

*18<sup>th</sup> Annual Report*  
*2011-12*





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**Board of Directors:**

1. BSN Suryanarayana
2. B. Divyesh Nihar
3. P.J. Sudhakar
4. Jagadeeswara Rao Reddi

Managing Director  
Whole time Director  
Director  
Director

**Registered Office:**

"Nihar House", Plot No:34  
Ganesh Nagar,  
West Marredpally,  
Secunderabad-500026.

**Banker:**

Axis Bank  
West Marredpally  
Secunderabad-500026

**Auditors:**

M/s. C.Ramachandram & Co,  
Chartered Accountants  
Lingapur LA Builde Complex,  
Himayat Nagar, Hyderabad-500029.

**Share Transfer Agents:**

Aarthi Consultants Pvt Limited,  
1-2-285, Dhomulguda,  
Hyderabad-500029.

## **Notice of the 18<sup>th</sup> Annual General Meeting**

Notice is hereby given that the 18<sup>th</sup> Annual General Meeting of Nihar Info Global Limited will be held on 29<sup>th</sup> September, 2012 on Saturday at Hotel Time Square, Near Clock Tower, Secunderabad-500 003 at 3.30 p.m. to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet of the Company as on 31<sup>st</sup> March, 2012 and the Profit and Loss Account for the year ended on that date together with the Directors' Report and Auditors' Report thereon.
2. To reappoint Mr. Joseph Sudhakar Pitta who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Managing Director , Mr. BSN Suryanarayana who retires by rotation and being eligible offers himself for re-appointment for a term of 5 years with effect from 12<sup>th</sup> August 2012 to 12<sup>th</sup> August 2017.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting on such remuneration as may be decided by the Board of Directors. M/s C. Ramachandram & Co., Chartered Accountants, retiring auditors of the company , being eligible, offer themselves for re-appointment.

By the Board of Director

Place : Secunderabad.  
Date : 30-08-2012

(Sd/-)  
BSN Suryanarayana  
(Managing Director)

### **Notes:**

- 1) A member of the company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company. However, the proxy form, in order to be effective, must be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.
- 2) The Register of Members and Share transfer Books will be closed from 25<sup>th</sup> September, 2012 to 29<sup>th</sup> September, 2012 **(Both Dates Inclusive)**.
- 3) The Members are requested to notify any change in their addresses to the Company's Registrar and Share transfer agents, Aarthi Consultants Private Limited, 1-2-285, Domulguda, Hyderabad-500029.
- 4) Members/Proxies are requested to bring Annual Reports along with the attendance slips filled in for attending the meeting.

For Nihar Info Global Limited

Place : Secunderabad.  
Date : 30-08-2012

(Sd/-)  
BSN Suryanarayana  
(Managing Director)

## DIRECTORS' REPORT

To,  
The Members

Your Directors are pleased to present the 18th Annual Report on the business and operations of the Company together with the Statement of Accounts for the financial year ended 31st March, 2012.

### Financial Results

Your Company's results for the year in comparison with the previous year are given below in a summarized form : (Rs. In Lakhs)

Particulars	Current Year ended 31 <sup>st</sup> March 2012	Previous year ended 31 <sup>st</sup> March 2011
Gross Revenue	27.13	42.56
Profit before interest, Depreciation & Taxes	(58.51)	(4.50)
Interest	5.56	5.02
Depreciation & Amortisation	3.68	3.63
Profit /Loss After Tax	(67.68)	(5.13)

### Operations

The turnover of the Company for the current year is Rs. 27.13 lakhs. The Company recorded a loss of Rs. 67.68 Lakhs as against Rs. 5.13 lakhs during previous year.

### Future Outlook

The Company has been focusing now IBM Products such as IBM File Net, LOTUS Notes, TIVOLI, WEBSHERE, DB2 etc. The Company has built skilled manpower on Java Technologies, .net technologies and IBM Products. The Company has bagged prestigious clients on the above mentioned technologies from AMD (Atomic Minerals Directorate), Dept. of Atomic Energy, Andhra Pradesh Industrial Infrastructure Corporation, LV Prasad Eye Institute and Sowbhagya Media Limited. The Company has also become an Oracle Gold Partner and is focusing on Oracle Fusion Middleware Technologies. The Company has also received Extension of Maintenance Contract of Paradip Port trust. The Company is also empanelled as Vendor with Wipro Technologies Limited.

In view of the loss during the year under review, your Directors regret their inability to recommend any dividend. The Company has since paid the Income Tax deducted at source and there is no due as on the date of this report and as regards Provident Fund penalty, we are paying the same by installments and during the current year, it will be totally cleared.

### Auditors

The present Auditors of the Company M/s.C.Ramachandram & Co., Chartered Accountants, hold office until the conclusion of this Annual General Meeting and being eligible, offer themselves for re-appointment.

### Report on Corporate Governance

We believe that the Corporate Governance is at the heart of the shareholders value creation. The Company has taken requisite steps to comply with the recommendations concerning the corporate governance. The disclosure as required under the corporate governance standards have been furnished as a part of this report separately. A certificate from the Auditors of the Company regarding compliance of clause 49 of listing agreement with Bombay Stock Exchange is attached to this Report.

### Directors Responsibility Statement

In terms of the provisions of section 217(2AA) of the Companies Act, your Directors confirm as under:

- In preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations and disclosures relating to material departures.

- The relevant accounting policies are applied consistently and the Directors' have made judgements and estimates that are reasonable and prudent so as to give a true and fair view to the state of affairs of the Company as on 31st March, 2012 and of the loss of the Company for the period.
- Proper and sufficient care has been taken in the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The annual accounts have been prepared on a going concern basis.

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

The Particulars with respect to Conservation of energy, Technology observation and Foreign Exchange earnings and outgo as per Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars) Rules, 1988 are given below:

- **Conservation of Energy:** The operations of the Company are not energy intensive and every effort has been made to ensure the optimal use of energy, avoid waste and conserve energy by using energy efficient computers and equipment with latest technologies.
- **Research and Development:** No amount was spent in Research and Development during the year 2011-12.
- **Technology Absorption:** Your Company is constantly upgrading its technological excellence with emerging technologies.
- **Foreign Exchange Earning and outgo:** There was no Foreign Exchange Earnings and outgo during the year.
- **Particulars of Employees pursuant to Section 217(2A) :**As required by the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 no employee is drawing remuneration at or above the limits mentioned therein.

**Fixed Deposits**

The Company has not raised any Fixed Deposits during the year so as to attract the provision of Section 58A of the Companies Act, 1986, read with Companies (Acceptance of deposits) rules, 1975 as amended from time to time.

**Changes in the composition of the board****The following are the changes in the composition of Board of Directors:**

1. Mr. N. Shiva Prasad has resigned from the directorship w.e.f. 25<sup>th</sup> July 2011.
2. Mr. Jagadeeswara Rao Reddi has been appointed as Independent Director w.e.f. 06<sup>th</sup> August 2011

**Acknowledgement**

The Directors sincerely appreciate the contributions made by all the employees associations and business partners who have contributed towards the success of the Company. The Directors are also thankful for the Company-operation, support and assistance received from the Business Partners, Banks, Investors, Customers, Central and State Government Departments, Local Authorities, Vendors, Stock Exchange and all other associated with the activities of the Company. The Directors would also like to acknowledge the continuous support of the Company shareholders.

