

**NIHAR INFO GLOBAL LIMITED**

**22<sup>nd</sup> ANNUAL REPORT**

**2015-16**

## INDEX

<b>Contents</b>	<b>Page No.</b>
Notice	4
Director's Report	14
Corporate Governance Report	18
Secretarial Audit Report	29
Management Discussion and Analysis Report	32
Auditor's Report	48
Balance Sheet	55
Profit & Loss Account	56
Notes to the Balance sheet and P & I A/c	58
Cash Flow Statement	66
Notes on Accounts and Significant Accounting Policies	68
E- Voting Instructions	73
Attendance Slips	75
Proxy Form	76

## COMPANY INFORMATION

### Board of Directors

Mr. B.S.N Suryanarayana	Managing Director
Mr. B. Divyesh Nihar	Whole Time Director
Mr. Jagadeeswara Rao Reddi	Independent Director
Mr.J. Sundara Sekhar	Independent Director
Ms. Nithisha Boda	Woman Director
Mr. Ajith Kumar Nagarani	Independent Director.

### Company Secretary & Chief Compliance Officer

Mrs. Astha Chaturvedi

### Chief Financial Officer

Ms. P Anuradha

### Auditors:

C.Ramachandaram & Co.  
Chartered Accountants  
Hyderabad

### Bankers:

Axis Bank  
West Marredpally Branch  
Secunderabad

### State Bank of India

West Marredpally Branch  
Secunderabad

### Registrar & Share Transfer Agent:

Aarthi consultants Private Limited  
Gagan Mahal Street No 7 Street,  
Himayath Nagar, Hyderabad,  
Telangana – 500029  
Tel: 040-27638111/27634445  
E-mail: [info@arthiconsultants.com](mailto:info@arthiconsultants.com)

### Registered Office Address:

Nihar House, No.34, Ganesh Nagar,  
West Marredpally, Secunderabad - 26  
Tel: 040- 27705389/90  
E-mail: [bsn@niharinfo.com](mailto:bsn@niharinfo.com)

## NOTICE

Notice is hereby given that the twenty-second Annual General Meeting of Nihar Info Global Limited will be held on Friday, September 30, 2016 at 11.00 A.M at Hotel Pearl Regency, 11-5-431, Red Hills, near Lakdikapool bridge, Hyderabad- 500004, to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2016, together with the Reports of the Board of Directors and the Auditors thereon
2. To appoint a Director in place of Mr. Divyesh Nihar Boda (DIN: 02796318), who retires by rotation and being eligible, offers himself for re-appointment.

### 3. APPOINTMENT OF AUDITORS

To consider and, if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s C. Ramachandram & Co., Chartered Accountants (Firm Registration No. 002864S) retiring Auditors of the Company, be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the twenty-third AGM of the Company to be held in the year 2017 to examine and audit the accounts of the Company at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

### SPECIAL BUSINESS

#### 4. REAPPOINTMENT OF MANAGING DIRECTOR

Re-appointment of Mr. BSN Suryanarayana (DIN 01499145), Managing Director of the Company. Consider and if thought fit, to pass with or without modification, the following resolution as **SPECIAL RESOLUTION**:

**“RESOLVED THAT** pursuant to recommendation of the Board Governance, Nomination and Compensation Committee, and approval of the Board and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule- V of the Companies Act, 2013 and Article 191 of Articles of Association of the Company, approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. BSN Suryanarayana, Managing Director of the Company with effect from 13<sup>th</sup> August 2017 till 13<sup>th</sup> August 2022 as well as the payment of salary, commission and perquisites (hereinafter referred to as “remuneration”), upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and / or agreement in such manner as may be agreed to between the Board of Directors and Mr. BSN Suryanarayana.

**“RESOLVED FURTHER THAT** the remuneration payable to Mr. BSN Suryanarayana, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 Of the Companies Act, 2013 or such other limits as may be prescribed from time to time.”

“**RESOLVED FURTHER THAT** Mr. BSN Suryanarayana the Managing Director of the Company be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.”

#### **5. APPOINTMENT OF MR. AJITH KUMAR NAGARANI AS AN INDEPENDENT DIRECTOR**

To consider and, if thought fit, to pass, with or without modifications, the following resolution as an **Ordinary Resolution**

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Ajit Kumar Nagarani (DIN: 03292788), who was appointed by the Board of Directors as an Additional (Independent) Director of the Company with effect from 13<sup>th</sup> November, 2015, whose term of office expires at the ensuing Annual General Meeting in terms of Section 161 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years upto November 12, 2020.

**RESOLVED FURTHER THAT** Mr. BSN Suryanarayana the Managing Director of the Company be and is hereby authorized to do all such acts and things as may be necessary, proper and expedient to give effect to this Resolution including filing of necessary forms/returns with the Registrar of Companies.”

#### **6. ALTERATION OF OBJECTS CLAUSE IN THE MEMORANDUM OF ASSOCIATION OF THE COMPANY**

To consider and, if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force and the Rules framed thereunder, as amended from time to time, and subject to the approval of the Registrar of Companies, Telangana, Hyderabad (“ROC”) and/or of any other statutory or regulatory authority, as may be necessary, Clause III (Objects Clause) of the Memorandum of Association of the Company, be and is hereby altered by adding the following new sub-clause (e) after the existing sub-clause (d) under Part -A of Clause III thereof:

‘ (e). To carry on the business in India or Globally as trader, dealer, exporter, importers, buyers, Sellers, merchants, indenters, commission, agents, brokers, buying, selling agents, factors, distributors, stockist in all kinds of products and articles of merchandise, commodities, metals and act as manufacturers’ representatives, to set up import and export houses for all types of products required or ordered by customers and also to use for all any of the above purposes, the commerce platform of any other companies.’

“**RESOLVED FURTHER THAT** Mr. BSN Suryanarayana the Managing Director of the Company, be and are hereby severally authorized to file, sign, verify and execute all such e-forms, papers or documents, as may be required and do all such acts, deeds, matters and things as may be

necessary and incidental thereto for giving effect to this Resolution, including agreeing to any change to the aforesaid sub-clause (e) of the Memorandum of Association of the Company, as may be required by the ROC and / or any statutory/regulatory authority.”

**7. COMPANY APPROVAL FOR GRANT OF OPTIONS TO THE IDENTIFIED EMPLOYEES DURING ANY ONE FINANCIAL YEAR, EQUAL TO OR EXCEEDING ONE PERCENT (1%) OF THE TOTAL NUMBER OF SHARES OF THE COMPANY AT THE TIME OF GRANT OF OPTION.**

**To consider and, if thought fit, to pass with or without modification(s), the following resolution as Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) of the Companies Act, 2013 , read with rules made thereunder and Regulation 6(3)(d) of the Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, read with SEBI Circular No. CIR/CFD/POLICY CELL/2/2015,dated June 16, 2015 and all other applicable provisions of the Companies Act, 2013, including rules made thereunder and the SEBI Regulations, as amended from time to time (including any statutory amendment, modification or reenactment to the Act and / or to the SEBI Regulations for the time being in force) and subject to such approvals, permissions, consents, and sanctions as may be required from any statutory or regulatory authorities including such conditions and modifications as may be prescribed or imposed by the aforesaid authorities while granting such approvals, permissions, consents and sanctions, the approval and consent of the members of the Company be and is here by accorded to the Board of Directors (hereinafter referred to as “the Board” which terms shall be deemed to include any committee including compensation committee of the Board) for grant of Stock Options to the identified employees, during any one financial year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversations) of the Company at the time of grant of options.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, Mr. BSN Suryanarayana the Managing Director of the Company including the Nomination & Remuneration Committee and/or such other committee as may be decided by the Board, be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, on behalf of the Company to settle all questions, difficulties or doubts that may arise in this regard, as it may, in its absolute discretion deemed, without being required to seek any further consent or approval of the member(s).”

**8. APPROVAL FOR AMENDMENT / VARIATION OF NIHAR EMPLOYEE STOCK OPTION PLAN-2015:**

“**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b), Rule 12(5)(a) of the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 7 (2) of the Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, read with SEBI Circular No. CIR/CFD/POLICY CELL/2/2015,dated June 16, 2015 and all other applicable provisions of the Companies Act, 2013, including rules made thereunder and the SEBI Regulations, as amended from time to time (including any statutory amendment, modification or reenactment to the Act and / or to the SEBI Regulations for the time being in force) and subject to such approvals, permissions, consents, and sanctions as may be required from any statutory or regulatory authorities including such conditions and modifications as may be prescribed or imposed by the aforesaid authorities while granting such approvals, permissions, consents and sanctions, the approval and consent of the members of the Company be and is here by accorded to the Board of Directors (hereinafter referred to as “the Board” which terms shall be deemed to include any committee including compensation committee of the Board) to amend the existing **clause 8.3** of “**Nihar Employees Stock Option Plan 2015**” (hereinafter “**Plan**”) as follows:

**8.3** The maximum number of the options that may be granted to a single employee under this Plan in any one financial year shall not exceed 1% of the total number of shares of the Company at the time of grant of options.

**“FURTHER RESOLVED THAT**, the other terms and conditions of the **Nihar Employees Stock Option Plan 2015**, except as set out in the explanatory statement, shall remain unchanged.

**“FURTHER RESOLVED THAT** MR. BSN SURYANARAYANA THE MANAGING DIRECTOR OF THE COMPANY INCLUDING NOMINATION AND REMUNERATION COMMITTEE CUM COMPENSATION COMMITTEE OF THE BOARD BE AND IS HEREBY AUTHORISED IN WHOLE OR IN PART, ON BEHALF OF THE COMPANY, TO DO ALL SUCH ACTS, DEEDS, MATTERS AND THINGS AND EXECUTE ALL SUCH DEEDS, DOCUMENTS, INSTRUMENTS AND WRITINGS, AS IT MAY, IN ITS ABSOLUTE DISCRETION, DEEM NECESSARY OR DESIRABLE FOR SUCH PURPOSE, ON BEHALF OF THE COMPANY TO SETTLE ALL QUESTIONS, DIFFICULTIES OR DOUBTS THAT MAY ARISE IN THIS REGARD AND BRING INTO EFFECT THE ABOVE RESOLUTION, AS IT MAY, IN ITS ABSOLUTE DISCRETION DEEM FIT, WITHOUT BEING REQUIRED TO SEEK ANY FURTHER CONSENT OR APPROVAL OF THE MEMBER(S).”

**Place:** Secunderabad

**By the order of Board of Directors**

**Date :** 27.08.2016

(Sd/-)

**BSN Suryanarayana**  
**(Managing Director)**  
**(DIN: 01499145)**

**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. As per the provisions of the Companies Act, 2013, a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as a proxy for any other person or shareholder.
3. The Explanatory statement required under Section 102 of the Companies Act, 2013 in respect of the item is annexed hereto.
4. The Register of Members and Share transfer Books will be closed from 22<sup>nd</sup> September 2016 to 30<sup>th</sup> September 2016. **(Both Dates Inclusive)**.
5. The Members are requested to notify any change in their addresses, email address to the Company's Registrar and Share transfer agents, Aarthi Consultants Private Limited, 1-2-285, Domulguda, Hyderabad-500029.
6. Members/Proxies are requested to bring Annual Reports along with the attendance slips filled in for attending the meeting.

