even date

For K. U. Kothari & Co.  
Chartered Accountants  
Firm Reg. No : 105310W

Prakash Chechani  
(Partner)

Place : Mumbai  
Date : 30/05/2016

For and on Behalf of the Board of Directors

**Minesh Modi**  
(Whole Time Director)

**Rupa M. Modi**  
(Executive Director & CFO)

## NETLINK SOLUTIONS (INDIA) LIMITED

### PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

(₹)

Particulars	Note No.	AS AT 31.03.2016	AS AT 31.03.2015
I. Revenue from operations	16	15,145,060	3,571,473
II. Other Income	17	4,963,690	16,809,682
<b>Total Revenue</b>		<b>20,108,750</b>	<b>20,381,155</b>
IV. Expenses:			
Cost of materials consumed	18	11,767,618	1,172,595
Purchase of Stock-in-Trade		-	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		-	-
Employee benefit expense	19	3,073,796	2,968,249
Financial costs		-	-
Depreciation and amortization expense	20	365,468	702,078
Other expenses	21	2,509,548	2,435,104
<b>Total Expenses</b>		<b>17,716,430</b>	<b>7,278,027</b>
V. Profit before exceptional and extraordinary items and tax		2,392,319	13,103,128
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax		2,392,319	13,103,128
VIII. Extraordinary Items		-	-
IX. Profit before tax		<b>2,392,319</b>	<b>13,103,128</b>
X. Tax expense :			
(1) Current tax		252,513	2,411,562
(2) Short Provision for Tax		23,888	7,355
(3) Deferred tax Liability/(Assets)		(199,131)	(3,022,395)
XI. Profit(Loss) from the period from continuing operations		<b>2,315,049</b>	<b>13,706,606</b>
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV. Profit/(Loss) for the period		<b>2,315,049</b>	<b>13,706,606</b>
XVI. Earning per equity share :			
(1) Basic **		0.780	4.620
(2) Diluted **		0.780	4.620
** The EPS as on 31st March 2015 has also been given based on consolidation of the face value of its equity shares from Re 1/each to Rs 10/ each during the year.			
Notes on Financial Statements	1 to 31		

As per our report of even date

For K. U. Kothari & Co.  
Chartered Accountants  
Firm Reg. No : 105310W

Prakash Chechani  
(Partner)

Place : Mumbai  
Date : 30/05/2016

For and on Behalf of the Board of Directors

**Minesh Modi**  
(Whole Time Director)

**Rupa M. Modi**  
(Executive Director & CFO)

## NETLINK SOLUTIONS (INDIA) LIMITED

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

(₹)

Particulars	YEAR ENDED	
	31.03.2016	31.03.2015
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and Extraordinary Items	2,392,319	13,103,128
<b>Adjustments for :</b>		
Profit on sale of Investments	(3,806,821)	(15,127,661)
Amortisation of Expenses	-	-
Depreciation	365,468	702,078
Dividend & Interest Received	(1,091,730)	(1,682,021)
<b>Operating Profit before working capital changes</b>	<u>(2,140,764)</u>	<u>(3,004,476)</u>
Adjustments for :		
Trade & other Receivables	(1,543,764)	(1,621,005)
Trade payables & Liabilities	1,276,454	2,800,713
<b>Cash generated from operations</b>	<u>(2,408,074)</u>	<u>(1,824,768)</u>
Direct taxes paid	691,085	4,908,934
<b>Cash flow before extraordinary items</b>	(3,099,159)	(6,733,702)
<b>NET CASH (USED IN) / FROM OPERATING ACTIVITIES</b>	<u>(3,099,159)</u>	<u>(6,733,702)</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Addition to Fixed Assets(net)	(86,585)	-
Preliminary expenses	-	-
Dividend & Interest Received	1,091,730	1,682,021
Purchase of Investments (Net)	(8,498,953)	(5,558,039)
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<u>9,504,098</u>	<u>7,240,060</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Issue of Share Capital (net of issue expenses)	-	-
Dividend paid	-	-
Tax on Dividend Paid	-	-
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<u>-</u>	<u>-</u>
<b>NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>	<u>6,404,939</u>	<u>506,358</u>
Cash & Cash equivalents - Opening Balance	1,481,388	975,030
Cash & Cash equivalents - Closing Balance	<u>7,886,327</u>	<u>1,481,388</u>
<b>NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>	<u>6,404,939</u>	<u>506,358</u>

As per our report of even date

For K. U. Kothari & Co.  
Chartered Accountants  
Firm Reg. No : 105310W

Prakash Chechani  
(Partner)