By the order of the Board of Directors

Place : Secunderabad  
Date : 30-08-2012

(Sd/-)  
BSN Suryanarayana  
Managing Director

(Sd/-)  
B. Divyesh Nihar  
Wholetime Director



**REPORT ON CORPORATE GOVERNANCE**

**1) Company's philosophy on Code of Conduct**

The Corporate Governance philosophy of your Company is to ensure fairness and in all dealings and in the functioning of the management and the Board. Corporate governance is not merely compliance and not simply a matter of creating checks and balances. It is an ongoing measure of superior delivery of Company's objects with to translate opportunity in to reality. Code of conduct is the integral part of Company's governance policy. The Company's activities are carried out in accordance with the good corporate governance practices and the Company is consistently striving to improve upon them and adopt the best practice. It is firmly believed that good governance practices would ensure efficient conduct of affairs of the Company and help the Company achieve its goal of maximizing its value for all stakeholders. The Company will continue to focus its resources, strengths and strategies to achieve its vision of becoming a truly global software Company, while upholding the core values of transparency, integrity, honesty and accountability which are fundamentals to the Company.

**2) Board of Directors**

The present strength of the Board of Directors of the Company consists of four members. Composition and category of Directors are as follows:

Sr.No	Name	Category	Designation
1	BSN Suryanarayana	Non Independent	Managing Director
2	B. Divyesh Nihar	Non Independent	Whole Time Director
3	Jagadeeswara Rao Reddi	Independent	Director
4	Sudhakar Pitta Joseph	Independent	Director

None of the Directors on the Board are members in more than ten committees and they do not act as Chairman of more than five committees across all companies in which they are Directors.

**Board Meetings**

The meetings of the Board of Directors are held at the registered office of the Company. Five Board Meetings were held during the Financial Year 2011-12. The dates on which the said meetings were held are as follows :

- i) 14.05.2011
- ii) 08.08.2011
- iii) 29.08.2011
- iv) 07.11.2011
- v) 10.02.2012

Details of number of meetings attended by the Directors, attendance at the last AGM and all other details are given hereunder:

**Details of Attendance**

Name of Directors	No. of Board Meetings	Board Meeting attended	Whether attended last AGM
BSN Suryanarayana	5	5	Yes
B. Divyesh Nihar	5	5	Yes
N.Shiva Prasad	5	1	No
Sudhakar Pitta Joseph	5	0	No
Jagadeeswara Rao Reddi	5	3	No

Shareholding details of Non-executive Directors:- None of the non-executive directors of the Company holds any share of the Company nor has any material pecuniary relationship or transactions with the Company.

**Board Committees**

There are three committees viz. Audit Committee, Remuneration Committee and Share Transfer & Shareholders Grievance Committee. Details of which are given below:

**Audit Committee**

The Audit Committee of the Company is constituted in line with the provisions of clause 49 of the listing agreement read with the section 292A of the Companies Act, 1956.

Composition, name of members and number of meetings held during the Financial Year 2011-12 are as follows:

Name of Directors	Category	No. of Meetings during the year 2011-12	
		Held	Attended
BSN Suryanarayana	Non-independent, Executive	04	04
Jagadeeshwara Rao Reddi	Independent, Non Executive	04	02
Sudhakar Pitta Joseph	Independent, Non Executive	04	00
N Siva Prasad	Independent, Non Executive	04	02

Mr. Jagadeeswara Rao Reddi is the Chairman of the Audit Committee. The Company Secretary acts as a secretary to the committee. The necessary quorum was present in all the meeting during the year.

The meetings are usually held at the Registered office of the Company and Manager-Finance and representatives of Statutory Auditors are invited to the meetings.

**Terms of Reference**

The terms of reference for the Audit Committee are broadly as follows:

Reviewing the periodical and the Annual Financial Statements before their submission to the Board of Directors, focusing primarily on:

- Any change in the accounting policies and the practice
- Qualification in draft audit report
- The going concern concept
- Compliance with accounting standard
- Compliance with the requirement of Stock Exchanges and legal requirements concerning financial statements
- Recommend to the Board the appointment and removal of Statutory Auditors, fixation of audit fees and also approve payment for any other service
- Reviewing related party transactions.
- Reviewing of Company's financial and risk management policies.
- The Audit Committee can seek information from any employee and can obtain from outside any legal or other professional advice.
- Review the adequacy of internal audit function, including the structure of internal audit department, reporting structure and frequency of internal audit. The Audit Committee also reviews the findings of any internal investigations by the internal control systems of a material nature and report the matter to the Board.

The chairman of the Committee would attend the Annual General Meeting of the Company to provide any clarification on matters relating to the queries raised by the members of the Company.

**Remuneration Committee**

The members of the Compensation Committee of the Board of Directors of the Company are Mr. Jagadeeswara Rao Reddi, Mr. Sudhakar Pitta Joseph. As there were no changes in the remuneration of the Directors in the said year hence there was no requirement of Committee Meeting.

Mr. P.J.Sudhakar is the Chairman of the Compensation Committee.

**Terms of Reference**

The terms of reference of the Remuneration Committee are:

- To review and approve/recommend the remuneration for the corporate officers and managing directors of the Company
- To review and recommend to the board the remuneration policy for the Company.
- To approve grant of stock options to the employees and/or directors of the Company and subsidiary.
- To discharge such other functions or exercise such powers as may be delegated to the committee by the Board from time to time.

**Share Transfers and Shareholders Grievance Committee**

Mr. B.Divyesh Nihar, Mr. BSN Suryanarayana and Mr. P.J. Sudhakar are the members of the Share Transfer And Shareholders Grievance Committee.

Mr.Jagadeeswara Rao Reddi is the Chairman of the said Committee.

The Company met **06 times** during the year to approve share transfers and to review matters connected with the shareholders' complaints, grievances and other related issues.

**Terms of reference**

In view of the SEBI Corporate Governance norms, which have been incorporated in the listing agreement, the Share Transfer and Shareholder Grievance Committee has been constituted to undertake the following activities:

- To review and take all necessary actions for redressal of investor's grievances, and complaints as may be required in the interest of the investors.
- To approve request for share transfers, transmission, transpositions, Rematerialisation, split and duplicate share certificates.
- To oversee the performance of the Share Transfer Agents (M/s Aarthi Consultants Private Ltd.) and recommend measures for overall improvement in the quality of investor's services.

**Remuneration and Sitting fees**

The details of remuneration and sitting fees paid or provided to each of the Directors during the year 2011-12 :

<b>Name of Director</b>	<b>Designation</b>	<b>Commission</b>	<b>Sitting Fees</b>
Mr.BSN Suryanarayana	Managing Director	NIL	NIL
B.Divyesh Nihar	Whole Time Director	NIL	NIL
Jagadeeswara Rao Reddi	Director	NIL	3,000
P.J. Sudhakar	Director	NIL	NIL
N Siva Prasad	Director	NIL	1000

No other benefits, bonuses, stock options, pensions or performance-linked incentives are paid to Directors except as mentioned above.