7. Members who hold shares in the dematerialised form, are requested to bring their depository account number for identification at the time of their Annual General Meeting.
8. A brief resume of the Directors of Company, seeking appointment/ re- appointment at this Annual General Meeting is given as part of this notice.
9. A statement setting out the material facts in respect of resolutions set out under "Special Businesses" of the Notice pursuant to Sub section 1 of Section 102 of the Companies Act 2013 is annexed hereto.
10. Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in Securities Market. Members holding shares in electronic form are requested to submit the PAN to their Depository Participants with whom they are maintaining their demat account. Members holding shares in physical form are requested to submit their PAN details to M/s Aarthi Consultants Pvt. Ltd., the share transfer agents of the Company.
11. Pursuant to Section 101 and section 136 of the Companies Act, 2013 read with rules made thereunder, copies of Annual Report 2015-2016, Notice of the 22<sup>nd</sup> AGM and instructions for e-voting along with the Attendance slip and the proxy form are being sent by the electronic mode only to all the shareholders whose email addresses are registered with the Company for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2015-2016 etc. are being sent by the permitted mode. Members holding shares in physical form can send their email address for registration to [info@aarthiconsultants.com](mailto:info@aarthiconsultants.com) quoting the Folio number and Name of the Company.
12. The Annual Report duly circulated to the members of the Company, is available on the Company's website at [www.niharinfo.com](http://www.niharinfo.com)
13. In compliance with the provisions of Section 108 of the Companies Act, 2013 and the rules framed there under the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Aarthi Consultants Pvt. Ltd., on all resolutions set forth in this notice. The Members, whose name appears in the register of Members as on 21<sup>st</sup> September 2016, are entitled to vote on the Resolutions set forth in this Notice.

**Place:** Secunderabad

**Date:** 27.08.2016

**By the order of the Board of Directors**

**Sd/-**

**BSN Suryanarayana  
(Managing Director)  
(DIN: 01499145)**



## **Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 in respect of special business**

As required by Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 4 to 6 of the accompanying Notice:

### **ITEM NO.4**

Mr. BSN Suryanarayana Managing Director of the company is proposed to seek the member's approval for being reappointed as Managing Director of the company with effect from 13<sup>th</sup> August 2017 till 13<sup>th</sup> August 2022. He will continue to be paid Rs. 6, 00,000/- p.a as earlier.

### **ITEM NO. 5**

The Board of Directors of the Company (the 'Board'), at its meeting held on 13<sup>th</sup> November 2015, appointed Mr. Ajit Kumar Nagarani as an Additional Director who shall hold office up to the date of ensuing AGM. Now, it is proposed to seek the member's approval for appointment of Mr. Ajit Kumar Nagarani as an Independent Director of the Company. He is not disqualified from being appointed as Director in terms of section 164 of the Act. A notice u/s 160 of the companies Act, 2013 has been received from a member proposing Mr. Ajit Kumar Nagarani as a candidate for the office of Director of the company.

The Board commends the Resolution at Item No. 5 of the accompanying Notice for approval by the Members.

None of the Directors/Key Managerial personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution excepting Mr. Ajit Kumar Nagarani.

### **ITEM NO. 6**

The Company proposes to undertake the activity of trading of all kinds of merchandise and commodities viz., sale and distribution

To enable the Company to commence the aforesaid business, it is proposed to amend the Main Objects under the Objects Clause of the Memorandum of Association of the Company, by the insertion of sub-clause (e) after the existing sub-clause (d) as stated in the Resolution in the annexed notice. The above amendment would be subject to the approval of the Registrar of Companies, Telangana, Hyderabad and any other Statutory or Regulatory Authority, as may be necessary.

A copy of the Memorandum and Articles of Association of the Company together with the proposed alterations is available for inspection by the Members of the Company at its Registered Office during normal business hours on all working days up to the date of the Meeting.

The Directors commend the passing of the Resolution under Item No. 6 of the accompanying Notice for the approval of the Members of the Company.

None of the Directors of the Company or the Key Managerial Persons of the Company or their respective relatives is concerned or interested in the passing of the above Resolution.

### **ITEM NO. 7 & 8**

This Explanatory Statement is intended to provide the Shareholders with sufficient information to assess the merits of the Resolutions contained at Item No. 7 & 8 of the Notice of 22<sup>nd</sup> Annual General Meeting of the Company.

The Directors recommend to the Shareholders to read this Explanatory Statement in full before making any decision in relation to the resolutions set out at Item No. 7 & 8 i.e. for **Approval for grant of options to the identified employees during any one financial year, equal to or exceeding one percent (1%) of the total number of shares of the Company at the time of grant of option** and for **Approval for amendment / variation of Nihar Employee Stock Option Plan-2015**.

The Board of Directors of the Company at its meeting held on 27.08.2015, approved the **Nihar Employee Stock Option Plan-2015** (hereinafter referred to as “Plan”) for granting a maximum of 30, 00,000 (Thirty Lakhs) Employee Stock Options in one or more lots under the said Plan to or for the benefit of eligible employees of the Company and to the employees of its Subsidiary (ies).

The Board of Directors of the Company obtained the approval of the Shareholders by way of a Special Resolution to the Plan at the 21<sup>st</sup> Annual General Meeting of the Company held on 30<sup>th</sup> day of September, 2015. The Board of Directors of the Company, in the same Annual general Meeting, also obtained the approval of the Shareholders by way of another Special Resolution for issue of Shares under Nihar Employees Stock Option Plan 2015, to the employees of its Subsidiary (ies).

Subsequent to obtaining the approval of the Board of Directors and of the Shareholders of the Company to the Plan, the Company has obtained the in principle approval of the BSE Limited to the Nihar Employees Stock Option Plan 2015, by complying with the provisions of the Companies Act, 2013 read with rules made thereunder and Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, read with SEBI Circular No. CIR/CFD/POLICY CELL/2/2015, dated June 16, 2015.

On 28<sup>th</sup> day of May, 2016, the Nomination and Remuneration Committee (Compensation Committee) of Board of Directors of the Company has considered, approved and granted 26,000 (Twenty Six Thousand) options in accordance with the terms and conditions contained under the Nihar Employee Stock Option Plan- 2015, to the eligible employees of the Company.

#### **THE RATIONALE:**

One of the terms of the Plan as contained in clause 8.3 of the Plan is that **the maximum number of the options that may be granted to all the employees under the Plan in any one year shall not exceed 1% of the total number of shares of the Company**. However, at the time of grant of options on 28.05.2016, the Board realized that the intention of the Board of Directors of the Company was that **“the maximum number of the options that may be granted to a single employee under the Plan in any one year shall not exceed 1% of the total number of shares of the Company”**.

It is submitted that due to an inadvertent oversight and misconstruction in clause 8.3 of the Plan, it was mentioned that the maximum number of the options that may be granted to all the employees under the Plan in any one year shall not exceed 1% of the total number of shares of the Company instead of **“the maximum number of the options that may be granted to a single employee under the Plan in any one year shall not exceed 1% of the total number of shares of the Company”**.

Upon realizing the aforesaid inadvertent misconstruction of the phrase, the Board of Directors of the Company requested and proposed to the Nomination and Remuneration Committee cum Compensation Committee of Board of Directors of the Company to modify the existing clause 8.3 of the Plan so as to reflect the actual intention of the Board of Directors of the Company.

Upon receiving the request and the proposal from the Board of Directors of the Company, the Nomination and Remuneration Committee cum Compensation Committee of the Company at its meeting held on 28<sup>th</sup> May 2016 considered and approved the alteration in the existing clause 8.3 of Plan as suggested by the Board of Directors of the Company.

After obtaining the consent of the Nomination and Remuneration Committee cum Compensation Committee of the Company for amending and substituting the existing clause 8.3 of the Plan, the Board of Directors of the Company at its meeting held on 28<sup>th</sup> May 2016 approved the amendment and substitution of clause 8.3 of the Plan in the following manner, subject to the approval of shareholders by way of passing Special Resolutions at the 22<sup>nd</sup> Annual General Meeting of the Shareholders of the Company:

**NEW CLAUSE 8.3 OF THE PLAN: “THE MAXIMUM NUMBER OF THE OPTIONS THAT MAY BE GRANTED TO A SINGLE EMPLOYEE UNDER THIS PLAN IN ANY ONE FINANCIAL YEAR SHALL NOT EXCEED 1% OF THE TOTAL NUMBER OF SHARES OF THE COMPANY AT THE TIME OF GRANT OF OPTIONS”.**

Hence, the approval of member(s) is hereby sought to amend and substitute existing clause 8.3 of the **Nihar Employees Stock Option Plan 2015**.

**THE VARIATION / AMENDMENT:**

- **Existing clause 8.3: “The maximum number of the options that may be granted to all the employees under this Plan in any one year shall not exceed 1% of the total number of shares of the Company”.**

**TO BE SUBSTITUTED WITH THE FOLLOWING CLAUSE:**

- **New Clause 8.3: “The maximum number of the options that may be granted to a single employee under this plan in any one financial year shall not exceed 1% of the total number of shares of the Company at the time of grant of options”.**

Except the aforesaid amendment and substitution of existing clause 8.3 of the Plan with the new clause 8.3, there is no change / alteration / modification in the Plan and all the other terms and conditions of the **Nihar Employees Stock Option Plan, 2015**, shall remain unchanged.

The aforesaid amendment and substitution of existing clause 8.3 of the Plan with the new clause 8.3, is not prejudicial to the interest of the eligible Employees and Option holders covered under the **Nihar Employees Stock Option Plan, 2015**.

**DETAILS OF THE EMPLOYEES WHO ARE BENEFICIARIES OF THE AFORESAID VARIATION:**

The variation / amendment proposed at the Item No. 8 of the Notice of the 22<sup>nd</sup> AGM is general in nature and applicable and beneficial to all the identified employees of the Company equally. Since the Board of Directors of the Company in consultation with the Nomination and Remuneration Committee cum Compensation Committee of the Company is proposing to grant options to the identified employees, during any one financial year, exceeding one per cent (1%) of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant of option, approval of shareholders of the Company by means of a Special Resolution is sought in terms of Section 62(1)(b), read with rules made thereunder and in terms of Regulation 6(3)(d) of the Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, read with SEBI Circular No. CIR/CFD/POLICY CELL/2/2015, dated June 16, 2015 and all other applicable provisions of the Companies Act, 2013.

As a consequence of enabling the Nomination and Remuneration cum Compensation Committee of the Company to grant options to the identified employees, during any one financial year, exceeding one per cent (1%) of the issued capital (excluding outstanding warrants and conversions) of the

company at the time of grant of option, the existing clause 8.3 of the Nihar Employees Stock Option Plan, 2015, is proposed to be amended and substituted with the new clause which results in variation in the terms and conditions of Nihar Employees Stock Option Plan, 2015 and hence approval of shareholders of the Company by means of another Special Resolution is sought in terms of Section 62(1)(b), Rule 12(5)(a) of the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 7(2) of the Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, read with SEBI Circular No.CIR/CFD/POLICY CELL/2/2015,dated June 16, 2015 and all other applicable provisions of the Companies Act, 2013.

Accordingly, approval of the members through special resolution as set out at Item No.7 and at Item No.8 is sought.

The Board recommends the special resolutions as set out as set out at Item No.7 and at Item No.8 of the notice of the 22nd Annual General Meeting of the Shareholders of the Company for the Member's approval.

None of the Directors, Key Managerial Persons of the Company or any relatives of such Directors or KMP is in any way consent or interested financially or otherwise in the proposed resolutions except to the extent of the securities that may be offered to them under the Employee Stock Option plan.