Place : Mumbai  
Date : 30/05/2016

For and on Behalf of the Board of Directors

**Minesh Modi**  
(Whole Time Director)

**Rupa M. Modi**  
(Executive Director & CFO)

# NETLINK SOLUTIONS (INDIA) LIMITED

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## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

### 1 SIGNIFICANT ACCOUNTING POLICIES

**a) Basis of Preparation of Financial Statements**

The financial statements are prepared on the historical cost convention basis in accordance with the generally accepted accounting principles and the Accounting Standards referred to in the Companies Act, 2013

**b) Revenue Recognition**

Income and Expenditure are recognized and accounted on accrual basis.

**c) Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenue and expenses during the reporting period. Examples of such estimates include estimate of useful life of fixed assets.

Actual result could differ from estimates.

**d) Investments**

Investments are valued at cost

**e) Depreciation**

Depreciation is provided on Straight Line Method as per the useful life prescribed in schedule II to the Companies Act, 2013.

**f) Fixed Assets**

Fixed assets are stated at cost less depreciation. Cost includes taxes and duties

**g) Foreign Currency**

Transaction in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currency are translated at the rates of exchange likely to be realised from the resultant gain or loss is recognised in the Profit and Loss account to sales account.

**h) Direct Taxes**

Provision for Current Tax is made and retained in the accounts on the basis of tax liability as per the applicable provisions of the Income Tax Act, 1961. Deferred tax for timing differences between tax profits and book profits is accounted for using the tax rates and laws that have been enacted or substantially enacted as of the Balance Sheet date.

l) The deferred tax liability /Asset has been accounted by using the tax rates announced in the Finance Bill, 2005 in accordance with Accounting Standard 22 issued by The Institute of Chartered accountant of India.

## NETLINK SOLUTIONS (INDIA) LIMITED

### NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

(₹)

			AS AT 31.03.2016		AS AT 31.03.2015
2	<b>SHARES CAPITAL</b>				
	<b>AUTHORISED SHARES CAPITAL</b>				
	10,00,00,000 Equity Shares of Re.1/- (P Y 10,00,00,000 Equity Shares of Re 1/-		10,00,00,000		10,00,00,000
	<b>Total</b>		<b>10,00,00,000</b>		<b>10,00,00,000</b>
	<b>ISSUED, SUBSCRIBED AND PAID UP</b>				
	29,67,000 Equity Shares of Rs.10/- each fully paid up (P Y 2,96,70,000 Equity Shares of Re.1/- each fully paid up)		29,670,000		29,670,000
	<b>Total</b>		<b>29,670,000</b>		<b>29,670,000</b>
	<b>Additional information :</b>				
a)	Terms/rights attached to equity Shares :				
	The Company has only one class of Share capital i.e. equity shares having face value of Rs 10/ per share Each holder of equity shares is entitled to one vote per share.				
	The company has consolidated the face value of its equity shares from Re 1/ each to Rs 10/ each during the year				
b)	Shareholders holding more than 5% of equity shares as at the end of the year :				
		As at 31-03-2016		As at 31-03-2015	
	Name of the shareholders	Number of shares	Shareholding %	Number of shares	Shareholding %
	MINESH MODI	804658	27.12	** 804658	27.12
	RUPA MODI	637954	21.50	** 637954	21.50
	AUM SECURITIES PRIVATE LIMITED	157786	5.32	** 157786	5.32
	** The Number of shares have been given based on consolidation of the face value of its equity shares from Re 1/ each to Rs 10/ each during the year.				
	(₹)				
3	<b>RESERVES &amp; SURPLUS</b>		AS AT 31.03.2016		AS AT 31.03.2015
	General Reserve				
	As per last year balance sheet	1,179,808		1,179,808	
	Add: Transferred during the year	-	1,179,808	-	1,179,808
	Profit and Loss Account- Balance				
	As per last year balance sheet	59,185,677		45,727,121	
	Add: Profit / (Loss) During the year	2,315,049		13,706,606	
	Less: Depreciation written off **	-	61,500,726	248,050	59,185,677
	<b>Total</b>		<b>62,680,534</b>		<b>60,365,485</b>
	(₹)				
4	<b>DEFERRED TAX LAIBILITY (NET)</b>		AS AT 31.03.2016		AS AT 31.03.2015
	RELATED TO FIXED ASSETS		-		-
	RELATED TO PRELIMINARY		-		-
	<b>Total</b>		<b>-</b>		<b>-</b>