**Annual General Meetings**

Details of the last three Annual General Meetings:

<b>Number</b>	<b>Year</b>	<b>Day, Date &amp; Time</b>	<b>Location</b>
15th	2008-09	Monday, 29th September, 2009 at 3.00 P.M.	Hotel Pearl Regancy, Red Hills, Lakdikapool, Hyderabad-500004
16th	2009-10	Saturday,30th September 2010 at 3.00 P.M.	Hotel Pearl Regancy, Red Hills, Lakdikapool, Hyderabad-500004
17th	2010-11	Friday,30th September 2011 at 3.00 P.M.	Hotel Time Square, Near Clock Tower, Secunderabad-500003

No business was transacted through postal ballot at the last three AGMs and no business is required to be transacted through postal ballot on the forthcoming Annual General Meeting.

### Disclosures

- There are no materially significant transactions with the related parties viz., Promoters Directors of the Company, their subsidiaries or relatives conflicting with the interests of the Company.
- There are no pecuniary relationships or transactions of non-executive directors viz-a-viz the Company, which has potential conflict with the interest of the Company at large.
- The Company has complied with all the requirements of the Stock Exchange, SEBI and other Statutory Authorities on all matters relating to capital markets during the last three years. No penalties have been imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.

### Means of Communication

The Quarterly, Half Yearly and Annual Financial Results of the Company have been furnished to the Stock Exchange where the shares have been listed as per the listing agreement and are also published in 'Business Standard' (An English daily) and in 'Andhra Prabha' (vernacular Telugu daily). It is also displayed on the Company's website, [www.niharinfo.com](http://www.niharinfo.com). In addition to these, our Company's information can be found in the official website of the Bombay Stock Exchange, i.e. [www.bseindia.com](http://www.bseindia.com)

### GENERAL SHAREHOLDERS INFORMATION

#### (a) Annual General Meeting

Date : 29th September, 2012  
Day : Saturday  
Time : 3.30 p.m.  
Venue : Hotel Time Square, Near Clock Tower, Secunderabad.

#### (b) Financial Year : 01.04.2011 to 31.03.2012

1<sup>st</sup> Quarter Results : 08<sup>th</sup> Aug 2011  
2<sup>nd</sup> Quarter Results : 07<sup>th</sup> Nov 2011  
3<sup>rd</sup> Quarter Results : 10<sup>th</sup> Feb 2012  
4<sup>th</sup> Quarter Results : 29<sup>th</sup> May 2012

#### (c) Date of Book Closure : From 25th September,2012 to 29th September,2012 (both days are inclusive)

#### (d) Listing on Stock Exchange : Bombay Stock Exchange (BSE)

#### (e) Stock code : 531083 at BSE

ISIN in NSDL and CDSL : INE876E01025

#### (f) Electronic connectivity : **National Securities & Depository Services Limited,** Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai-400 013 **Central Depository Services (India) Limited,** Phiroze Jeejeebhoy Towers,28th floor, Dalal Street,Mumbai-400 023.

#### (g) Registrars & Share Transfer Agents : Aarthi Consultants Private Limited 1-2-285, Domulguda,Hyderabad-500 029

#### (h) Share Transfer System

Equity share lodged for transfer in physical mode are normally registered within 15 days from the date of receipt. The share transfer agent is handling all the share transfer and related transactions.

**(i) Market Price Data**

Table below shows the monthly high and lows of the Company's Equity shares on the Bombay Stock Exchange Limited (BSE):

Sl. No.	Month	High (Rs.)	Low (Rs.)
1.	April 11	2.57	1.76
2.	May 11	2.20	1.72
3.	June 11	3.36	1.73
4.	July 11	4.60	3.21
5.	August 11	4.26	3.15
6.	September 11	3.09	2.04
7.	October 11	2.39	2.00
8.	November 11	2.55	1.76
9.	December 11	1.89	1.34
10.	January 12	2.30	1.36
11.	February 12	2.21	1.59
12.	March 12	2.10	1.68

**(j) Shareholding pattern as on 31<sup>st</sup> March, 2012**

Category	No. of shares	% of shareholding
Promoters	285435	4.61%
NRI/OCB	NIL	NIL
FII/Banks	NIL	NIL
Mutual Funds and UTI	NIL	NIL
Foreign Institutional Investors	NIL	NIL
Body Corporate	711306	11.49%
Indian Public	5191726	83.90%
Total	6188467	100%

**CERTIFICATION**

To  
The Board of Directors,  
Nihar Info Global Limited,

I, the undersigned, in my capacities as the Finance Incharge of Nihar Info Global Limited. ("The Company"), to the best of my knowledge and belief certify that:

1. I have reviewed the Financial Statements and the Cash Flow Statements for the Year ended 31st March, 2012 and based on our knowledge and belief:
  - a. These statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading:
  - b. These statements together present a true and fair view of the Company's affairs and are in compliance with the existing Accounting Standards, applicable Laws and Regulations.
2. I further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violating the Company's Code of Conduct.
3. I am responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the Financial Reporting of the Company and have disclosed to the Auditors and the Audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps we have taken or propose to take rectify these deficiencies.
4. I have indicated, based on my most recent valuation, wherever applicable, to the Auditors and Audit Committee;
  - a. Significant changes, if any, in internal control over financial reporting during the year.
  - b. Significant changes, if any, in Accounting Policies made during the year and that the same have been disclosed in the notes to the financial statements; and
  - c. Instances of significant fraud of which I have become aware and the involvement therein, if any, of the Management or an Employee having a significant role in the Company's internal control system over financial reporting.

**For Nihar Info Global Limited**

Place : Secunderabad.  
Date : 30-08-2012

(Sd/-)  
**Y Gopal Rao**  
(Financial Incharge)

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Company operates in the areas like Software designing and development, ECM Solution, Customized Application Development. Customized ERP solutions, E-Governance and .IN domain Registration. The Company has developed marketing strategies to sell our various software products to domestic customers.

### **Opportunities**

The IDC report says "The India market will continue to grow and investments will be made across the market from enterprise applications to infrastructure management with security and business intelligence (BI) as the fastest-growing categories'. The rebounding market is opening up new opportunities for growth in the near future. India has just tapped a small percentage of the world's IT market. So it would last long, if we continue to maintain our standards and aggressively market our capabilities.

### **Threats, Risks and Concerns**

#### **Competitive Pressures**

IT is one sector that is spreading its wing fast throughout the world and India is becoming a preferred destination for global IT players. As a result the competitive pressure is intensifying. The Company has to operate in this competitive scenario and acquire a grip in the market to hold its foot firmly and upkeep the brand name.

#### **Talent Supply Constraint**

Talent is sought by both the IT as well as the manufacturing sector. This increases the cost of talent. The Company has to ensure that it acquires good talent and retains it in order to constitute its major competitive edge. The Company maintains excellent work environment and competitive package for this purpose.

#### **Technology Obsolescence**

These are the days when technology takes no time to become obsolete. Thus to be at par with its competitors the Company has to ensure that it constantly updates and upgrades its technology.

#### **Government Policies**

As and when there is a change in the Government there might be a change in its policies too. Any adverse changes in its policies may affect the business operations of the Company.

#### **Downturn Industries being served**

Any downturn in the industry being served could have an impact on the Company's business.

#### **Company's Outlook**

The Company has a positive outlook for the coming years and endeavors to achieve a steady business performance in the coming years. We anticipate higher percentage of gross profits from the new projects that we undertake during the coming years.

#### **Internal Control System**

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

#### **Financial Performance**

The information under this head is given in the Directors' Report.