**Place: Secunderabad**  
**Date: 27.08.2016**

**By order of the Board of Directors**  
**For Nihar Info Global Limited**

**(Sd/-)**  
**BSN Suryanarayana**  
**(Managing Director)**  
**(DIN: 01499145)**

**Details of Director Seeking Appointment/ Re-appointment at the Annual General Meeting**

Name of the Director	Mr. B.S.N.Suryanarayana
Date of Birth	03.04.1959
Date of Appointment	13.08.2017
Qualifications	B.Com, A.C.A, A.C.S
Expertise in specific functional areas	Overall management of the day to day affairs of the Company
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	Nihar Stocks limited Nihar Logistics India Private Limited BSN corporate Advisory Services Private Limited
Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee.)	Nil
Number of shares held in the Company	625425 shares

Name of the Director	Mr. Divyesh Nihar Boda
Date of Birth	02.06.1986
Date of Appointment	30.09.2016
Qualifications	Engineering Graduate (B. tech)
Expertise in specific functional areas	He is Microsoft, IBM File Net and IBM DB2 Certified Professional
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	Nihar Stocks Limited
Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee.)	One
Number of shares held in the Company	411394 shares

Name of the Director	Mr. Ajith Kumar Nagarani
Date of Birth	04-08-1954
Date of Appointment	30.09.2016
Qualifications	Msc
Expertise in specific functional areas	Investigation
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	Director – Corporate Investigations India Pvt Ltd.
Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee.)	Nil
Number of shares held in the Company	Nil

## DIRECTORS' REPORT

To the Members,

The Directors submit 22<sup>nd</sup> annual report of the Company along with the audited financial statements for the financial year (FY) ended March 31, 2016

### 1. Financial Summary

The Company's financial performance, for the year ended March 31, 2016 is summarised below:

Particulars	Rs. in Lakhs	
	Current Year ended 31 <sup>st</sup> March 2016	Previous year ended 31 <sup>st</sup> March 2015
Gross Revenue	90.93	162.50
Profit before interest, depreciation & taxes	50.02	30.19
Interest	0.00	0.00
Depreciation & Amortization	1.35	2.97
Profit /Loss After Tax	39.07	27.45

### 2. Performance of the Company

The turnover and Profit of the Company for the current year were Rs. 90.93 lacs and Rs. 39.07 Lakhs as against corresponding figures of the previous year of Rs. 162.50 Lakhs and Rs. 27.45 lakhs respectively.

### 3. Dividend

The Board of Directors of your Company has not recommended any dividend for the financial year 2015-16.

### 4. State of Company's affair & Future Outlook

#### E Commerce:

Nihar Info Global Ltd. Has diversified into the ecommerce space for the last 2 years. It has started as B2C ecommerce and has operationalized seven ecommerce portals for various products and services. The Company has also forayed into the B2B ecommerce space and has huge plans to tap the B2B ecommerce space. The B2B Services currently offered by the Company are Corporate Gifts including Festival and Premium Gifts, Bulk Supply of Electronics, Bulk Supply of Stationery Products, Bulk Supply of Housekeeping Products, Bulk Supply of Pantry Products and Bulk Supply of LED Bulbs. It also has plans to add other portfolio of products for its B2B Business. The company has associated itself with more than 100 Brands and Manufacturers for supply of various products. The Company is also offering various Customized gifts for the Corporates in the Gifting segment. The Management has huge plans to capture the untapped B2B Market space.

The company is developing its own B2B channels as mentioned below.

1. Common Service Centres Network
2. Post Office Network
3. Franchisee Network
4. Business Partner Network
5. Self Help Group Network
6. Third Party ecommerce Network

By 2020, the business-to-business (B2B) segment of the burgeoning e-commerce industry in India is set to grow by 2.5 times to touch Rs. 45 lakh Crore, says a report by Ahmedabad-based e-commerce consultant firm Ecumen.in.

Another 2014 report by global retail giant Walmart also underscores this trend. It predicts that the online B2B sector in India, which is \$300 billion as of now, will grow to \$700 billion by 2020.

**Declaration by directors regarding statutory payments:**

As regards the comments by the auditor’s report regarding statutory dues we wish to inform that the company will clear the statutory dues at the earliest possible.

**Logistics:**

The company has developed its own integrated logistics module software and signed agreements with India post, Blue Dart Express Limited, Gati Limited, sequel Logistics Pvt Ltd and our logistic module is fully integrated with them and we are in a position to transport any item across the country.

**Details of Associate Company**

The Company has no subsidiary as on March 31, 2016. Nihar Stocks Limited is an associate company within the meaning of section 2(6) of the Companies Act, 2013 (“Act”) and its Summarised performance and financial position is given below (Pursuant to first proviso to Sub-section (3) of Section 129 of the Companies act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014)

<b>Name of the Company-</b>	Nihar Stocks Limited
<b>Financial period ended-</b>	31 <sup>st</sup> March 2016
<b>Share Capital-</b>	Rs. 15, 25,000 equity share capital
<b>Reserves &amp; Surplus-</b>	Rs. (12, 97,796)
<b>Total Assets-</b>	Rs. 47,659,297
<b>Total Liabilities</b>	Rs. 47,659,297
<b>(excluding share capital &amp; Reserves &amp; Surplus)</b>	
<b>Non Current Investments</b>	Rs. 4,30,97,337
<b>Turnover</b>	Rs. 16,00,625
<b>Profit/ Loss before taxation</b>	Rs. 1,48,959
<b>Profit/ (Loss) after taxation</b>	Rs. 1,48,959

**Extract of annual return**

Extract of the annual return in Form No. MGT – 9 is given as Annexure - I

**Disclosure Pursuant to clause 5A of the Listing Agreement**

As per Clause 5A of the Listing Agreement inserted as per SEBI notification no: SEBI/CFD/DIL/LA/1/2009/24/04 dated April 24, 2009, the details in respect of the shares, which were issued pursuant to the Composite Scheme of Amalgamation and Arrangement and lying in the suspense account till March 31, 2016 is as under.

<b>Description</b>	<b>Number of Shareholders</b>	<b>Number of Equity Shares</b>
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	846	76,324
Number of shareholders who approached issuer for transfer of shares in suspense account during the year	15	38,042
Number of shareholders to whom shares were transferred from suspense account during the year	15	38,042
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	831	38,282

The Voting rights on the shares outstanding in the suspense account as on March 31, 2016 shall remain frozen till the rightful owner of such shares claims the shares. In compliance with the said requirements these shares are transferred into one folio in the name of Unclaimed Suspense Account.

**Directors Responsibility Statement**

Pursuant to section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- 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 judgments 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, 2016 and of the profit 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.
- The directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **Directors and key managerial personnel**

Pursuant to the provisions of section 149 of the Act, Mr. Jagadeeswar Rao Reddi, Mr.J. Sundara Sekhar and Mr. Ajith Kumar Nagarani were appointed as independent directors. They have submitted a declaration that each of them meets the criteria of independence as provided in section 149(6) of the Act and there has been no change in the circumstances which may affect their status as independent director during the year. Mr. Divyesh Nihar Boda and BSN Suryanarayana retire by rotation and being eligible has offered themselves for re-appointment. During the year, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than the sitting fees and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company. Pursuant to the provisions of section 203 of the Act, the key managerial personnel of the Company are- Mr. B.S.N.Suryanarayana, Managing Director, Mrs. Astha Chaturvedi, Company Secretary and Chief Financial Officer as Ms. P Anuradha, There has been no change in the key managerial personnel during the year.

### **Deposits from public**

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

### **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 2015-16.
- **Technology Absorption:** Your Company is constantly upgrading its technological excellence with emerging technologies.
- **Exports and outgo:** The company had a foreign exchange earning of Rs. 80,20,800/- in 2015-2016

## **Acknowledgements**

Your Directors would like to place on record deep appreciation to our Shareholders, Customers and Bankers.

Finally, we appreciate and value the contributions made by all our employees.

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

**Place: Secunderabad**

**Date: 27.08.2016**

**(Sd/-)**

**B.S.N Suryanarayana**

**(Managing Director)**

**(DIN: 01499145)**

## **CORPORATE GOVERNANCE REPORT**

In accordance with Clause 49 of the Listing Agreement with BSE Limited (BSE) the report containing the details of Corporate Governance systems and processes at Nihar Info Global Limited is as follows:

### **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 current policy of the Company is to have an appropriate mix of executive and independent Directors to maintain the independence of the Board, and separate its functions of governance and management. The Board periodically evaluates the need for change in its composition and size.

The policy of the Company on Director's appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under Sub section (3) of Section 178 of Companies Act, 2013, adopted by the Board, is appended as to the Board Report. We affirm that the remuneration paid to the Director is as per the terms laid out in the remuneration policy of the Company.

Board composition and category of Directors the Company's policy is to maintain optimum combination of Executive and Non-Executive Directors. The composition of the Board and category of Directors is as follows:

S.No	Name	Category	Designation
1	BSN Suryanarayana	Non Independent	Managing Director
2	B. Divyesh Nihar	Non Independent	Whole Time Director
3	Jagadeeshwar Rao Reddi	Independent	Director
4	J Sundara Sekhar	Independent	Director
5	Nithisha Boda	Woman Director	Woman Director
6	Ajit Kumar Nagarani	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.

**Seven** Board Meetings were held during the Financial Year 2015-16. The dates on which the said meetings were held are as follows:

30<sup>th</sup> April 2015  
30<sup>th</sup> May 2015  
14<sup>th</sup> August 2015  
27<sup>th</sup> August 2015  
13<sup>th</sup> November 2015  
13<sup>th</sup> February 2016  
28<sup>th</sup> May 2016

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	Attendance at the Meeting during 2015-16		No. of Directorships as on 31.03.2016	No.of Membership(s)/ Chairmanship(s) of Board Committees as on 31.03.2016
	Board Meeting	AGM		
B.S.N Suryanarayana	7	Yes	3	Nil
B. Divyesh Nihar	7	Yes	Nil	Nil
Jagadeeshwara Rao Reddi	7	Yes	1	Nil
J. Sundara Sekhar	6	NA	Nil	Nil
B. Nithisha Boda	2	NA	1	Nil
Ajith Kumar Nagarani	2	NA	1	Nil

### 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 177 of the Companies Act, 2013. Composition,

Name of members and number of meetings held during the Financial Year 2015-16 are as follows:

Name of Directors	Category	No. of Meetings during the year 2015-16	
		Held	Attended
B.S.N Suryanarayana	Managing Director	4	4
Jagadeeshwara Rao Reddi	Independent Director	4	4
J. Sundara Sekhar	Independent Director	4	0

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

### **Role of the Audit Committee, inter alia, includes the following:**

Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible

Recommending the appointment, remuneration and terms of appointment of statutory auditors including cost auditors of the Company

Approving payment to statutory auditors, including cost auditors, for any other services rendered by them

Reviewing with the management, the annual financial statements and auditors report thereon before submission to the Board for approval

- with particular reference to: Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
- Changes, if any, in accounting policies and practices and reasons for the same;
- Major accounting entries involving estimates based on the exercise of judgement by the management;
- Significant adjustments made in financial statements arising out of audit findings;
- Compliance with listing and other legal requirements relating to financial statements;
- Disclosure of any related party transactions; and Qualifications in draft audit report.

Reviewing and monitoring the auditors independence and performance, and effectiveness of audit process

To review the functioning of the Vigil Mechanism and Whistle Blower mechanism

Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

#### **NOMINATION & REMUNERATION COMMITTEE:**

The Members of Nomination and Remuneration committee are Mr. J. Sundara Sekhar, Mr. Jagadeeshwara Rao Reddi and Mr. B. Divyesh Nihar.