## NETLINK SOLUTIONS (INDIA) LIMITED

### NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

(₹)

5	<b><u>OTHER LONG TERM LIABILITIES</u></b>	<b>AS AT 31.03.2016</b>	<b>AS AT 31.03.2015</b>
	CREDITORS FOR CAPITAL EXPENDITURE	2,228,900	2,228,900
	<b>Total</b>	<b>2,228,900</b>	<b>2,228,900</b>

(₹)

6	<b><u>TRADE PAYABLE</u></b>	<b>AS AT 31.03.2016</b>	<b>AS AT 31.03.2015</b>
	TRADE CREDITORS	221,189	103,393
	<b>Total</b>	<b>221,189</b>	<b>103,393</b>

(₹)

7	<b><u>OTHER CURRENT LIABILITIES</u></b>	<b>AS AT 31.03.2016</b>	<b>AS AT 31.03.2015</b>
	CREDITORS FOR EXPENSES & OTHER PAYABLE	1,379,024	310,666
	ADVANCE FROM CUSTOMERS	218,435	84,412
	<b>Total</b>	<b>1,597,459</b>	<b>395,078</b>

(₹)

8	<b><u>SHORT TERM PROVISIONS</u></b>	<b>AS AT 31.03.2016</b>	<b>AS AT 31.03.2015</b>
	Other Provisions	131,275	174,998
	Provision For Income Tax	2,664,075	2,422,673
	<b>Total</b>	<b>2,795,350</b>	<b>2,597,671</b>

## NETLINK SOLUTIONS (INDIA) LIMITED

### NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

#### 9 FIXED ASSETS

(₹)

Name of Asset	Gross Block				Depreciation				Net Block	
	As on 01.04.15	Additions	Deduction Adjust- ments	As on 31.03.16	As on 01.04.15	For the Year	Deduction Adjustments Year	As on 31.03.16	As at 31.03.16	As at 31.03.15
Computers	951,117	-	-	951,117	900,468	2,676	-	903,144	47,973	50,649
Office Equipments	30,550	86,585	-	117,135	29,023	10,142	-	39,165	77,970	1,527
Air conditioner	258,504	-	-	258,504	197,783	11,291	-	209,074	49,430	60,721
Furniture & Fixtures	293,594	-	-	293,594	278,914	-	-	278,914	14,680	14,680
Motor Car	3,611,170	-	-	3,611,170	2,523,438	341,359	-	2,864,797	746,373	1,087,732
<b>TOTAL</b>	<b>5,144,935</b>	<b>86,585</b>	<b>-</b>	<b>5,231,520</b>	<b>3,929,626</b>	<b>365,468</b>	<b>-</b>	<b>4,295,094</b>	<b>936,426</b>	<b>1,215,309</b>
Previous Year	5,144,935	-	-	5,144,935	2,979,498	702,078	248,050	3,929,626	1,215,309	2,165,437