#### **Human Resources**

The management continues to lay emphasis on identifying and developing talent of human resources with a view to retain them and impart further training to those capable of handling additional responsibilities. This works to increase employee satisfaction and within the organization, by providing

employees with fresh challenges, developing people and harnessing their ideas is the high priority for the company.

**Cautionary Statement**

Statement in this management discussion and analysis report describing the company's objectives, predictions, estimates and expectations may constitute "forward looking statement" according to the applicable laws and regulations. Actual results may differ materially from those either expressed or implied.



**C.Ramchandram & Co.**  
Chartered Accountants

3-6-237, Unit # 606, Lingapur house,  
Himayat Nagar, Hyderabad.  
Ph. 23223787

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members,  
Nihar Info Global Limited

We have examined the compliance of conditions of corporate governance by Nihar Info Global Limited for the year ended 31<sup>st</sup> March 2012, as stipulated in Clause 49 of the Listing Agreement of the said company with Stock Exchanges in India.

The compliance of the conditions of the Corporate Governance is the responsibility of the Management. Our examination has been in the manner described in the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India and has been limited to review of the procedures and implementation thereof, adopted by the company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on our reliance upon the representations made by the Management that there were no transactions of material nature with the Management or by relatives that may have potential conflict with the interest of the Company at large.

We certify that the Company has complied in all material aspects with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

Place: Hyderabad  
Date: 30-08-2012

For C. Ramchandram & Co.  
Chartered Accountant  
Firm Reg. No. 002864S

(Sd/-)  
C.Ramchandram & Co.  
Partner  
Membership No 025834

**AUDITORS' REPORT**

To  
The Members,  
Nihar Info Global Limited,

- 1) We have audited the attached Balance Sheet of Nihar Info Global Limited, as at 31<sup>st</sup> March 2012, the Statement of Profit and Loss and also the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2) We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting policies used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3) As required by the companies (Auditors' Report) Order 2003 as amended by the Companies (Auditor's Report) Order (Amendment) 2004, issued by the Central Government in terms of sub section (4A) of Section 227 of the Companies Act 1956, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
- 4) Further to our comments in the Annexure referred to in paragraph 3 above, we report that :
  - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the 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 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 Balance sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub section (3C) of section 211 of the Companies Act, 1956.
  - e) On the basis of written representation received from the Directors, as on March 31,2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March, 2012 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956;
  - f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read with "Significant Accounting Policies" and Notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
    - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2012
    - (ii) in the case of the Statement of Profit and Loss, of the loss of the Company for the year ended on that date, and
    - (iii) in case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date

For C. Ramchandram & Co.  
Chartered Accountants  
Firm Reg. No. 002864S

(Sd/-)

C Ramachandram  
Partner

Membership No.025834

Place: Hyderabad  
Date: 30-08-2012

**ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE** to the members of Nihar Info Global Limited on the financial statements as at and for the year ended March 31, 2012

1. (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.  
 (b) The fixed assets are physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.  
 (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets have not been disposed off by the company during the year.
2. The Company has taken an amount of Rs.98,74,546/- in the nature of interest free unsecured demand loan from two parties covered in the register maintained under section 301 of the Companies act 1956. Maximum balance outstanding during the year is Rs. 2,11,18,366 /- balance outstanding as on 31.03.2012 is Rs.2,11,18,366/-.
3. The Company has not granted/taken any loans, secured or unsecured, to /from companies, firms or other parties covered in the register maintained under section 301 of the act.
4. In our opinion and according to the information and explanations given to us, having regard to the explanation that certain items purchased are of special nature for which suitable alternative sources do not exist for obtaining comparative quotations, there is an adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of fixed assets, inventory and for the sale of goods and services. Further, on the basis of our examination of the books and records of the company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
5. According to the information and explanations given to us, there have been no contracts or arrangements referred to in section 301 of the act during the year to be entered in the register required to be maintained under that section. Accordingly, commenting on transactions made in pursuance of such contracts or arrangements does not arise.
6. The company has not accepted any deposits from the public within the meaning of section 58A and 58AA of the act and the rules framed there under.
7. In our opinion, the company has no internal audit system commensurate with its size and nature of its business.
8. (a) According to the records, during the year, the company is not regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees Stae Insurance, Sales Tax, Income Tax, Service Tax applicable to it and there have been substantial delays in all cases.  
 (b) In our opinion and according to the information and explanation given to us, the following arrears are outstanding as at 31<sup>st</sup> March 2012 for more than Six months:

<u>Particulars</u>	<u>Amount (Rs.)</u>
Provident Fund Penalty	7,82,025/-
Income Tax deducted at source	47,107/-

9. The Company has accumulated losses as at 31<sup>st</sup> March 2012 and it has incurred cash losses in the financial year ended on that date and in the immediately preceding financial year also.
10. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
11. In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investment.
12. In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
13. The company has not obtained any term loans during the year.
14. On the basis of an overall examination of the balance sheet of the company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short term basis which have been used for long term investment.
15. The Company has not made any preferential allotment of shares to parties and Companies covered in the register maintained under section 301 of the act during the year.
16. The Company has not raised any money by public issues during the year.
17. During the course of examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.
18. The other clauses (ii), (iii) (b), (iii)(c), (iii)(d), (iii)(f),(iii)(g),(viii),(xi),(xiii) and (xix) of paragraph 4 of the Companies (Auditor's Report) Order 2003, relating to inventory, cost records, chit fund business, change in respect of debentures as amended by the Companies(Auditor's Report)(Amendment) Order 2004 are not applicable in the case of the Company for the current year, since in our opinion there is no matter which arises to be reported in the aforesaid order.

Place: Hyderabad  
Date: 30-08-2012

For C. Ramchandram & Co.  
Chartered Accountants  
Firm Reg. No. 002864S

(Sd/-)  
C. Ramchandram  
Partner  
Membership No.025834

## Balance Sheet as on 31.03.2012

Amount in Rupees

Particulars	Notes	31 March, 2012	31 March, 2011
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3	61,884,670	61,884,670
Reserves and Surplus	4	(41,329,716)	(34,807,362)
		<b>20,554,954</b>	<b>27,077,308</b>
<b>Non-current liabilities</b>			
Long-term borrowings	5	21,289,997	11,585,451
Trade payables	6	2,173,333	350,510
Long-term provisions	7	162,749	142,750
		<b>23,626,079</b>	<b>12,078,711</b>
<b>Current liabilities</b>			
Other current liabilities	8	2,293,302	2,851,379
		<b>2,293,302</b>	<b>2,851,379</b>
<b>TOTAL</b>			
		<b>46,474,335</b>	<b>42,007,398</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Fixed assets</b>			
Tangible assets	9	592,105	735,477
Intangible assets	10	177,629	193,520
Non-current investments	11	36,779,873	36,779,873
Deferred tax assets (Net)	12	123,431	116,295
Long-term loans and advances	13	7,521,318	161,533
Trade receivables	14	1,059,372	858,851
		<b>46,253,728</b>	<b>38,845,549</b>
<b>Current assets</b>			
Trade receivables	14	119,768	2,129,788
Cash and bank balances	15	79,314	1,025,536
Short-term loans and advances	13	21,525	6,525
		<b>220,607</b>	<b>3,161,849</b>
<b>TOTAL</b>			
		<b>46,474,335</b>	<b>42,007,398</b>

The accompanying notes are an integral part of the financial statements.