Mr. J. Sundara Sekhar is the Chairman of Nomination and Remuneration Committee. Composition, name of members and number of meetings held during the Financial Year 2015-16 are as follows:

Name of Directors	Category	No. of Meetings during the year 2015-16	
		Held	Attended
Mr. J. Sundara Sekhar	Independent Director	2	2
Jagadeeshwara Rao Reddi	Independent Director	2	2
Mr. B. Divyesh Nihar	Independent Director	2	2

#### **Terms of Reference of the Committee, inter alia, includes the following:**

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal
- To carry out evaluation of every Director's performance
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees
- To formulate the criteria for evaluation of Independent Directors and the Board To devise a policy on Board diversity
- To recommend/review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable;
- To perform such other functions as may be necessary or appropriate for the performance of its duties

#### **SHARE TRANSFER & SHARE HOLDER GRIEVANCE COMMITTEE:**

Mr. B. Divyesh Nihar, Mr. Jagadeeswara Rao Reddi and Mr. J Sundara Sekhar are the members of the Share Transfer and Shareholders Grievance Committee.

Mr. Divyesh Nihar is the Chairman of Nomination & Remuneration Committee.

Only one meeting was held for transfer of shares.

**Terms of Reference of the Committee, inter alia, includes the following:**

- Oversee and review all matters connected with the transfer of the Company's securities.
- Approve issue of the Company's duplicate share / debenture certificates.
- Consider, resolve and monitor redressal of investors' / shareholders' / security holders' grievances related to transfer of securities, non-receipt of Annual Report, non-receipt of declared dividend etc.
- Oversee the performance of the Company's Registrars and Transfer Agents
- Recommend methods to upgrade the standard of services to investors
- Monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading
- Carry out any other function as is referred by the Board from time to time and / or enforced by any statutory notification / amendment or modification as may be applicable
- Perform such other functions as may be necessary or appropriate for the performance of its duties

**RISK MANAGEMENT COMMITTEE:**

The Risk Management Committee Comprises of the following Directors:

Mr. Jagadeeswara Rao Reddi (Chairperson)  
Mr. J Sundara Sekhar  
Ms. Nithisha Boda

The Committee helps in:

- Assisting the Board in fulfilling its corporate governance oversight responsibilities with regard to the identification, evaluation and mitigation of strategic, operational and external environment risks
- Monitoring and approving the risk management framework' Reviewing and approving risk related disclosures

Only one meeting was held for discussing about the policy on Risk Management on 20<sup>th</sup> October 2015.

**GENERAL BODY MEETINGS:**

## Annual General Meetings:

### Details of last three Annual General Meetings:

Number	Year	Day, date & Time	Location	Special Resolutions passed
19	2012-13	Monday, 30th September 2013 at 11.00 AM.	Hotel Pearl Regancy, Red Hills, Lakdikapool, Hyderabad-500004	Nil
20	2013-14	Tuesday, 30th September 2014 at 11.00 A.M	Hotel Pearl Regancy, Red Hills, Lakdikapool, Hyderabad-500004	Nil
21	2014-15	Wednesday, 30th September 2015 at 11.00 A.M	Hotel Pearl Regancy, Red Hills, Lakdikapool, Hyderabad-500004	9

### Whistle Blower Policy:

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct.

The reportable matters may be disclosed to the Ethics and Compliance Task Force which operates under the supervision of the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee. The Policy on Whistle Blower Mechanism has been enclosed as an Annexure in the Annual Report.

### Anti Sexual Harassment Committee

The Company ensures compliance of employment, immigration and labour laws in countries of operation. Changes in the applicable regulations are tracked on a global basis. The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules there under for prevention and redressal of complaints of sexual harassment at workplace.

During the financial year 2015-16, the Company has not received any complaints on sexual harassment.

Policy on Prohibition of Sexual Harassment is available on the Company's website [www.niharinfo.com](http://www.niharinfo.com).

### Means of Communication:

**Quarterly results:** The Company's quarterly results are published in 'Business Standard' and 'Andhra Prabha'.

**Website:** The Company's website ([www.niharinfo.com](http://www.niharinfo.com)) contains a separate dedicated section 'Investors' where shareholders' information is available. The Company's Annual Report is also available in a user-friendly and downloadable form.

**Annual Report:** The Annual Report containing, inter alia, Audited Financial Statement, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management's Discussion and Analysis (MD&A) Report forms part of the Annual Report and is displayed on the Company's website ([www.niharonline.com](http://www.niharonline.com)).

**General Share Holder Information:**

**Company Registration Details**

The Company is registered in the State of Telangana, India. The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L67120AP1995PLC019200.

**Annual General Meeting**

Date : 30<sup>th</sup> September 2016

Day : Friday

Time : 11 A.M

Venue : Hotel Pearl Regency, 11-5-431, Red Hills, near Lakdikapool Bridge, Hyderabad - 500004

**Financial Year:**

April 1 to March 31

**Financial Calendar (tentative): 01.04.2015 to 31.03.2016**

1st Quarter Results: 30<sup>th</sup> May 2015

2nd Quarter Results: 14<sup>th</sup> August 2015

3rd Quarter Results: 13<sup>th</sup> November 2015

4th Quarter Results: 13<sup>th</sup> February 2016

**Date of Book Closure** : From 22<sup>nd</sup> September 2016 to 30<sup>th</sup> September 2016  
(Both days are inclusive)

**Listing on Stock Exchange** : Bombay Stock Exchange (BSE)

**Stock code** : 531083 at BSE

**ISIN in NSDL and CDSL** : INE876E01033

**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

**Registrars & Share Transfer Agents:** Aarthi Consultanta Private Limited  
Gagan Mahal Street No 7 Street,  
Himayatnagar, Hyderabad, Telangana - 29



### 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

### Stock Market Data:

S.No	Month	High (Rs.)	Low (Rs.)
1.	April 15	15.45	13.70
2.	May 15	21.96	13.55
3.	June 15	32.10	17.50
4.	July 15	38.05	31.65
5.	Aug 15	37.25	26.35
6.	Sep 15	32.75	21.20
7.	Oct 15	34.95	16.75
8.	Nov 15	32.70	21.05
9.	Dec 15	26.35	21.00
10.	Jan 16	28.80	17.30
11.	Feb 16	23.85	15.10
12.	Mar 16	19.90	15.15

### Shareholding Pattern as on 31st March 2016:

Category	No. of Shares	% of Shareholding
Promoter & Promoter Group	3150292	63.01
NRI/ OCB	0	0
FII/ Banks	0	0
Mutual Funds UTI	0	0
Foreign Institutional Investors	0	0
Trusts (TTD)	100000	2.00
Indian Public	1749708	34.99
<b>Total</b>	<b>5000000</b>	<b>100</b>

### Share Holding pattern Size as on March 31, 2016:

Category	Holders	Shares	% of total shares
1 - 5000	2726	199587	3.99
5001-10000	173	134616	2.69
10001-20000	103	150996	3.02
20001-30000	33	81671	1.63
30001- 40000	22	77591	1.55
40001- 50000	19	86981	1.74
50001-100000	34	254708	5.09
100001 & above	29	4013850	80.28

**Dematerialisation of Shares:**

<b>Mode of Holding</b>	<b>% age</b>
NSDL	88.38
CDSL	10.99
Physical	0.63
<b>Total</b>	<b>100</b>

**CEO & CFO Certification**

The Chairman and Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Clause 49 of the Listing Agreement. The Chairman and Managing Director and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Clause 41 of the Listing Agreement. The annual certificate given by the Chairman and Managing Director and the Chief Financial Officer is published in this Report.

Certificate on Compliance with Code of Conduct I hereby confirm that the Company has obtained from all the members of the Board and Management Personnel, affirmation that they have complied with the Code of Conduct for the financial year 2015-16.

For Nihar Info Global Limited

(Sd/-)

**B.S.N Suryanarayana**

Managing Director

(DIN: 01499145)

## CEO / CFO CERTIFICATE UNDER CLAUSE 49 (IX)

To,  
The Board of Directors  
Nihar Info Global Limited

1. We have reviewed financial statements and the cash flow statement of Nihar Info Global Limited for the year ended 31st March, 2016 and to the best of our knowledge and belief:

(i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.

4. We have indicated to the Auditors and the Audit Committee:

- (i) that there are no significant changes in internal control over financial reporting during the year;
- (ii) that there are no significant changes in accounting policies during the year; and
- (iii) That there are no instances of significant fraud of which we have become aware.

Place: Secunderabad

For Nihar Info Global Limited

Date: 27.08.2016

(Sd/-)  
**Ms. P Anuradha**  
Chief Financial Officer

(Sd/-)  
**Mr. B.S.N Suryanarayana**  
Managing Director  
(DIN: 01499145)

## **PRACTISING COMPANY SECRETARY'S 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 on 31st March 2016, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a 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 an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

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

**Practicing Company Secretary**

**(Sd/-)**

**L. Madhavalatha**  
**Company Secretary in Practice**  
**ACS No: 38359, C. P No: 14289**

**Place: Secunderabad**

**Date: 22.08.2016**

## SECRETARIAL AUDIT REPORT

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

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2016

To

The Members of  
M/s. NIHAR INFO GLOBAL LIMITED,  
CIN: L67120AP1995PLC019200  
Hyderabad.

Dear Sir,

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Nihar Info Global 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 my 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 31<sup>st</sup> March, 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:

1. 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 31<sup>st</sup> March, 2016 as per the **Annexure – I** to this secretarial audit report, according to the provisions of:
  - i. The Companies Act, 2013 (the Act) and the rules made thereunder;
  - ii. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
  - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - v. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) viz.,

(a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

(b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities)

Regulations, 2008;

(d) The Securities and Exchange Board of India (Registrars to an Issue Companies Act and Share Transfer Agents) Regulations, 1993 regarding the companies Act, and dealing with client;

2. The provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company for the financial year under report.
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - c. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - d. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
3. We have also examined the compliances with the applicable clauses of the following :
  - i. Secretarial Standards issued by the Institute of company Secretaries of India –not mandatory under the financial year under review.
  - ii. The Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited.
4. During the financial year under review the Company has complied with the provisions of the New Companies Act 2013, Old Companies Act 1956, to the extent applicable and the Rules, Regulations, Guidelines, etc., mentioned above subject to the following observations:

#### **OBSERVATIONS:**

As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we report that the provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of

- a) Foreign Direct Investment (FDI) was not attracted to the Company during the period under review.
  - b) Overseas Direct Investment (ODI) by Residents in joint venture/ Wholly Owned Subsidiary abroad was not attracted during the period under review.
  - c) External Commercial Borrowings were not attracted to the company during the period under review.
  - d) As per the information and explanations provided by the Company and its officers, agents, and authorised representatives during the conduct of the secretarial audit, we report that the Company has not made any GDR/ADRs or any Commercial instrument during the period under review
5. We further report that
- i. 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.

- ii. 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.
  - iii. Majority decision is carried through while the dissenting members' views if any are captured and recorded as part of the minutes.
6. We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
  7. We have relied on the information supplied and representation made by the Company and its officers for systems and mechanism followed by the Company for compliance under the applicable Acts, Laws and Regulations to the Company.

(Sd/-)

**L. Madhavalatha,**  
**Company Secretary in practice,**  
**ACS No: 38359, C. P No: 14289.**

**Place: Hyderabad**

**Date: 22.08.2016**

## **ANNEXURE-II**

(to the Secretarial Report of M/s. Nihar Info Global Limited for the FY 2015-16)

To  
The Members of the  
M/s. Nihar Info Global Limited  
CIN: L67120AP1995PLC019200  
Hyderabad.