## NETLINK SOLUTIONS (INDIA) LIMITED

### NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

10	<b>NON CURRENT INVESTMENTS</b>				
A	<b>Traded Non Current Investments (Quoted &amp; Fully paid Equity Shares) at Cost</b>				
(₹)					
Name of the Company	As at 31.03.16 Quantity	As at 31.03.16 Rs.	As at 31.03.15 Quantity	As at 31.03.15 Rs.	
ADITYA BIRLA NUVO LTD	500	847,338	500	854,775	
ADITYA BIRLA FASHION AND RETAIL LTD	2,600	7,437	-	-	
BALMER LAWRIE & CO LTD	-	-	2,000	1,178,882	
BHARAT PETROLEUM CORPORATION LTD	-	-	1,500	838,586	
CENTUM ELECTRONICS LIMITED	2,000	1,345,870	-	-	
CLARIANT CHEMICAL (INDIA) LTD	3,789	2,290,829	3,657	2,617,424	
CROMPTON GREAVES CONSUMER ELECTRICALS LTD	27,360	1	-	-	
CROMPTON GREAVES LTD	27,360	4,068,712	17,360	3,220,389	
DEWAN HOUSING FINANCE CORPORATION LTD	5,000	909,750	-	-	
FEDERAL BANK LTD	-	-	10,000	854,087	
GOLDMANSACHS MUTUAL FUND-CPSE ETF	90,000	2,237,566	90,000	2,237,566	
HDFC BANK LTD	5,700	5,435,213	5,000	4,724,720	
HERO MOTOCORPLTD	250	751,375	250	751,375	
HINDUSTAN PETROLEUM CORPORATION LTD	-	-	1,500	591,591	
HOUSING DEVELOPMENT FINANCE CORP LTD	850	966,179	850	966,179	
ICICI BANK LTD	3,000	816,967	10,000	3,494,975	
IDFC BANK LTD	20,000	1,257,111	-	-	
IDFC LTD	20,000	1,931,907	6,000	949,050	
RATTANINDIA POWER LTD (INDIA BULLS POWER LTD)	126,300	1,404,038	176,300	2,026,242	
INFOSYS LTD	1,000	1,016,524	1,000	2,033,045	
THE KARUR VYSYA BANK LTD	13,770	6,336,112	11,300	5,291,069	
LIC HOUSING FINANCE LTD	3,750	1,479,675	-	-	
MAHINDRA LIFESPACE DEVELOPERS LTD	-	-	75	39,790	
MAHINDRA HOLIDAYS & RESORTS INDIA LTD	5,100	1,389,439	2,500	669,395	
MAHINDRA & MAHINDRA LTD	600	745,716	600	745,716	
M.P. POLYPROPYLENE LTD	176,598	865,633	224,522	1,110,050	
(AIKYAM INTELLECTUAL PROPERTY CONSULTANCY LTD)					
MULTI COMMODITY EXCHANGE OF INDIA LTD	-	-	2,000	1,152,417	
ONGC LTD	-	-	500	170,820	
ORICON ENTERPRISES LIMITED	10,000	690,575	-	-	
POWER GRID CORPLTD	10,000	1,395,043	10,000	1,395,043	
PRAJ INDUSTRIES LTD	20,000	1,504,200	-	-	
PTC INDIA FINANCIAL SERVICES LTD	88,001	1,249,321	120,001	1,698,929	
PTC INDIA LTD	23,000	2,177,279	23,000	2,177,279	
RANE (MADRAS) LTD	-	-	24,186	5,533,450	
RELIANCE INFRASTRUCTURE LTD	6,000	2,777,490	-	-	
SKS MICROFINANCE LTD	4,000	1,668,680	-	-	
STRIDES ARCOLAB LTD	-	-	3,300	1,196,621	
SYNCOM HEALTHCARE LTD	40,000	596,027	-	-	
TAKE SOLUTIONS PVT LTD	5,000	1,030,564	-	-	
TD POWER SYSTEMS LTD	3,000	796,140	5,000	2,103,150	
TECHNOFAB ENGINEERING LTD	-	-	4,510	938,603	
TV 18 BROADCAST LTD	-	-	30,000	920,164	
VIMITALABS LIMITED	-	-	18,000	1,191,955	
UNITED SPIRITS LTD	-	-	275	1,007,507	
<b>Total Traded Investments (A)</b>	<b>744,528</b>	<b>49,988,711</b>	<b>805,686</b>	<b>54,680,843</b>	

Market Value of Traded quoted investments ₹ 4,79,56,221/- (Previous Year Rs 6,84,69,881/-)

## NETLINK SOLUTIONS (INDIA) LIMITED

### NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

(₹)

B	<b>Other Investments</b>	AS AT 31.03.2016		AS AT 31.03.2015	
	Joint share in Trust (Business Excellence Trust)	-	-	-	-
	Office Premises 302	-	7,752,440	-	7,752,440
	Office Premises 304	-	6,421,450	-	6,421,450
	Office Premises 404	-	6,985,140	-	6,985,140
	Office Premises 405	-	4,933,490	-	4,933,490
	<b>Total other Investments (B)</b>	-	26,092,520	-	26,092,520
	<b>Total (A+B)</b>	744,528	76,081,231	805,686	80,773,363

(₹)

11	<b>DEFERRED TAX ASSETS</b>	AS AT 31.03.2016		AS AT 31.03.2015	
	RELATED TO FIXED ASSETS		123,560		83,041
	RELATED TO PRELIMINARY		-	32,012	
	RELATED TO CARRIED FORWARD LOSSES		3,033,184		2,842,560
	<b>Total</b>		<b>3,156,744</b>		<b>2,957,613</b>

(₹)

12	<b>OTHER NON CURRENT ASSETS</b>	AS AT 31.03.2016		AS AT 31.03.2015	
	Lease Deposits		4,000,000		4,000,000
	Other Deposits		231,227		31,227
	<b>Total</b>		<b>4,231,227</b>		<b>4,031,227</b>

(₹)

13	<b>TRADE RECEIVABLES</b>	AS AT 31.03.2016		AS AT 31.03.2015	
	Over six months	694,046		286,200	
	Others	2,623,949	3,317,995	1,948,443	2,234,643
	<b>Total</b>		<b>3,317,995</b>	Total	<b>2,234,643</b>