C. Ramachandram & Co.,  
Chartered Accountants  
Firm Reg. No. 002864S

(Sd/-)  
C. Ramachandram  
Partner  
Membership No. 25834

For and on behalf of the Board

(Sd/-)  
BSN Suryanarayana  
Managing Director

(Sd/-)  
B Divyesh Nihar  
Director

Place : Hyderabad  
Date : 30-08-2012

**Profit & Loss Account for the year period ended 31-03-2012**

Amount in Rupees

Particulars	Notes	31 March, 2012	31 March, 2011
<b>Continuing operations</b>			
<b>Income</b>			
Revenue from Operations (gross)	16	2,712,771	4,256,085
Less: excise duty		-	-
Revenue from operations(net)		2,712,771	4,256,085
Other income	17	2,000	77,660
<b>Total Revenue (I)</b>		<b>2,714,771</b>	<b>4,333,745</b>
<b>Expenses:</b>			
Employee benefits expenses	18	3,368,570	1,822,075
Other expenses	19	5,197,371	2,962,071
<b>Total (II)</b>		<b>8,565,941</b>	<b>4,784,146</b>
<b>Earning before interests,tax, depreciation and amortization (EBITDA) (I-II)</b>		<b>(5,851,170)</b>	<b>(450,401)</b>
Depreciation and amortization expenses	20	368,327	362,909
Finance costs	21	556,119	501,957
<b>Profit/(loss) before tax</b>		<b>(6,775,616)</b>	<b>(1,315,267)</b>
<b>Tax expenses</b>			
Deferred tax		(7,136)	(802,396)
<b>Profit/(loss) for the year from continuing operations (A)</b>		<b>(6,768,480)</b>	<b>(512,871)</b>
<b>Earnings per equity share</b>			
nominal value of share			
Rs.10/- (31 March, 2011:Rs.10/-)		(1.094)	(0.083)
Weighted average number of equity shares		6,188,467	6,188,467
Face value per equity share (')		10	10

The accompanying notes are an integral part of the financial statements.

C. Ramachandram & Co.,  
Chartered Accountants  
Firm Reg. No. 002864S

For and on behalf of the Board

(Sd/-)  
C. Ramachandram  
Partner  
Membership No. 25834

(Sd/-)  
BSN Suryanarayana  
Managing Director

(Sd/-)  
B Divyesh Nihar  
Director

Place : Hyderabad  
Date : 30-08-2012

**3. Share Capital**

Particulars	31 March,2012	31 March,2011
<b>Authorized shares</b>		
1400000(31 March 2011: 1400000) equity shares of Rs.10/-each	140,000,000	140,000,000
	<u>140,000,000</u>	<u>-</u>
<b>Issued, subscribed and fully paid-up shares</b>		
6188467 (31 March 2011: 6188647) equity shares of Rs.10/- each	61,884,670	61,884,670
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>61,884,670</b>	<b>61,884,670</b>

**a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

Particulars	31 March, 2012		31 March,2011	
	No	Amount	No	Amount
Equity shares				
At the beginning of the period	6,188,467	61,884,670	6,188,467	61,884,670
<b>Outstanding at the end of the period</b>	<b><u>6,188,467</u></b>	<b><u>61,884,670</u></b>	<b><u>6,188,467</u></b>	<b><u>61,884,670</u></b>

**(b). Terms/rights attached to equity shares**

The Company has only one class of equity shares having a par value of Rs.10/- per share .Each holder of equity shares is entitled to one vote per share The Company declares and pays Dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the Approval of the share holders in the ensuing Annual General Meeting.

During the year ended 31-03-12 the amount of per share dividend recognized as distributions to equity share holders was Rs. NIL.

In the event of liquidations of the Company the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all Preferential amounts .The distribution will be in proportion to the number of equity shares held by the shareholders

**4. Reserves and surplus**

Particulars	31 March, 2012	31 March,2011
<b>Capital reserve</b>	<b>7,237,250</b>	<b>6,991,125</b>
Revaluation reserve	92,228	92,227
<b>Surplus/(deficit) in the statement of profit and loss</b>		
Balance as per last financial statements	(41,890,714)	(42,291,343)
Profit for the year	<u>(6,768,480)</u>	<u>(512,871)</u>
prior period expenditure written off	-	913,500
<b>Net surplus in the statement of profit and loss</b>	<b><u>(48,659,193)</u></b>	<b><u>(41,890,714)</u></b>
<b>Total reserves and surplus</b>	<b><u>(41,329,716)</u></b>	<b><u>(34,807,362)</u></b>

**5. Long-term borrowings**

Particulars	Non-current portion		Current Maturities	
	31 March,2012	31 March,2011	31 March,2012	31 March,2011
<b>Term loans</b>				
Working Capital Loan from Union Bank of India	171,631	341,631	170,000	(341,631)
Deposits from public	21,118,366	11,243,820	-	-
	<b>21,289,997</b>	<b>11,585,451</b>	<b>170,000</b>	<b>(341,631)</b>
<b>The above amount includes</b>				
Secured borrowings	171,631	341,631		
Unsecured borrowings	21,118,366	11,243,820		
<b>Net Amount</b>	<b>21,289,997</b>	<b>11,585,451</b>		

**6. Other long-term liabilities**

Particulars	31 March,2012	31 March,2011
Trade payables (including acceptances) (refer note 45 for details of dues to micro and small enterprises)	<b>2,173,333</b>	<b>350,510</b>
	<b>2,173,333</b>	<b>350,510</b>

**7. Long-term Provisions**

Particulars	Long-term		Short-term	
	31 March,2012	31 March,2011	31 March,2012	31 March,2011
<b>Provision for employee benefits</b>				
Provision for gratuity	162,749	142,749	-	-
	<b>162,749</b>	<b>142,749</b>	-	-

**8. Other current liabilities**

Particulars	31 March,2012	31 March,2011
Interest accrued and due on borrowings	959,547	425,000
Audit fee payable	44,120	44,120
PF Recoveries payable	76,220	19,472
PF Penalties Payable	782,025	1,263,375
Professional Tax Recoveries	3,539	22,760
Salaries payable	211,021	551,108
Security Deposits refundable	10,000	150,000
Telephone Charges payable	7,988	7,768
Electricity charges payable	8,756	1,200
Service tax payable	142,979	322,928
TDS payable	47,107	43,648
	<b>1,333,755</b>	<b>2,426,379</b>
	<b>2,293,302</b>	<b>2,851,379</b>

\* Customer deposits are repayable within 6-9 months from the reporting date on completion of supply contracts.