Dear Sirs,

### **Sub: Annexure – II to the Secretarial Audit Report to your Company for the FY 2015-16**

1. Maintenance of secretarial record is the responsibility of the management of the company. My Responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurances about the correctness of the contents of the records. The verification was done on test basis to ensure that correct facts are reflected in records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company. I have relied on the report of the statutory auditor in respect of the same as per the guidance of the Institute of Company Secretaries of India.
4. Where ever required, I have obtained the Management representation about the compliance of laws rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**(Sd/-)**

**Lokireddy Madhavalatha,**

**Company Secretary**

**ACS: 38359/CP: 14289**

**Place: Hyderabad**

**Dated: 22.08.2016**

#### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Company operates in the areas like E-commerce, 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**

E commerce is one of the most popular streams in present scenario with enormous opportunities. Your Company being the first listed E commerce Company of India has grabbed lot of attention and interest from the prospective investors.

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**

E commerce being the most aspiring business activity faces lot of competition. E commerce companies like Flipkart, Snapdeal, and Amazon etc provide tough challenge and competition to the Company.

### **Competitive Pressures**

E commerce companies like Flipkart, Snap deal, and Amazon etc provide tough challenge and competition to the Company.

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 endeavours 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.

### EXTRACT OF ANNUAL RETURN:

### Annexure - I

#### Form No. MGT-9

#### EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2016

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

<b>I</b>	<b>REGISTRATION AND OTHER DETAILS</b>	
<b>1.</b>	CIN	L67120AP1995PLC019200
<b>2.</b>	Registration Details	12/01/1995
<b>3.</b>	Name of the Company	Nihar Info Global Limited
<b>4.</b>	Category / Sub-Category of the Company	Public Company Limited by Shares
<b>5.</b>	Address of the Registered office and contact details	Nihar House, No.34, Ganesh Nagar, West Marredpally, Secunderabad, 500033
<b>6.</b>	Whether listed company Yes / No	Yes
<b>7.</b>	Name, Address and Contact details of Registrar and Transfer Agent, if any	Aarthi consultants private limited Gagan Mahal Street No 7 Street, Himayatnagar, Hyderabad, Telangana – 29
<b>II</b>	<b>PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b>	
	All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-	As per Attachment A
<b>III</b>	<b>Particulars of Holding &amp; Subsidiary Companies</b>	Nil
<b>IV</b>	<b>SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)</b>	
<b>A</b>	Category-wise Share Holding	As per Attachment B
<b>B</b>	Shareholding of Promoters	As per Attachment C
<b>C</b>	Change in Promoters' Shareholding ( please specify, if there is no change)	As per Attachment D
<b>D</b>	Shareholding Pattern of top ten Shareholders	As per Attachment E

	(other than Directors, Promoters and Holders of GDRs and ADRs)	
<b>E</b>	Shareholding of Directors and Key Managerial Personnel	As per Attachment F
<b>V</b>	Indebtedness	
	Indebtedness of the Company including interest outstanding/accrued but not due for payment	Nil
<b>VI</b>	<b>REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL</b>	
<b>A</b>	Remuneration to Managing Director, Whole-time Directors and/or Manager	As per Attachment G
<b>B</b>	Remuneration to other directors	Nil
<b>C</b>	<b>REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD</b>	As per Attachment H
<b>VII</b>	<b>PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES</b>	Nil

**Attachment A:**

**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	Information Technology Design & Development Services	9983	100%

**SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**Attachment B: Category-wise Share Holding**

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>Promoters</b>									
<b>(1) Indian</b>									
1. Individual/ HUF	1602916	0	1602916	32.06	1502889	0	1502889	30.06	2.00
2. Central Govt									

3. State Govt	0	0	0	0	0	0	0	0	0
4. Bodies Corp.	0	0	0	0	0	0	0	0	0
5.Banks / FI	1647403	0	1647403	32.95	1647403	0	1647403	32.95	0
	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (1)</b>	<b>3250319</b>	<b>0</b>	<b>3250319</b>	<b>65.01</b>	<b>3150292</b>	<b>0</b>	<b>3150292</b>	<b>63.01</b>	<b>2.00</b>
(2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0
Sub-total (A) (2)	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0
<b>Shareholding of Promoter (A) = (A)(1)+(A) (2)</b>	<b>3250319</b>	<b>0</b>	<b>3250319</b>	<b>65.01</b>	<b>3150292</b>	<b>0</b>	<b>3150292</b>	<b>63.01</b>	<b>2.00</b>
<b>Public Holding</b>									
1.Institutions	0	0	0	0	0	0	0	0	0
a. Mutual Funds/UTI	0	0	0	0	0	0	0	0	0
b. Financial Institutions/Banks	0	0	0	0	0	0	0	0	0
c. Central Government/	0	0	0	0	0	0	0	0	0
d.State Government (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	0	0	0	0	0	0	0	0	0
h. Foreign Venture Capital	0	0	0	0	0	0	0	0	0
i. Any 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	1057790	0	1057790	21.16	458004	155	458159	9.16	(12)
b. Individuals									
i) Individual shareholders holding nominal share capital up to Rs.1 Lakh	453372	72276	525648	10.51	870633	31478	902111	18.04	(19.72)
ii) Individual shareholders holding nominal share capital in excess of Rs.1 Lakh	134799	23876	158675	3.17	368060	0	368060	7.36	4.19
c. Trusts	0	0	0	0	100000	0	100000	2	2
d. NRI	3033	0	3033	0.06	17857	0	17857	0.36	0.30
e. Clearing Member	4535	0	4535	0.09	3521	0	3521	0.07	(0.02)
Sub-Total (B)(2)	1653529	96152	1749681	34.99	1818075	31633	1849708	36.39	2
Total Public Shareholding (B)=(B)(1)+ (B)(2)	1653529	96152	1749681	34.99	1818075	31633	1849708	36.39	2
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	4903848	96152	5000000	100	4968367	31633	5000000	100	0

**Attachment C: Shareholding of Promoters**

	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	
Nihar Stocks Ltd.	1259403	0	1259403	25.19	1259403	0	1259403	25.19	0
BSN Suryanarayana	725425	0	725425	9.32	625398	0	625398	12.51	3.19
Boda Nithisha	466050	0	466050	9.32	466050	0	466050	9.32	0
Divyesh Nihar Boda	411394	0	411394	8.23	411394	0	411394	8.23	0
BSN Corporate Advisory Services Pvt. Ltd.	388000	0	388000	7.76	388000	0	388000	7.76	0
Boda Vijaya Laxmi	47	0	47	0.00	47	0	47	0.00	0

**Attachment D: Change in Promoters' Shareholding (please specify, if there is no change)**

S. 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
1.	BSN Suryanarayana				
	At the beginning of the year	725425		725398	
	Additions/deletions made during the year	100027		100027	
	At the end of the year	625398	12.51	625398	12.51
2.	Boda Vijaya Laxmi				
	At the beginning of the year	47		47	
	Additions/deletions made during the year	0		0	
	At the end of the year	47	0.00	47	0.00
3.	Nihar Stocks Ltd.				
	At the beginning of the year	1259400		1259400	
	Additions/deletions made during the year	03		03	
	At the end of the year	1259403	25.19	1259403	25.19
4.	BSN Corporate Advisory Services Pvt. Ltd.				
	At the beginning of the year	388000		388000	
	Additions/deletions made during the year	0	7.76	0	7.76
	At the end of the year	388000		388000	
5.	Boda Nithisha				
	At the beginning of the year	466050		466050	
	Additions/deletions made during the year	0		0	
	At the end of the year	466050	9.32	466050	9.32
6.	Divyesh Nihar Boda				
	At the beginning of the year	411394		411394	
	Additions/deletions made during the year	0		0	
	At the end of the year	411394	8.23	411394	8.23

**Attachment E Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

S.No	For Each of the Top 10 Shareholders	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
1.	K.Kumar Raja Projects Pvt Ltd				
	At the beginning of the year	1000000		0	
	Additions/deletions made during the year	0	2	1000000	2
	At the end of the year	1000000		1000000	
2.	Durga Kalki Pakalapati				
	At the beginning of the year	0		0	
	Additions/deletions made during the year	1000000	2	0	0
	At the end of the year	1000000		0	
3.	Motilal Oswal Securities Ltd.				
	At the beginning of the year	0		0	
	Additions/deletions made during the year	100000	2.00	0	0
	At the end of the year	100000		0	
4.	Pamidi RSB Build Tech Ltd.				
	At the beginning of the year	100000		0	
	Additions/deletions made during the year	21055	1.58	100000	2
	At the end of the year	78945		100000	
5.	Sudharshan Srinivasan				
	At the beginning of the year	0		0	
	Additions/deletions made during the year	26327		0	
	At the end of the year	26327	0.53	0	0

6.	Siachi Laboratories Ltd.				
	At the beginning of the year	0		0	
	Additions/deletions made during the year	21470	0.43	0	0
	At the end of the year	21470		0	
7.	RLP Securities Pvt Ltd				
	At the beginning of the year	1586		1586	
	Additions/deletions made during the year	19577		0	
	At the end of the year	21163	0.42	1586	0.032
8.	Utsav Uttam Bagri				
	At the beginning of the year	1		0	
	Additions/deletions made during the year	17172		1	
	At the end of the year	17173	0.34	1	0
9.	Sudershan Kumar Garg				
	At the beginning of the year	0		0	
	Additions/deletions made during the year	17000	0.34	0	0
	At the end of the year	17000		0	
10.	Kumarraja Kurminaidu				
	At the beginning of the year	0		0	
	Additions/deletions made during the year	16811	0.34	0	0
	At the end of the year	16811		0	

**Attachment F Shareholding Pattern of Director & Key Managerial Personnel:**

S.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
1.	BSN Suryanarayana				
	At the beginning of the year	725425		725398	
	Additions/deletions made during the year	100027		100027	
	At the end of the	625398	12.51	625398	12.51



2.	Divyesh Nihar Boda				
	At the beginning of the year	411394		411394	
	Additions/deletions made during the year	0		0	
	At the end of the year	411394	8.23	411394	8.23

**Attachment G: Remuneration to Managing Director, Whole-time Directors and/or Manager:**

S.No	Particulars of Remuneration	Name of MD/WTD		Total Amount
		B.S.N Suryanarayana	B. Divyesh Nihar	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6,00,000	4,80,000	10,80,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	0	0	0
2	Stock Option	--	--	--
3	Sweat Equity	--	--	--
4	Commission – as % of profit – others, specify	--	--	--
5	Others	--	--	--
	Total (A)	<b>6,00,000</b>	<b>4,80,000</b>	<b>10,80,000</b>
	Ceiling as per the Act	<b>42,00,000</b>	<b>42,00,000</b>	

**Attachment H: REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

S.No	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		CS	CFO	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	<b>5,40,000</b>	<b>1,20,000</b>	<b>6,60,000</b>
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	<b>0</b>	<b>0</b>	<b>0</b>
	(c) Profits in lieu of salary under	<b>0</b>	<b>0</b>	<b>0</b>

	section 17(3) Income tax Act, 1961			
2	Stock Option	--	--	--
3	Sweat Equity	--	--	--
4	Commission – as % of profit – others, specify	--	--	--
5	Others	--	--	--
	Total (A)	<b>5,40,000</b>	<b>1,20,000</b>	<b>6,60,000</b>
	Ceiling as per the Act	<b>42,00,000</b>	<b>42,00,000</b>	

### RISK MANAGEMENT REPORT

The following section discusses various dimensions of our enterprise risk management. The risk related information outlined in this section are not exhaustive and is for information purposes only. The discussion may contain statements, which may be forward looking in nature. Our business model is subject to uncertainties that could cause actual results to differ materially from those reflected in the forward looking statements.