(₹)

14	<b>CASH &amp; CASH EQUIVALENTS</b>	AS AT 31.03.2016		AS AT 31.03.2015	
	Cash on Hand		61,101		52,247
	<b>Bank balance with schedule Banks</b>				
	On Current Account		7,732,831		1,343,454
	On Deposit Account		92,395		85,687
	<b>Total</b>		<b>7,886,327</b>		<b>1,481,388</b>

## NETLINK SOLUTIONS (INDIA) LIMITED

### NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

(₹)

15	<b>OTHER CURRENT ASSETS</b>	<b>AS AT 31.03.2016</b>	<b>AS AT 31.03.2015</b>
	Advance Income Tax & Tds	3,300,622	2,644,536
	Other Advances	282,860	22,448
	<b>Total</b>	<b>3,583,482</b>	<b>2,666,984</b>

(₹)

16	<b>REVENUE FROM OPERATIONS</b>	<b>AS AT 31.03.2016</b>	<b>AS AT 31.03.2015</b>
	Advertisement Income	1,752,777	2,856,338
	Exhibition Income	12,728,864	-
	Google Income	62,905	21,654
	Subscription Income	10,000	8,530
	Website & Internet Promotion	590,514	684,950
	<b>Total</b>	<b>15,145,060</b>	<b>3,571,473</b>

(₹)

17	<b>OTHER INCOME</b>	<b>AS AT 31.03.2016</b>	<b>AS AT 31.03.2015</b>
	Discount	60,000	-
	Dividend from Current & Non Current investment	1,067,142	1,510,308
	Interest on Current Investment	22,948	121,717
	Others Interest	1,640	49,996
	Speculation P&L	(2,935)	(18,682)
	Bonus shares	3	-
	F & O PROFIT	5,136	-
	<b>Net Gain &amp; Loss on Sale of Investment</b>		
	From Long term Investment (Fund units)	-	16,378,404
	From Long term Investment (Equity shares)	4,922,874	12,811,519
	From Current Investment	(1,113,117)	(14,043,580)
	<b>Total</b>	<b>4,963,690</b>	<b>16,809,682</b>

(₹)

18	<b>COST OF MATERIAL CONSUMED &amp; DIRECT EXPS</b>	<b>AS AT 31.03.2016</b>	<b>AS AT 31.03.2015</b>
	Paper Consumption	307,867	402,575
	Packing Material	18,716	-
	EXHIBITION EXPS	10,630,639	-
	Job Charges	516,149	519,446
	Website Expense	294,247	250,575
	<b>Total</b>	<b>11,767,618</b>	<b>1,172,595</b>

## NETLINK SOLUTIONS (INDIA) LIMITED

### NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

		(₹)	
19	<b><u>EMPLOYEE BENEFIT EXPENSES</u></b>	<b>AS AT 31.03.2016</b>	<b>AS AT 31.03.2015</b>
	Salary	1,873,796	1,768,249
	Directors Remuneration	1,200,000	1,200,000
	<b>Total</b>	<b>3,073,796</b>	<b>2,968,249</b>

		(₹)	
20	<b><u>DEPRECIATION AND AMORTIZATION EXPENSES</u></b>	<b>AS AT 31.03.2016</b>	<b>AS AT 31.03.2015</b>
	Depreciation	365,468	702,078
	<b>Total</b>	<b>365,468</b>	<b>702,078</b>

		(₹)	
21	<b><u>OTHER EXPENSES</u></b>	<b>AS AT 31.03.2016</b>	<b>AS AT 31.03.2015</b>
	Advertisement Expenses	81698	62022
	Bank charges	2707	2408
	Business Promotion Expense	-	62720
	Bad debts	36000	-
	Conference Expense	-	200045
	Computer Exps	6363	-
	Commission	130000	600000
	Donation	76000	-
	Discount/Rate Difference	-	15360
	Electricity Expenses	61000	73930
	Insurance	40362	37926
	Interest paid	10351	-
	Internet Expenses	18825	21868
	Listing & Other Fees	420765	164808
	Misc /Office Expense	64913	46736
	Motor Car Expenses	243435	98209
	Municipal Taxes & Society Charges	330493	38944
	Payment to Auditors	200000	199990
	Postage & Courier Expense	111395	215110
	Printing & Stationery	5,416	47470
	Professional Fees	328817	153308
	Repair & Maintenance	11940	34272
	Share Dealing Expenses & Demate Charge	144691	197070
	Swach Bharat service tax	35697	-
	Staff welfare	48772	30095
	Telephone Expense	36319	30113
	Travelling & Conveyance Expenses	63588	102699
	<b>Total</b>	<b>2,509,548</b>	<b>2,435,104</b>

## NETLINK SOLUTIONS (INDIA) LIMITED

### NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

22) **Contingent liabilities not provides for :**

Income tax demand & disputes pending before appellate authorities Rs. Nil  
(Previous Year Rs. Nil-)

23) Related party disclosures (as identified by the Management) as required by Accounting Standard 18 are given below:

a) Names of related parties and description of relationship.