**09. Tangible assets**

Particulars	Plant and equipments	Furniture and fixtures	Total
<b>Cost or valuation</b>			
At 1 April 2010	8,780,405	424,625	9,205,030
Additions	52,281	-	52,281
<b>At 31 March 2011</b>	<b>8,832,686</b>	<b>424,625</b>	<b>9,257,311</b>
Additions	153,575	55,490	209,065
<b>At 31 March 2012</b>	<b>8,9863,261</b>	<b>480,115</b>	<b>9,466,376</b>

Particulars	Plant and equipments	Furniture and fixtures	Total
<b>Depreciation</b>			
At 1 April 2010	8,059,908	114,908	8,174,816
Charge for the year	320,140	26,879	347,018
<b>At 31 March 2011</b>	<b>8,380,048</b>	<b>141,787</b>	<b>8,521,834</b>
Charge for the year	323,797	28,640	352,437
<b>At 31 March 2012</b>	<b>8,703,845</b>	<b>170,427</b>	<b>8,874,271</b>
<b>Net Block</b>			
<b>At 31 March 2011</b>	<b>452,638</b>	<b>282,838</b>	<b>735,476</b>
<b>At 31 March 2012</b>	<b>282,416</b>	<b>309,688</b>	<b>592,105</b>

**10. Intangible assets**

Particulars	Computer software	Total
<b>Gross block</b>		
At 1 April 2010	4,149,558	4,149,558
Disposals	3,815,023	3,815,023
<b>At 31 March 2011</b>	<b>334,535</b>	<b>334,535</b>
Purchase	-	-
Acquisitions through amalgamation (note35)	-	-
<b>At 31 March 2012</b>	<b>334,535</b>	<b>334,535</b>
<b>Amortization</b>		
At 1 April 2010	2,032,637	2,032,637
Charge for the year	15,890	15,890
Disposals	1,907,512	1,907,512
<b>At 31 March 2011</b>	<b>141,015</b>	<b>141,015</b>
Charge for the year	15,890	15,890
<b>At 31 March 2012</b>	<b>156,906</b>	<b>156,906</b>
<b>Net block</b>		
<b>At 31 March 2011</b>	<b>193,520</b>	<b>193,520</b>
<b>At 31 March 2012</b>	<b>177,629</b>	<b>177,629</b>

**11. Non-current investments**

Particulars	31 March, 2012	31 March, 2011
<b>Non Trade investments</b>		
<b>Others</b>		
Unquoted equity instruments		
365000(31 March 2011:365000) Equity shares @		
Rs.70/- per share in Integrated Bord casting Co.Pvt Ltd	25,550,000	25,550,000

129079(31 March 2011: 129079)Equity shares @ Rs.87/- per share in Integrated Bord Casting Co Pvt Ltd	11,229,873	11,229,873
	<b>36,779,873</b>	<b>36,779,873</b>
	<b>36,779,873</b>	<b>36,779,873</b>

**12. Deferred tax assets (net)**

Particulars	31 March, 2012	31 March, 2011
<b>Deferred tax asset</b>		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	123,431	116,295
<b>Net deferred tax asset</b>	<b>123,341</b>	<b>116,295</b>

**13. Loans and advances**

Particulars	Non-current		Current	
	31 March,2012	31 March,2011	31 March,2012	31 March,2011
<b>Advances recoverable in cash or kind</b>				
Secured, considered good	46,612	46,612	21,525	6,525
Unsecured, considered good	7,185,000	-	-	-
	7,231,612	46,612	21,525	6,525
<b>Other loans and advances</b>				
Balances with statutory/government authorities(TDS Recivable)	289,706	114,921	-	-
	<b>289,706</b>	<b>114,921</b>	-	-
<b>Total</b>	<b>7,521,318</b>	<b>161,533</b>	<b>21,525</b>	<b>6,525</b>

**14. Trade receivables**

Particulars	Non-current		Current	
	31 March,2012	31 March,2011	31 March,2012	31 March,2011
<b>Unsecured, considered good unless stated otherwise</b>				
Secured, considered good	1,059,372	858,851	119,768	2,129,788
<b>Total</b>	<b>1,059,372</b>	<b>858,851</b>	<b>119,768</b>	<b>2,129,788</b>

**15. Cash and bank balances**

Particulars	Current	
	31 March,2012	31 March,2011
<b>Cash and cash equivalents</b>		
Balances with banks:		
On current accounts	4,783	13,517
Cash on hand	5,066	942,554
	<b>9,849</b>	<b>956,071</b>
<b>Other bank balance</b>		
Margin money deposit	69,465	69,465
	<b>69,465</b>	<b>69,465</b>
	<b>79,314</b>	<b>1,025,536</b>

**Margin money deposits given as security**

Margin money deposits with a carrying amount of Rs.69465(31/03/2011: Rs 69465) are subject to first charge to secure the Company's cash credit loans

### SCHEDULE 9 - FIXED ASSETS

Amount in Rupees

Description	DEPRECIATION AS PER COMPANIES ACT, 1956									
	GROSS BLOCK			Depreciation			NET BLOCK			
	As on 1-04-2011	Additions	Disposals	Total	As on 1-04-2011	For the Year	As on 31.03.2012	As on 31.03.2012	As on 31.03.2012	As on 31.03.2011
<b>Tangible Assets</b>										
Plant & Machinery - Computers Furniture & Fixtures(Incl. frige)	8832686 424625	153575 55490	- -	8986261 480115	8380048 141787	323797 28640	8703845 170427	282416 309688	282416 309688	452638 282838
<b>Sub Total</b>	<b>9257311</b>	<b>209065</b>	<b>-</b>	<b>9466376</b>	<b>8521835</b>	<b>352437</b>	<b>8874272</b>	<b>592104</b>	<b>592104</b>	<b>735476</b>
In-Tangible Assets Computer Services	334535	-	-	334535	141015	15890	156905	177630	177630	193520
<b>Sub Total</b>	<b>334535</b>	<b>-</b>	<b>-</b>	<b>334535</b>	<b>141015</b>	<b>15890</b>	<b>156905</b>	<b>177630</b>	<b>177630</b>	<b>193520</b>
<b>Grand Total</b>	<b>9591846</b>	<b>209065</b>	<b>-</b>	<b>9800911</b>	<b>8662850</b>	<b>368327</b>	<b>9031177</b>	<b>769734</b>	<b>769734</b>	<b>928996</b>

Amount in Rupees

Particulars	WDV as on 01-04-11	Additions		Deletions		Depreciation	WDA as on 31-03-12
		More Than 180 Days	Less Than 180 Days	More Than 180 Days	Less Than 180 Days		
Plant & Machinery(Computers)	130,393	153,575	-	-	-	39,118	244,850
Plant & Machinery (Others)	451,075	-	-	-	-	67,661	383,414
Furniture & Fixtures	125,255	55,490	-	-	-	18,075	162,671
<b>Total</b>	<b>706,724</b>	<b>209,065</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>124,854</b>	<b>790,934</b>

**16. Revenue from operations**

<b>Particulars</b>	<b>31 March,2012</b>	<b>31 March,2011</b>
<b>Revenue from operations</b>		
<b>Saleof products</b>		
Sales Domestic	2,712,771	2,261,785
Sales Export	-	1,994,300
<b>Revenue from operations (gross)</b>	<b>2,712,771</b>	<b>4,256,085</b>
Less: Excise duty #	-	-
<b>Revenue from operations (net)</b>	<b>2,712,771</b>	<b>4,256,085</b>

**17.Other income**

<b>Particulars</b>	<b>31 March,2012</b>	<b>31 March,2011</b>
<b>Interest income on</b>		
Others	2,000	77,660
	<b>2,000</b>	<b>77,660</b>

**18.Employee benefit expense**

<b>Particulars</b>	<b>31 March,2012</b>	<b>31 March,2011</b>
Salaries, Wages and bonus	3,213,178	1,680,873
Contribution to provident and other funds	75,482	50,271
Gratuity expense	20000	0
Sitting Fee	4,000	18,000
Staff Welfare Expenses	55,910	72,931
	<b>3,368,570</b>	<b>1,822,075</b>