It encompasses practices relating to the identification, assessment, monitoring and mitigation of strategic, operational and external environment risks to achieve our key business objectives. It seeks to minimize the adverse impact of risks to our key business objectives and enables the Company to leverage market opportunities effectively. Several risks can impact the achievement of a business objective. Similarly, a single risk can impact the achievement of several business objectives. Our risk management practices seek to sustain and enhance the long-term competitive advantage of the Company.

The Risk Management Committee Comprises of the following Directors:

Mr. Jagadeeswara Rao Reddi (Chairperson)

Mr. J Sundara Sekhar

Ms. Nithisha Boda

The Committee helps in:

- Assisting the Board in fulfilling its corporate governance oversight responsibilities with regard to the identification, evaluation and mitigation of strategic, operational and external environment risks
- Monitoring and approving the risk management framework 'Reviewing and approving risk related disclosures

The following broad categories of risks to the business objectives have been considered in our risk management framework:

**Strategy-** Risks of the successful execution of the Company's articulated strategies i.e. risks related to the choices made on markets, resources etc.

**Industry-** Risks related to the inherent characteristics of our industry such as competitive structure etc.

**Counterparty-** Risks arising from our association with entities like clients, vendors etc. for conducting business

**Resources-** Risks arising from inappropriate or sub-optimal utilisation of resources such as financial capital, infrastructure etc.

**Operations-** Risks inherent to business operations including those relating to client acquisition, service delivery to clients etc.

**Regulatory environment-** Risks due to adverse developments in the regulatory environment that could potentially impact our business.

**Societal-** Risks and opportunities relating to our focus on the environment and society at large.

#### **Key risk management practices**

- Risk identification by doing risk survey and industry benchmarking and impact assessment
- Risk evaluation is carried out to decide the significance of risks to the Company.
- Risk to the achievement of key business objectives are reported and discussed with the Committee on a periodic basis.
- For identified top risks external and internal risk factors are tracked to indicate risk level and its likelihood of occurrence.

#### **Nomination and Remuneration Policy**

Our policy on the appointment and remuneration of Directors and Key Managerial Personnel provides a framework based on which our human resource management aligns their recruitment plans for the strategic growth of the Company. The Nomination and Remuneration policy is provided herewith pursuant to Section 178(4) of the Companies Act and Clause 49(IV)(B)(4) of the Listing Agreement. The policy is also available on our website.

The Company considers human resources as its invaluable assets. This policy has been formulated to pay equitable remuneration to the Directors, KMPs and employees of the Company and to harmonize the aspirations of human resources consistent with the goals of the Company.

The policy covers the following points:

**Size and composition of the Board:** Periodically reviewing the size and composition of the Board to ensure that it has variety of perspectives and skills in the best interests of the Company as a whole

**Directors:** Formulate the criteria determining qualifications, positive attributes and independence of a Director

**Evaluation of Performance:** Formulates the criteria and framework for evaluation of performance of every Director on the Board of the Company.

#### **Remuneration framework and Policies:**

1. The remuneration of the Managing Director, whole time Directors and KMPs
2. The remuneration policies for all employees including KMPs, senior management and other employees including basic pay, incentive payment etc.
3. To identify and ascertain the integrity, qualification, expertise and experience of the person for the respective positions.
4. The remuneration to the Managing Director is as per the provisions of Companies Act, 2013.

### Particulars of contracts/ arrangements made with related parties

(Pursuant to clause(h) of Sub section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014- AOC-2)

Details of contracts or arrangements or transactions at Arm's length basis:

Name of Related Party and Relationship	Nature of transaction	Salient terms	Amount paid in advance, if any (Rs.)
BSN Suryanarayana- Promoter	Remuneration & Unsecured loan given to Company	NA	-
B. Divyesh Nihar- Promoter Group	Unsecured loan given to Company	NA	-
BSN Corporate Advisory Services Pvt. Ltd.- Promoter Group	Loan taken	NA	-
Nihar Stocks Ltd.- Promoter Group	Business Advance	NA	-
B. Vijaya Lakshmi- Promoter	Rent paid	As per the agreement entered	-

### The disclosure of remuneration during the year 2015-16 pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014:

1. Ratio of remuneration of each Director to the median remuneration of employees of the Company for the financial year 2015-16 and the Percentage increase in remuneration of Managing Director, Whole Time Director, Company Secretary, Chief Financial Officer, if any in the financial year

Sl. No	Directors and Key Managerial personnel	Remuneration	Ratio of Median remuneration	% Inc in remuneration in the financial year
1	BSN Suryanarayana	600000	8.33	0%
2	Divyesh Nihar Boda	480000	6.67	0%
3	Astha Chaturvedi	480000	6.67	33.33%
4	Pinapala Anuradha	210000	2.92	-

### 2. Remuneration paid to independent Director - NIL

#### Note:

MRE- Median remuneration of Employees

Information as per Rule 5(2) of Chapter XIII of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

## **WHISTLEBLOWER POLICY**

As per our corporate governance practices, the Company has adopted Whistle blower policy that cover our Directors and Employees. The policy is provided herewith pursuant to provisions of Listing Agreement.

### **The purpose of this policy**

Nihar Info Global Limited is committed to comply with the foreign and domestic laws that apply to them, satisfying the Company's Code of Conduct and Ethics, and particularly to assuring that business is conducted with integrity and that the Company's financial information is accurate. If potential violations of Company policies or applicable laws are not recognized and addressed promptly, both the Company and those working for or with the Company could face governmental investigation, prosecution, fines, and other penalties. That can be costly. Consequentially, and to promote the highest ethical standards, the Company will maintain a workplace that facilitates the reporting of potential violations of Company policies and applicable laws. Employees must be able to raise concerns regarding such potential violations easily and free of any fear of retaliation. That is the purpose of this policy (the 'Policy' or the 'Whistle blower Policy').

### **Your duty to report**

Everyone is required to report to the Company any suspected violation of any law that applies to the Company and any suspected violation of the Company's Code of Conduct and Ethics. It is important that you report all suspected violations. This includes possible accounting or financial reporting violations, insider trading, bribery, or violations of the anti-retaliation aspects of this Policy. Consult the Company's Code of Conduct and Ethics for a more detailed description of potential violations and other areas of particular concern. Retaliation includes adverse actions, harassment, or discrimination in your employment relating to your reporting of a suspected violation.

It is the policy of the Company that you must, when you reasonably suspect that a violation of an applicable law or the Company's Code of Conduct and Ethics has occurred or is occurring, report that potential violation. Reporting is crucial for early detection, proper investigation and remediation, and deterrence of violations of Company policies or applicable laws. You should not fear any negative consequences for reporting reasonably suspected violations because retaliation for reporting suspected violations is strictly prohibited by Company policy. Failure to report any reasonable belief that a violation has occurred or is occurring is itself a violation of this Policy and such failure will be addressed with appropriate disciplinary action, including possible termination of employment.

### **How to report**

You must report all suspected violations to (i) your immediate supervisor; (ii) the Chief Compliance Officer; at *cs@niharinfo.com* or (iii) anonymously, by sending an email to: *bsn@niharinfo.com*

If you have reason to believe that your immediate supervisor or the Chief Compliance Officer is involved in the suspected violation, your report may be made to the Audit Committee of Company. Because you have several means of reporting, you need never report to someone you believe may be involved in the suspected violation or from whom you would fear retaliation.

Your report should include as much information about the suspected violation as you can provide. Where possible, it should describe the nature of the suspected violation; the identities of persons involved in the suspected violation; a description of documents that relate to the

suspected violation; and the time frame during which the suspected violation occurred. Where you have not reported anonymously, you may be contacted for further information.

### **Investigations after you report**

All reports under this Policy will be promptly and appropriately investigated, and all information disclosed during the course of the Investigation will remain confidential, except as necessary to conduct the investigation and take any remedial action, in accordance with applicable law. Everyone working for or with the Company has a duty to cooperate in the investigation of reports of violations. Failure to cooperate in an investigation, or deliberately providing false Information during an investigation, can be the basis for disciplinary action, including termination of employment. If, at the conclusion of its Investigation, the Company determines that a violation has occurred, the Company will take effective remedial action commensurate with the nature of the offense. This action may include disciplinary action against the accused party, up to and including termination. Reasonable and necessary steps will also be taken to prevent any further violations of Company policy.

### **Retaliation is not tolerated**

No one may take any adverse action against any employee for complaining about, reporting, or participating or assisting in the investigation of, a reasonably suspected violation of any law, this Policy, or the Company's Code of Conduct and Ethics. The Company takes reports of such retaliation seriously. Incidents of retaliation against any employee reporting a violation or participating in the investigation of a reasonably suspected violation will result in appropriate disciplinary action against anyone responsible, including possible termination of employment. Those working for or with the Company who engage in retaliation against reporting employees may also be subject to civil, criminal and administrative penalties.

### **Document retention**

All documents related to reporting, investigation and enforcement pursuant to this Policy shall be kept in accordance with the Company's record retention policy and applicable law.

### **Modification**

The Audit Committee or the Board of Directors of the Company can modify this Policy unilaterally at any time without notice. Modification may be necessary, among other reasons, to maintain compliance with federal, state or local regulations and / or accommodate organizational changes within the Company. As part of our corporate governance practices, the Company has adopted the Whistle blower policy that covers our directors and employees. The policy is provided herewith pursuant to Article 7(iii) of Annexure XII to the Listing Agreement

## **POLICY ON RELATED PARTY TRANSACTIONS**

### **OBJECTIVE**

This policy is framed as per requirements of Clause 49 of the Equity Listing Agreement entered by the Company with the Stock Exchanges and intended to ensure that the dealings in Related Party Transactions meet proper reporting and approval norms as required by the statute.

The Audit Committee will review and may amend this policy from time to time.

**“Related Party”** means related party as defined under Section 2(76) of the Companies Act, 2013 and related party under the applicable accounting standards.

**“Related Party Transaction”** refers to any transaction involving any Related Party which is a transfer of resources, services or obligations between the Bank and a related party, regardless of whether a price is charged.

## **PROCESS AND PROCEDURE FOR DEALING WITH RELATED PARTY TRANSACTIONS**

1. Prior approval of Audit Committee to be taken for entering into transactions with Related Party. Audit Committee may provide its generic approval to the Company to enter into related party transactions by specifying the nature, the criterion for arm’s length and the limits up to that the Company may enter into certain transactions in the ordinary course of business. Details of such transactions executed by the Company shall be periodically reported to Audit Committee.
2. Approval of Board of Directors to be taken for entering into Related Party Transactions which are not in the ordinary course of business or not on arm’s length basis. Where any director is interested in any contract or arrangement with a Related Party, such director shall not be present at the meeting during discussions on the subject matter of the resolution relating to such contract or arrangement.
3. Approval of shareholders to be taken for entering into Material Related Party Transactions and also for all Related Party Transactions which are either not on arm’s length basis or are not in the ordinary course of business, through a special resolution and the Related Parties shall abstain from voting on such resolutions.
4. All existing Material Related Party Transactions as on September 30, 2014 which are likely to continue beyond March 31, 2015 shall be required to be placed for approval of the shareholders in f division or any other form of corporate restructuring, a fair and reasonable adjustment needs to be made to the options granted.

## **DISCLOSURE**

The particulars of contracts or arrangements with Related Parties referred to in section 188(1) shall be disclosed in the Board’s report for the financial year commencing on or after April 1, 2015 in Form AOC – 2 enclosed as Annexure – I and the form shall be signed by the persons who have signed the Board’s report.