(i) Key Management Personnel & their relatives

- |     |                    |                          |
|-----|--------------------|--------------------------|
| (1) | Mr. Minesh V. Modi | Whole time Director      |
| (2) | Mrs. Rupa M. Modi  | Executive Director & CFO |

(ii) Relative of Key Management Personnel :- Nil

(iii) Other related parties where common control exists

- (1) Aditya Fincap Private Limited.

b) Related party transactions.

Nature of Transaction	Key Management Personnel ₹	Relative of Key Management Personnel ₹	Other related party with common control ₹
Lease Deposit	40,00,000 (P. Y. 40,00,000/-)	Nil (P. Y. Nil)	Nil (P. Y. Nil)
Director' Remuneration	12,00,000/- (P. Y. 12,00,000/-)	Nil (P. Y. Nil)	Nil (P. Y. Nil)

24) **Earning per share :**

	2015-16 (₹)	2014-15 (₹)
Profit after tax (Numerator used for calculation)	2315049	13706606
Weighted Avg. No. of shares (Denominator used for calculation)	2967000	2967000
Basic & diluted earning per share	0.780	4.620

## NETLINK SOLUTIONS (INDIA) LIMITED

25) **Segment Reporting :**

a) Information about Business Segment (for the year 2015-16) :

(₹ In lakhs)

Particulars	Software Development	Info Media	Treasury	Total
<b>REVENUE</b>				
Total Revenue	6.53	144.92	49.04	200.49
<b>RESULTS</b>				
Profit / (loss) before tax	(1.86)	14.25	45.23	57.62
Less: Unallocated Exp.				33.70
Total Profit before Tax				23.92
Provision for Tax				
Current				2.53
Deferred				(1.99)
Short provision for tax				0.24
Profit for the year After Tax				23.15
<b>OTHER INFORMATION</b>				
Capital Employed (Segment Asset-Segment Liabilities)	1.28	43.67	793.1	838.05
Unallocated				85.46
Total				923.51

b) Information about Business Segments (for the year 2014-15) :

(₹ In lakhs)

Particulars	Software Development	Info Media	Treasury	Total
<b>REVENUE</b>				
Total Revenue	7.07	28.65	168.10	203.82
<b>RESULTS</b>				
Profit / (loss) before tax	(0.77)	2.61	159.68	161.52
Less: Unallocated Exp.				30.48
Total Profit before Tax				131.04
Provision for Tax				
Current				24.12
Deferred				(30.22)
Short provision for tax				0.07
Profit for the year After Tax				137.07
<b>OTHER INFORMATION</b>				
Capital Employed (Segment Asset-Segment Liabilities)	1.79	6.89	809.63	818.31
Unallocated				82.04
Total				900.35

Geographical Segment :

The company operates in a single Geographical Segment, as all the establishments of the company are located in India only.

## NETLINK SOLUTIONS (INDIA) LIMITED

26) Additional Information pursuant to para 3, and 4D of part II or Schedule VI the Companies Act 1956 :

(i) Quantitative Details :	Current Year		Previous Year	
	Qty	₹	Qty	₹
<b>Finished Goods (Magazines)</b>				
Manufactured				
Magazines & Show Directory	9000	-	12000	-
Sale				
Magazines & Show Directory (Sale qty includes magazine distributed free of cost)	9000	10000	12000	8530
<b>(ii) Consumption of Raw materials (all Indigenous)</b>				
<b>Paper</b>				
ART Card (Magazine)	3000 (Sheet)	30357	3900 (Sheet)	41427
Art Paper (Magazine)	140.50 (Rms)	277510	168.50 (Rms)	361148
Total (For Magazine)		<u><u>307867</u></u>		<u><u>402575</u></u>

27) <b>Earning in foreign Exchange :</b>	<b>2015-16</b>	<b>2014-15</b>
Website & Internet Promotion	62905	21654
Advertisement Income	-	156124

28) <b>Expenditure in foreign Exchange :</b>		
Website & internet Exp.	294247	250575

29) None of the directors and/or employees are receiving salary either for part of the year or for the full year in excess of limit prescribed u/s. 217 (2A) of the Companies Act.