**19.Other expenses**

<b>Particulars</b>	<b>31 March,2012</b>	<b>31 March,2011</b>
Rent	200,000	180,000
Rates & Taxes	4,125	53,350
Power	101,205	80,567
Repairs & Maintenance	111,065	18,090
Printing & Stationery	78,616	303,511
Domain Registration charges	20,500	10,000
Communication expenses	120,375	85,851
IBM Filenet Software Purchases	408,169	-
Business Development expenses	62,410	-
Travelling & Conveyance	113,346	8,402
Consultancy & Professional Charges	51,000	53,200
Office Maintenance	291,074	64,901
AGM / EGM expenses	14,844	8,951
Miscellaneous expenses	61,240	35,100
Advertisement & Publicity	45,589	35,760
Share Transfer/D-mat Expenses	60,767	55,757
Listing Fee	28,925	17,000
Loss in Dubai Subsidiary	1,684,605	-
Bad debts writtenuff	1,695,396	-
Intanjabable debts writtenuff	-	1,907,511
	<b>5,153,251</b>	<b>2,917,951</b>

**Payment to auditor**

<b>Particulars</b>	<b>31 March,2012</b>	<b>31 March,2011</b>
<b>As auditor:</b>		
Audit fee	38,605.00	38,605.00
Other services (certification fees)	5,515.00	5,515.00
	<b>44120.00</b>	<b>44120.00</b>

**20. Depreciation and amortization expense**

<b>Particulars</b>	<b>31 March,2012</b>	<b>31 March,2011</b>
Depreciation of tangible assets	352,437	347,018
Amortization of intangible assets	15,890	15,890
	<b>368,327</b>	<b>362,909</b>
	<b>368,327</b>	<b>362,909</b>

**21. Finance costs**

<b>Particulars</b>	<b>31 March,2012</b>	<b>31 March,2011</b>
Interest	534,547	484652
Bankcharges	21,572	17305
	<b>556,119</b>	<b>501957</b>

**Notes on accounts annexed to and forming part of the accounts as at and for the year ended March 31, 2012.****1. Statement of Significant Accounting Policies****a. Basis of Preparation**

The financial Statements have been prepared under the historical cost convention on accrual basis to comply in all material respects with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956.

**b. Use of Estimates**

The presentation of financial statements in conformity with the generally accepted accounting policies requires estimates and assumptions to be made that affect the reported amount of revenues and expenses during the reporting period. Difference between the actual and estimates are recognized in the period in which the results are known /materialized.

**2. Fixed Assets and depreciation**

- i) Fixed assets are stated at cost less accumulated depreciation. Cost includes freight, duties (net of MODVAT), taxes and any attributable cost of bringing the asset to its working condition for its intended use.
- ii) Depreciation on Fixed Assets is provided on straight-line method at the rates prescribed in Schedule XIV of the Companies Act, 1956 on pro-rata basis.

**3. Revenue Recognition**

- i) Income from software related services is accounted for on the basis of services rendered and billed to the clients on acceptance and/or on the basis of man days/ man hours spent as per the terms of the contract with the clients. Income from software products is recognized on the basis of the sale to the clients.
- ii) Income from software training is accounted on accrual basis.
- iii) Revenue from Annual Maintenance Contracts (AMC) is recognized on a pro rata basis over the period in which such services are rendered.
- iv) Interest income on term deposits is recognized using the time proportion method, based on interest rates implicit in the transaction.
- v) During the year the Company has Written Off Rs.16,95,396/- towards Bad debts.

**4. Expenditure**

Expenses are accounted on Accrual basis and the provisions are made for all expected losses and liabilities.

**5. Investments:**

Long-term investments are carried at cost, and provision is made to recognize any decline, other than temporary, in the value of such investment.

**6. Retirement Benefits**

Provision for accrued gratuity liability is provided on actuarial basis, leave encashment is provided on cash basis.

**7. Deferred Taxes**

Deferred tax is provided, on all temporary differences at the Balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or subsequently enacted at the Balance sheet date.

**8. Foreign Exchange Transactions**

- i) Foreign currency transactions arising during the year are recorded as per the prescribed foreign exchange rates prevailing on the date of transaction.
- ii) Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are stated at contract rates and / or at the transaction rate.

**9. Earning per Share**

In determining earnings per share, the Company considers the net profit after tax and includes the post – tax effect of any extra-ordinary items. The number of shares used in computing the basic earnings per share is the weighted average number of shares outstanding during the year.

**2. Notes on accounts:**

**a) Secured Loans:** Term loan from Union Bank of India is secured by equitable mortgage of Land and Buildings of Promoters and hypothecation of other fixed assets of the Company and personal guarantee by two of the directors of the company. Working capital loans from Union Bank of India are secured by equitable mortgage of Land and Buildings of the promoters and hypothecation of other fixed assets and book debts of the Company and personal guarantee by two of the directors of the company. (Hypothecation by way of first Charge in favour of the bank).

**b)** As stipulated in AS-28, the company has assessed its potential of economic benefits of its business limits, and is of the view that the assets employed in continuing business are capable of generating adequate returns over their useful life in the usual course of his business. There is no indication to the company and accordingly the management is of the view that no impairment provision is called for in these accounts.

**c) Quantitative Details:** The Company is engaged in the development and maintenance of computer software. The production and sale of such software cannot be expressed in any generic unit. Hence, it is not practicable to give the quantitative details of sales and certain information as required under paragraphs 3,4C, and 4D of part II of Schedule VI to the Companies Act, 1956.

<b>d) Contingent Liabilities:</b>	31-03-2012	31-03-2011
Claims against the company not Acknowledged as debts	-NIL-	-NIL-

<b>e) Foreign Exchange Earnings &amp; Expenditure:</b>	<b>2011-12</b>	<b>2010-11</b>
Foreign Exchange Earnings:	-Nil-	1994300/-
Expenditure in Foreign Currency:	-Nil-	-Nil-

**Investments:**

Company has invested Rs. 3,67,79,873 in Integrated Broad Casting Co. (P) Ltd.

**f) Related Party Disclosure as required under AS 18**

Transactions with related parties (Subsidiary Company)

1. B. Vijaya Lakshmi received a rent of Rs.1,80,000 during the year against the property leased to the company.
2. The company owes an amount of Rs. 4930866/- as on 31st March, 2012 to B.S.N. Suryanarayana (Managing Director) and the maximum amount due during the year is Rs. 4930866/-.
3. The company owes an amount of Rs. 12545000/- as on 31st March, 2012 to Nihar Stocks Ltd.



- g) Gratuity and leave encashment liability is provided on undiscounted basis for which the company has not taken any policy as the amount of liability is not material.
- h) In view of confirmations not having been obtained from the sundry debtors including interest receivable on overdue payments, deposits, advances and sundry creditors, secured loans, unsecured loans, the accounts are subject to adjustment on receipt of confirmations of balance and/or reconciliation of accounts the impact whereof on accounts cannot be ascertained at this stage.
- i) In the opinion of Board of Directors, the "Current Assets, Loans and advances" have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.
- j) Previous year's figures have been regrouped /rearranged to conform to those of the current year.