All material Related Party Transactions that are entered into with effect from October 1, 2015 shall be disclosed quarterly along with the compliance report on corporate governance pursuant to the requirements of clause 49 of the Listing Agreement.

The Company shall disclose this policy on its website and also in its annual report. The policy shall also be communicated to all operational employees and other concerned persons of the company.

## **ROLE OF AUDIT COMMITTEE**

The Audit Committee shall be responsible for the approval or any subsequent modification of transactions of the Company with Related Parties. The Audit Committee shall review with the management, the annual financial statements and auditor’s report thereon before submission to the Board for approval, with particular reference to disclosure of any Related Party Transactions.

## **INDEPENDENT AUDITORS' REPORT**

**To**  
**The Members of,**  
**M/s NIHAR INFO GLOBAL LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of M/s NIHAR INFO GLOBAL LIMITED (the Company) which comprise the Balance Sheet as at March 31, 2016, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

### **Auditors' Responsibility**

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.



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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

- a. In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2016;
- b. In the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- c. In the case of the Cash Flow Statement, of the cash flows of the Company 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 Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order :
- 2) As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes 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, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. Based on the Written Representation received from the directors as on 31st March 2016, and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st March, 2016 from being appointed as a director in terms of Sub-section 2 of Section 164 of the Act.
  - f. With Respect to the adequacy of the internal controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure B; and
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us.

- i. The Company does not have any pending litigations which would impact its financial position;
- ii. The Company did not have any long term contracts including derivative contracts from which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to Investor Education and Protection Fund by the Company.

**For M/s C.RAMACHANDRAM & CO.,**

Chartered accountants,  
Firm Registration No. 002864S

**C.RAMACHANDRAM**

Partner  
Membership No: 025834

Place: Hyderabad,  
Date: 27.08.2016

**Annexure A to the Auditors' Report**

**Annexure referred to in paragraph under 'Report on Other Legal and Regulatory Requirements' section of our report of the Independent Auditors' Report of even date of , M/s .NIHAR INFO GLOBAL LIMITED, on the financial statements for the year ended March 31, 2016**

In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state the following:

- i (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) As explained to us, all the fixed assets have been physically verified by the Management during the year. No material discrepancies were noticed on such verification.
- (c) The company does not own any immovable properties and hence the provisions of paragraph 3(i)(c) of the Order are not applicable to the Company.
- ii. The company is a service company. Accordingly, it does not hold any inventory. Thus the paragraph 3(ii) of the Order is not applicable to the Company.
- iii. According to the information and explanations given to us and based on our examination of the records of the company, the company has granted unsecured Interest free loans to one company covered in the register maintained under section 189 of the Companies Act. The receipt of the principal amount is not due as on 31<sup>st</sup> March, 2016.

- iv. The Company has not made any transactions in the nature of loans, investments, guarantees, and security, where provisions of section 185 and 186 of the Companies Act, 2013 are applicable. Thus, paragraph 3(iv) of the Order is not applicable to the Company.
- v. The company has not accepted any deposits, within the meaning of provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Thus, paragraph 3(v) of the Order is not applicable to the company.
- vi. Section 148(1) of the Companies Act, 2013 is not applicable as the company has no manufacturing activity.
- vii. (a) According to the information and explanations given to us and the records produced and examined by us, in our opinion, the company is not regular in depositing undisputed statutory dues consisting of service tax, TDS, ESI and Provident fund. As explained to us, the company did not have any dues on account of Excise duty, Wealth tax and Investor Education and Protection Fund.

According to the information and explanations given to us, there are undisputed amounts payable in respect of Service tax, Income-tax, PF and ESI which are in arrears as on 31<sup>st</sup> March 2016 for a period more than six months from the date they became payable.

<b>Name of the statute</b>	<b>Nature of the dues</b>	<b>Amount(Rs.)</b>	<b>Period to which the amount relates</b>
Finance Act, 1994	Service Tax	Rs.7,51,976/-	FY 2015-16 & 2014-15
Income Tax Act, 1961	TDS	Rs.2,31,575/-	FY 2015-16 & 2014-15
EPF Act,1952	PF	Rs.1,39,730/-	FY 2015-16
ESI Act,1958	ESI	Rs.27,813/-	FY 2015-16

- (b) According to the information and explanations given to us, there are no dues of Income Tax, Value Added Tax ,Service Tax and Customs duty which have not been deposited with the appropriate authorities on account of any dispute. As informed to us, the company did not have any dues on account of Wealth tax and Excise duty.

viii) In our opinion and according to the information and explanations given to us, as the company has not taken any loans from the banks or financial institution, bank, Government or to its debenture holders. Thus, paragraph 3(viii) of the Order is not applicable to the company.

ix) As the company has not raised any moneys by way of initial public offer or further public offer or by way term loans (including debt instruments) during the reporting period. Thus, paragraph 3(ix) of the Order is not applicable to the company.

- x) According to the information and explanation given to us, there is no fraud by or on the company by its employees or officials of the company have been noticed during the course of audit.
- xi) 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 for the company.
- xii) In our opinion and according to information and explanations given to us and based on our examination of records of the company, all transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 and the details of such transactions have been disclosed in the Financial statements of the company as required by applicable Accounting Standards.
- xiii) According to information and explanation given to us and based on our examination of records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Thus, paragraph 3(xiv) of the Order is not applicable to the company.
- xiv) According to information and explanation given to us and based on our examination of records of the company, the company has not entered into non cash transactions with directors or any persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the company.
- xv) In our opinion as per the information and explanation given to us , the company is not required to be registered under section 45IA of Reserve Bank of India Act 1934. Thus, paragraph 3(xvi) of the Order is not applicable to the company.

**For M/s.C.RAMACHANDRAM & Co.,**  
Chartered Accountants,  
Firm Registration No : 002864S.

**C. RAMACHANDRAM,**  
Partner,  
Membership No: 025834.

Place: Hyderabad  
Date : 27.08.2016

#### **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 **M/s .NIHAR INFO GLOBAL LIMITED** ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

## **Auditors' Responsibility**

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

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

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

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

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

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

## **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such financials controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financing reporting criteria established by the company considering the essential components of internal controls stated in the guidance note on Audit of internal financial control systems over financial reporting issued by the Institute of Chartered Accountants of India.

**For C.Ramachandram & Co.,**  
Chartered accountants,  
Firm registration No. 002864S

**C. RAMACHANDRAM,**  
Partner,  
Membership No: 025834.

Place: Hyderabad

Date: 27.08.2016

# NIHAR INFO GLOBAL LIMITED

## Balance Sheet

CIN :L67120AP1995PLC019200

All the Amounts Are in Indian Rupees , Except share data and Where otherwise stated

	Particulars	Note No.	As at 31 March,2016		As at 31 March,2015	
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>					
<b>1</b>	<b>Shareholders' Funds</b>					
	(a) Share Capital	3	50,000,000		50,000,000	
	(b) Reserves and Surplus	4	5,781,923	55,781,923	1,874,900	51,874,900
<b>2</b>	<b>Non-Current Liabilities</b>					
	(a) Long-Term Borrowings	5	2,024,401		2,125,001	
	(b) Deffered Tax Liability		4,029		-	
	(c) Long term provisions	6	75,393	2,103,823	152,749	2,277,750
<b>3</b>	<b>Current Liabilities</b>					
	(a) Short Term Borrowing	7	2,998,281		2,981,724	
	(b) Trade Payables	8	1,145,170		11,592,568	
	(c) Other Current Liabilities	9	3,245,495		2,197,749	
	(d) Short-term provisions	10	968,080	8,357,026	33,092	16,805,133
	<b>Total</b>			<b>66,242,773</b>		<b>70,957,783</b>
<b>II.</b>	<b>ASSETS</b>					
<b>1</b>	<b>Non-Current Assets</b>					
	(a) Fixed Assets	11				
	(i) Tangible Assets		1,150,937		548,558	
	(ii) Intangible Assets		69,312		40,276	
	(iii) Intangible assets under development		13,075,905		3,763,465	
	(b) Non Current Investments	12	-		25,550,000	
	(b) Long-Term Loans and Advances	13	14,725,790		19,425,790	
	(c) Deffered Tax Asset	14	-		123,144	
	(d) Other Non-Current Assets	15	25,834,689	54,856,634	264,734	49,715,967
<b>2</b>	<b>Current Assets</b>					
	(a) Trade receivables	16	7,338,368		15,318,642	
	(b) Cash and Cash Equivalents	17	273,277		1,516,423	
	(c) Short-Term Loans and Advances	18	3,250,032		3,228,483	
	(d) Other Current Assets	19	524,463	11,386,140	1,178,267	21,241,815
	<b>Total</b>			<b>66,242,773</b>		<b>70,957,784</b>
	<b>Significant Accounting Policies</b>	1				
	<b>Notes to Accounts</b>	2				

The Notes referred to above form an integral part of the Balance Sheet.

As per our report of even date

For and On behalf of the Board of directors

(Sd/-)

(Sd/-)

For **C.Ramachandram & Co,**  
Firm Registration No : 002864S  
Chartered Accountants

**Boda Satya Naga Suryanarayana**  
Managing Director  
DIN: 01499145

**Divyesh Nihar Boda**  
Whole Time Director  
DIN: 02796318

(Sd/-)

(Sd/-)

(Sd/-)

**C.RAMACHANDARAM**  
Partner  
Membership No. 25834

**Pinapala Anuradha**  
CFO

**Astha Chaturvedi**  
Company Secretary

Place : Hyderabad

Date : 27-08-2016

### Statement of Profit and Loss for the year ended 31<sup>st</sup> March 2016

	Particulars	Note No.	For the year	
			31st March 2016	31st March 2015
<b>I</b>	<b>Revenue from Operations</b>	20	9,093,631	16,249,721
<b>II</b>	<b>Other Income</b>	21	164,252	107,095
<b>III</b>	<b>TOTAL REVENUE (I + II)</b>		<b>9,257,883</b>	<b>16,356,816</b>
<b>IV</b>	<b>EXPENSES</b>			
	Purchases	22	107,713	10,910,630
	Employee Benefit Expenses	23	723,355	528,861
	Depreciation and Amortization Expenses	11	134,828	297,604
	Other Expenses	24	3,289,711	1,900,831
	<b>TOTAL EXPENSES</b>		<b>4,255,607</b>	<b>13,637,926</b>
<b>V</b>	<b>Profit before Exceptional and Extraordinary Items and Tax (III-IV)</b>		<b>5,002,276</b>	<b>2,718,890</b>
<b>VI</b>	Exceptional Items		-	-
<b>VII</b>	<b>Profit before Extraordinary Items and Tax</b>		<b>5,002,276</b>	<b>2,718,890</b>
<b>VIII</b>	Extraordinary Items		-	-
<b>IX</b>	<b>Profit Before Tax</b>		<b>5,002,276</b>	<b>2,718,890</b>
<b>X</b>	<b>Tax Expense</b>			
	Current Tax		968,080	33,092
	Deferred Tax	25	(127,172)	55,650
<b>XI</b>	<b>Profit/(Loss) for the period from Continuing Operations(IX-X)</b>		<b>3,907,023</b>	<b>2,741,448</b>
<b>XII</b>	Profit/(Loss) from Discontinuing		-	-



	Operations			
<b>XIII</b>	Tax Expense of Discontinuing Operations		-	-
<b>XIV</b>	<b>Profit/(Loss) from Discontinuing Operations (after tax)(XII-XIII)</b>		-	-
<b>XV</b>	<b>Profit(Loss) for the Period(XI+XIV)</b>		<b>3,907,023</b>	<b>2,741,448</b>
<b>XVI</b>	<b>Earnings per Equity Share</b>			
	-Basic		0.78	0.56
	-Diluted		0.78	0.56
	<b>Significant Accounting Policies</b>	1		
	<b>Notes to Accounts</b>	2		

The Notes referred to above form an integral part of the Balance Sheet.