Mr. Minesh Modi	Whole time director	600,000
Mrs. Rupa Modi	Executive Director & CFO	600,000

30) Auditors Remuneration includes :	<b>2015-16</b>	<b>2014-15</b>
Statutory Audit Fees	150000	150000
Tax Audit	25000	-
Tax Matters	25000	25000
Service Tax	29000	24990
	<u><u>229000</u></u>	<u><u>199990</u></u>

31) The figures for the previous year have been regrouped, rearranged, wherever necessary, so as to make them comparable with those for the current year.

As per our report of even date

**For K. U. Kothari & Co.**

Chartered Accountants

FRN No. 105310W

**For and on behalf of the Board**

**PRAKASH CHECHANI**

(Partner)

Membership No. 104203

Place : Mumbai

Date : 30/05/2016

**Minesh Modi**

(Whole Time Director)

Din No. : 00378378

**Rupa M. Modi**

(Executive Director & CFO)

Din No. : 00378383

## NETLINK SOLUTIONS (INDIA) LIMITED

Regd. Office: 507, Laxmiplaza, Laxmi Industrial Estate, Newlink Road, Andheri (W), Mumbai – 400053

Tel.: 022-26335583,26335584,26371422,26371522;

Email: [netlink@easy2source.com](mailto:netlink@easy2source.com); web site: [www.nsil.co.in](http://www.nsil.co.in); CIN: L45200MH1984PLC034789

### ATTENDANCE SLIP

D.P. Id*	
Client Id*	

Regd. Folio No.	
No. of Share(s) held	

NAME AND ADDRESS OF THE SHAREHOLDER :

I/We hereby record my/our presence at the THIRTY-FIRST ANNUAL GENERAL MEETING of the Company held on Friday, the 30th of September, 2016 at 10.00 A.M. at 507, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai – 400053, Maharashtra.

Name of the member/Representative/Proxy : \_\_\_\_\_

Signature of the member/Representative/Proxy: \_\_\_\_\_

\*Applicable for investors holding shares in electronic form.

Note : Please fill Attendance Slip and hand it over at the entrance of the meeting hall.

Only the Member/Proxy holder can attend the meeting.

## NETLINK SOLUTIONS (INDIA) LIMITED

507, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri - West, Mumbai-400053

T: + 91 22 26335583F:+ 9122 26371746

CIN:L45200MH1984PLC034789

Email: netlink@easy2source.com - Website: www.nsil.co.in

### PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies  
(Management and Administration) Rules, 2014]

#### Form No. MGT-11

CIN:	L45200MH1984PLC034789
Name of the Company:	NETLINK SOLUTIONS (INDIA) LIMITED
Registered office:	507, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri - West, Mumbai-400053
Name of the Member(s):	
Registered Address:	
E-mail id:	
Folio No./Client Id:	
DP ID	

I/We, being the member (s) of Netlink Solutions (India) Limited holding ..... Shares of the Company, hereby appoint:

1. Name: \_\_\_\_\_ Email Id: \_\_\_\_\_  
Address : \_\_\_\_\_  
or failing him / her \_\_\_\_\_ Signature: \_\_\_\_\_
2. Name: \_\_\_\_\_ Email Id: \_\_\_\_\_  
Address : \_\_\_\_\_  
or failing him / her \_\_\_\_\_ Signature: \_\_\_\_\_
3. Name: \_\_\_\_\_ Email Id: \_\_\_\_\_  
Address : \_\_\_\_\_  
or failing him / her \_\_\_\_\_ Signature: \_\_\_\_\_

as my /our proxy to attend and vote (on a poll) for me /us and on my /our behalf at the THIRTY FIRST ANNUAL GENERAL MEETING of the Company to be held at 507, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri - West, Mumbai-400053 on Friday, the 30<sup>th</sup> September, 2016 at 10:00A.M. and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution No.	Resolutions	Vote (optional see Note 2) (Please mention no. of shares)		
		For	Against	Abstain
<b>ORDINARY BUSINESS</b>				
1	To receive, consider and adopt the Audited Financial Statements for the Financial Year ended 31st March, 2016			
2	To appoint a Director in place of Mrs. Rupa Modi who retires by rotation and being eligible, offers herself for re-appointment.			
3	To ratify the appointment of M/s. K U Kothari & Co., Chartered Accountants (ICAI Firm Registration Number 105310W) and fix their remuneration.			