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C. Ramachandram & Co.,  
Chartered Accountants  
Firm Reg. No. 002864S

For and on behalf of the Board

C. Ramachandram  
Partner  
Membership No – 25834

(Sd/-)  
BSN Suryanarayana  
Managing Director

(Sd/-)  
B Divyesh Nihar  
Whole Time Director

Place : Hyderabad  
Date : 30-08-2012

## CASH FLOW STATEMENT

Amount in Rupees

	2012	2011
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit/(loss) before tax and extra ordinary items</b>	<b>(6,775,616)</b>	(1,315,267)
adjustments for :		
Miscellaneous written off		1,907,511
Depreciation	368,327	362,909
Transfers to Reserves & Surplus	246,125	-
<b>Operating Profit/(loss) before working capital changes</b>	<b>(6,161,164)</b>	<b>955,153</b>
adjustments for :		
(Increase)/Decrease in Trade and other receivables	1,809,499	(2,764,861)
(Increase)/Decrease in Inventories & Other current assets	(7,374,785)	73,410
(Decrease)/Increase in Trade payables	750,200	(3,832,870)
Working Capital Bank (Payments)/Borrowings	(170,000)	(4,120,992)
<b>Cash generated from operations</b>	<b>(11,146,250)</b>	(9,690,160)
Prior period adjustments	-	913,500
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>(11,146,250)</b>	<b>(8,776,660)</b>
<b>B CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Purchase of fixed assets	(209,065)	(52,281)
Sale of Fixed Assets	-	-
Sale of Investments	-	-
Purchase of Investments	-	-
Increase of Website Expenses	-	-
Investment Subsidy Received	-	-
Cash out flow on account of new investments	-	-
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(209,065)</b>	<b>(52,281)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Interest accrued & due	534,547	425,000
(Repayment) /Increase in Term Borrowings	-	(684,708)
(Repayment) /Increase in Unsecured Loans	9,874,546	9,748,263
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>10,409,093</b>	9,488,555
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>	<b>(946,222)</b>	<b>659,614</b>
<b>Opening balance</b>	<b>1,025,536</b>	<b>365,922</b>
<b>Closing balance</b>	<b>79,314</b>	<b>1,025,537</b>

**Notes :**

1. Previous years figures have been re-grouped/re-arranged to confirm to those of the current year.

For and on behalf of the Board of Directors

C. Ramachandram & Co.,  
Chartered Accountants

(Sd/-)  
BSN Suryanarayana  
Managing Director

(Sd/-)  
B Divyesh Nihar  
Wholetime Director

Place : Hyderabad  
Date : 30-08-2012

**Additional Information as required under part IV of Schedule VI to the companies Act, 1956.**

Balance Sheet Abstract and Company's General Business Profile

<b>A. Registration Details</b>			
Registration No.	19200	State Code	01
Balance Sheet Date	31-03-2011		
<b>B. Capital raised during the year (amount in Rs.'000)</b>			
Public Issue	Nil	Rights issue	Nil
Bonus Issue	Nil	Private Placement	Nil
		Share Deposits	Nil
<b>C. Position of Mobilisation and Deployment of funds (amount in Rs.'000)</b>			
Total Liabilities	46474	Total Assets	46474
<b>Sources of Funds</b>		<b>Application of funds</b>	
Paid-up Capital	61884	Net fixed assets	770
Reserves and Surplus	(41330)	Investments	36780
Secured / Un-Sec. Loans	25920	Net Current Assets	8924
<b>D. Performance of the Company (amount in Rs.'000)</b>			
Turnover(Including other income)	2713		
Total Expenditure	8934		
Profit before tax	(6776)		
Profit after tax	(6768)		
Earnings per Share in Rs.	(1.094)		
Dividend Rate	-		
<b>E. Generic names of three principal products / services of company (as per monetary terms)</b>			
Item Code No.	Not applicable		
Product Description	- Software Development and IT Training		

For and on behalf of the Board

Sd/-  
BSN Suryanarayana  
Managing Director

Sd/-  
B Divyesh Nihar  
Wholetime Director

Place : Hyderabad  
Date : 30-08-2012

**IMPORTANT NOTICE**

**Sub:- Paper less compliance of Corporate Governance- Green Initiative of MCA**

Dear Shareholder,

This is to inform you that the Ministry of Corporate Affairs (MCA) has taken a Green Initiative and allowed the Corporates to send their Notices, Annual Reports etc., in electronic form and it will be deemed to have complied with the provisions of Companies Act, 1956. Accordingly, your Company proposes to send the Notices, Annual Reports etc., for the financial year 2011-12 onwards in electronic form to the members of the Company.

Accordingly, you are requested to please register / update your e mail id with the company at **cs@niharinfo.com** and its RTA so that the above documents can be sent to you through your updated email Id.

Please note that said documents will be uploaded on the website of the Company i.e. [www.niharinfo.com](http://www.niharinfo.com) for your ready reference. We will also notify you the date of Annual General Meeting and the availability of the said documents by publishing the same in newspapers. However, if you wish to receive the said documents in physical form, kindly inform us accordingly.

We look forward for your kind co-operation to this unique initiative by the MCA and your Company's desire to participate in such initiatives.

Thanking you.

**For Nihar Info Global Limited**

(Sd/-)

**Astha Chaturvedi**  
(Company Secretary)

register / update their e-mail id mentioning their folio number. Shareholders may also send scanned copy of the letter at the following id:-

1) **cs@niharinfo.com**

# NIHAR INFO GLOBAL LIMITED

Regd. Office : 34, Ganesh Nagar Colony, West Marredpally, Sec'bad - 500 026.

## PROXY FORM

Regd. Folio No. \_\_\_\_\_ No. of Shares Held \_\_\_\_\_

I/We \_\_\_\_\_

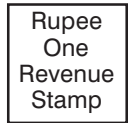
of \_\_\_\_\_ being a member/  
members of **NIHAR INFO GLOBAL LIMITED** hereby appoint  
\_\_\_\_\_ of \_\_\_\_\_

or failing him/her \_\_\_\_\_ of \_\_\_\_\_  
as my / our proxy to vote for me/us on my / our behalf at the Annual General Meeting of the  
Company to be held on Saturday, 29th September, 2012 at 3.30 p.m. at Hotel Time Square, Near  
Clock Tower, Secunderabad-500 003.

Signed \_\_\_\_\_ day of \_\_\_\_\_ 2012.

Signature \_\_\_\_\_

Note : This form, in order to be effective, should be duly stamped, completed and signed and must  
be deposited at the Registered office of the Company, not less than 48 hours before the meeting.



# NIHAR INFO GLOBAL LIMITED

Regd. Office : 34, Ganesh Nagar Colony, West Marredpally, Sec'bad - 500 026.

## ATTENDANCE SLIP

Regd. Folio No. \_\_\_\_\_ No. of Shares held \_\_\_\_\_

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company

I hereby record my presence at the Annual General Meeting of the Company on Saturday, 29th  
September, 2012 at 3.30 p.m. at Hotel Time Square, Near Clock Tower, Secunderabad-500 003.

.....  
Member's/ Proxy, name in Block Letters

.....  
Signature of Member/Proxy

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall.





# BOOK-POST

If undelivered please return to :



**NIHAR INFO GLOBAL LIMITED**

**An Enterprise Solutions Company**

[www.niharinfo.com](http://www.niharinfo.com)

Regd. Office : 34, Ganesh Nagar Colony,  
West Marredpally, Secunderabad - 500 026.