Signed this .....day of .....2016.

Signature of the Member: .....

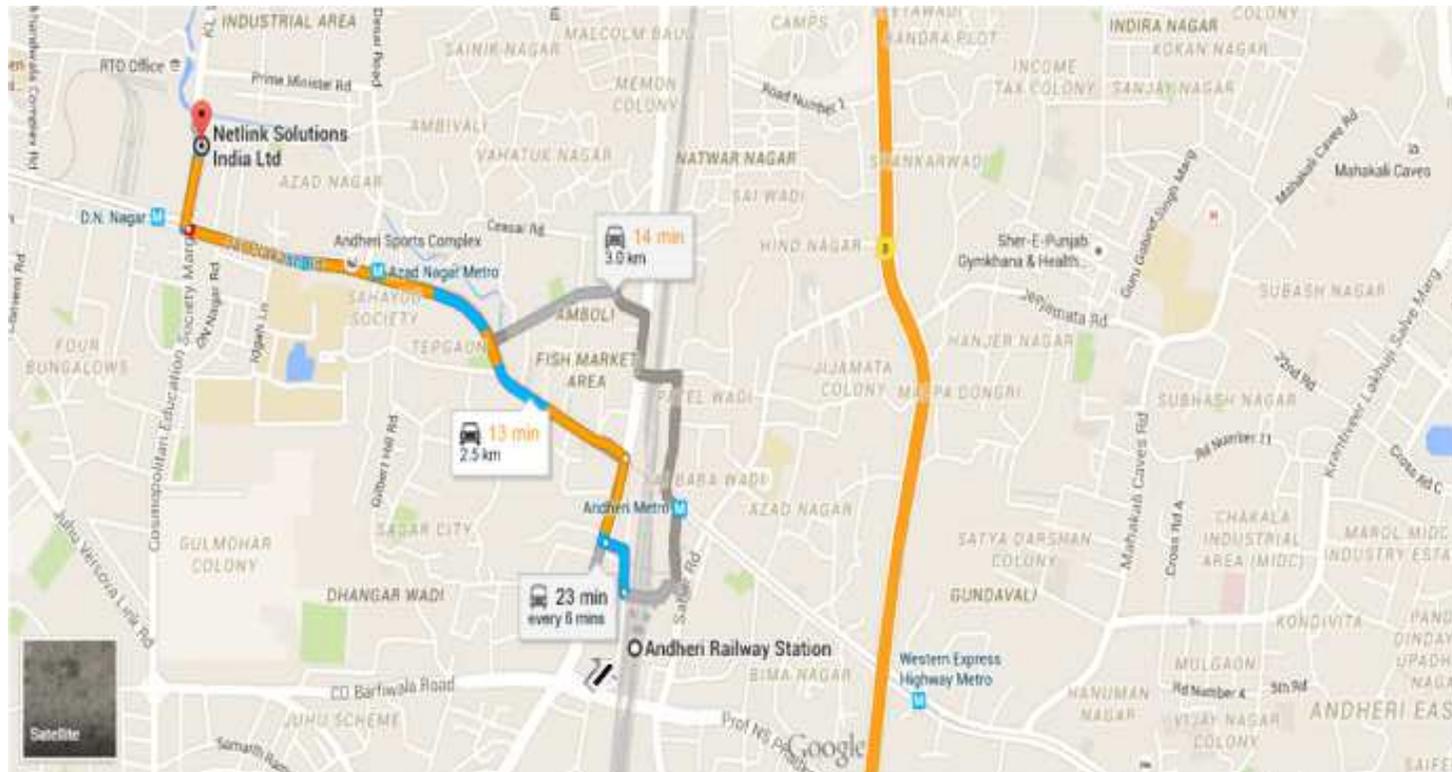
Signature of Proxy holder(s): .....

Affix Revenue Stamp
---------------------------

**Notes:**

1. This form of proxy in order to be effective should be duly stamped, completed, signed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting;
2. It is optional to indicate your preference. If you leave the 'for', 'against' or 'abstain' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

## NETLINK SOLUTIONS (INDIA) LIMITED



**Netlink Solutions (India) Limited**

507, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai – 400053



Andheri Station

TO,

If undelivered, please return to:

**NETLINK SOLUTIONS (INDIA) LIMITED**

507, Laxmi Plaza, Laxmi Industrial Estate,

New Link Road, Andheri (W),

Mumbai – 400 053.