As per our report of even date

For and On behalf of the Board of directors

(Sd/-)

(Sd/-)

For **C.Ramachandram & Co,**  
Firm Registration No : 002864S  
Chartered Accountants

**Boda Satya Naga Suryanarayana**  
Managing Director  
DIN: 01499145

**Divyesh Nihar Boda**  
Whole Time Director  
DIN: 02796318

(Sd/-)

(Sd/-)

(Sd/-)

**C.RAMACHANDARAM**  
Partner  
Membership No. 25834

**Pinapala Anuradha**  
CFO

**Astha Chaturvedi**  
Company Secretary

Place : Hyderabad

Date : 27.08.2016

## Notes to Liabilities

All the Amounts Are in Indian Rupees , Except share data and Where otherwise stated

### 3 Share Capital

Particulars	As at 31 March,2016	As at 31 March,2015
<b>Authorized shares</b> 1,40,00,000 equity shares of Rs.10/-each	140,000,000	140,000,000
<b>Total</b>	<b>140,000,000</b>	<b>140,000,000</b>
<b>Issued, subscribed and fully paid-up shares</b> 50,00,000 equity shares of Rs.10/- each	50,000,000	50,000,000
<b>Total</b>	<b>50,000,000</b>	<b>50,000,000</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 shareholders in the ensuing Annual General Meeting.

During the year ended 31-03-16 the amount of per share dividend recognized as Distributions to equity share holders was Rs. Nil (31-03-15: 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

#### (c) Shareholders owning more than 5% of shareholding in the company

Share Holders Name	As on 31.03.2016		As on 31.03.2015	
	No of shares	% of holding	No of shares	% of holding
Nihar Stocks LTD	1,259,403	25.18	1259403	25.18
BSN Suryanarayana	625,398	12.51	725425	14.508
Boda Nithisha	466,050	9.321	466050	9.321
B.Divyesh Nihar	411,394	8.23	411394	8.22
BSN Corporate Advisory services Pvt LTD	388,000	7.76	388000	7.76

**Note : During the Previous year the company did have any shareholder holding more than 5% of shareholding.**

#### 4 Reserves and Surplus

Particulars	As at 31 March,2016	As at 31 March,2015
General reserve	92,227	92,227
Share premium	-	
Other Reserves(Share warrants forfeited)	-	
Closing balance(A)	92,227	92,227
<b>Surplus</b>		
Opening Balance	1,782,673	(61,729,092)
Less: set off against reserves and share capital		60,770,317
(+) Net profit/(Net loss) for the Current Year	3,907,023	2,741,448
Closing balance(B)	5,689,696	1,782,673
<b>Total(A+B)</b>	<b>5,781,923</b>	<b>1,874,900</b>

#### 5 Long-Term Borrowings

Particulars	As at 31 March,2016	As at 31 March,2015
<b>Loans and Advances :</b>		
<b>Unsecured and Interest free</b>		
From Related parties	2,024,401	2,125,001
	-	-
<b>Total</b>	<b>2,024,401</b>	<b>2,125,001</b>

##### i.Details of loans from Related parties:

Particulars	As at 31 March,2016	As at 31 March,2015
BSN Suryanarayana	1,832,201	1,930,001
Boda Nithisha	75,000	75,000
Boda Divyesh Nihar	-	-
BSN Corporate Advisory Services (P) Ltd.	117,200	120,000
<b>Total</b>	<b>2,024,401</b>	<b>2,125,001</b>

## 6 Long term provisions

Particulars	As at 31 March,2016	As at 31 March,2015
Gratuity payable	75,393	152,749
<b>Total</b>	<b>75,393</b>	<b>152,749</b>

## 7 Short-term borrowings

Particulars	As at 31 March,2016	As at 31 March,2015
<b>Unsecured</b>		
Loans and Advances		
From Related parties	2,210,323	2,316,236
From Others	787,958	665,488
<b>Total</b>	<b>2,998,281</b>	<b>2,981,724</b>

## 8 Trade Payables

Particulars	As at 31 March,2016	As at 31 March,2015
<b>Unsecured</b>		
Trade Payables	1,145,170	11,592,568
<b>Total</b>	<b>1,145,170</b>	<b>11,592,568</b>

## 9 Other Current Liabilities

Particulars	As at 31 March,2016	As at 31 March,2015
<b>Other Payables</b>		
For expenses	1,662,037	831,813
<b>Statutory Dues</b>		
Services tax	759,540	628,664
TDS Payable	231,575	133,738
PF	426,052	-
VAT	20	584,155
ESI Payable	143,067	14,405
Professional Tax	23,204	4,974
<b>Total</b>	<b>3,245,495</b>	<b>2,197,749</b>

### 10 Short-term provisions

Particulars	As at 31 March,2016	As at 31 March,2015
Provision for Income Tax	968,080	33,092
<b>Total</b>	<b>968,080</b>	<b>33,092</b>

### Notes to Assets

All the Amounts Are in Indian Rupees , Except share data and Where otherwise stated

### 11. Fixed Assets

PARTICULARS	Gross Block				Depreciation			Net Block	
	AS ON 01.04. 2015	ADDITI ONS	DELETI ONS	AS ON 31.03. 2016	AS ON 01.04.2 015	FO R TH E YE AR	AS ON 31.03. 2016	AS ON 31.03. 2016	AS ON 31.03. 2015
<b>I) Tangible Assets</b>									
Plant & Machinery									
- Computers	9,244,103	555,232	-	9,799,335	8,775,312	122,549	8,897,861	901,474	468,791
Furniture & Fixtures	503,511	181,474	-	684,985	423,744	11,779	435,523	249,462	79,767
<b>Sub Total</b>	<b>9,747,614</b>	<b>736,706</b>	<b>-</b>	<b>10,484,320</b>	<b>9,199,056</b>	<b>134,328</b>	<b>9,333,384</b>	<b>1,150,936</b>	<b>548,558</b>
<b>II) In-Tangible Assets</b>									
Computer Software	198,355	29,537	-	227,892	158,079	501	158,580	69,312	40,276
<b>Sub Total</b>	<b>198,355</b>	<b>29,537</b>	<b>-</b>	<b>227,892</b>	<b>158,079</b>	<b>501</b>	<b>158,580</b>	<b>69,312</b>	<b>40,276</b>
<b>Grand Total</b>	<b>9,945,969</b>	<b>766,243</b>	<b>-</b>	<b>10,712,212</b>	<b>9,357,135</b>	<b>134,828</b>	<b>9,491,963</b>	<b>1,220,249</b>	<b>588,834</b>

Previous years	9,393,211	552,758	-	9,945,969	9,093,888	297,604	9,357,135	588,835	299,323
<b>III) Intangible assets under development</b>									
<b>PARTICULARS</b>	<b>AS ON 01.04.2015</b>	<b>During the year</b>			<b>AS ON 01.04.2016</b>				
<b>E-commerce</b>									
Salaries	2,200,108	6,008,895			8,209,003				
Telephone	120,023	177,154			297,177				
Interest	63,000	-			63,000				
Travelling and conveyance	13,360	-			13,360				
Provident fund	204,078	544,991			749,069				
Director Remuneration remuneration to consultant	810,000	780,000			1,590,000				
Professional fee	83,323	837,632			920,955				
ESI	188,200	-			188,200				
Insurance	81,373	209,715			291,088				
Processing fee	-	27,217			27,217				
Office Maintenance	-	38,476			38,476				
Gross Merchandise Value	-	636,655			636,655				
		51,705			51,705				
<b>Total</b>	<b>3,763,465</b>	<b>9,312,440</b>			<b>13,075,905</b>				
<b>12 Non current Investments</b>									
<b>Particulars</b>	<b>As at 31 March,2016</b>			<b>As at 31 March,2015</b>					
<b>Unquoted equity instruments</b>									
365000(31 March 2014:365000) Equity shares @ Rs.70/- per share in Integrated Broad casting Co.Pvt Ltd	-			25,550,000					
<b>Total</b>	-			<b>25,550,000</b>					
<b>13 Long Term Loans &amp; Advances</b>									
<b>Particulars</b>	<b>As at 31 March,2016</b>			<b>As at 31 March,2015</b>					
<b>Other loans and advances</b>									
Unsecured, considered good	14,725,790			19,425,790					
<b>Total</b>	<b>14,725,790</b>			<b>19,425,790</b>					

**14 Deffered Tax Asset(net)**

<b>Particulars</b>	<b>As at 31 March,2016</b>	<b>As at 31 March,2015</b>
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	-	123,144
<b>Total</b>	<b>-</b>	<b>123,144</b>

**15 Other Non Current Assets**

<b>Particulars</b>	<b>As at 31 March,2016</b>	<b>As at 31 March,2015</b>
<b>Others</b>		
Deposits	284,689	264,734
Nihar Stock limited	25,550,000	-
<b>Total</b>	<b>25,834,689</b>	<b>264,734</b>

**16 Trade Receivables**

<b>Particulars</b>	<b>As at 31 March,2016</b>	<b>As at 31 March,2015</b>
<b>Outstanding for less than 6 months from the due date</b>		
Unsecured, considered good	4,429,298	11,309,351
<b>Outstanding for more than 6 months from the due date</b>		
Unsecured, considered good	2,909,070	4,009,291
<b>Total</b>	<b>7,338,368</b>	<b>15,318,642</b>

**17 Cash & Cash Equivalentents**

<b>Particulars</b>	<b>As at 31 March,2016</b>	<b>As at 31 March,2015</b>
<b>Balances with banks</b>		
In Current Account	12,784	177,241
<b>Cash on hand</b>	260,493	1,339,183
<b>Total</b>	<b>273,277</b>	<b>1,516,423</b>

### 18 Short-Term Loans and Advances

Particulars	As at 31 March,2016	As at 31 March,2015
<b>Loans and advances :</b>		
To Related parties	3,011,452	3,147,532
To suppliers	9,792	49,157
To Others	228,787	31,794
<b>Total</b>	<b>3,250,031</b>	<b>3,228,483</b>

### 19 Other Current Assets

Particulars	As at 31 March,2016	As at 31 March,2015
10gm Gold Ingot Lotus	61,169	-
50gm Sliver Ingot Ganesh	22,540	-
Service tax Input	7,564	7,564
VAT input	-	545,306
TDS Receivable	433,190	466,282
Income Tax Refund 2012-13	-	159,115
<b>Total</b>	<b>524,463</b>	<b>1,178,267</b>

### Notes to statement of profit and loss

All the Amounts Are in Indian Rupees , Except share data and Where otherwise stated

### 20 Revenue from Operations

Particulars	For the year ended 31 st March 2016	For the year ended 31 st March 2015
Software Development services - Domestic	1,072,831	12,947,021
Software Development services - Foreign	8,020,800	3,302,700
<b>Total</b>	<b>9,093,631</b>	<b>16,249,721</b>

### 21 Other income

Particulars	For the year ended 31 st March 2016	For the year ended 31 st March 2015
Interest Income	1,543	107,095
Cine Scope	2,346	-
Commission Received	82,115	-
Goldnsilver Commission	9,495	-
ITDUKKAN Commission	3,906	-
Makeadeal Comission	4,938	-
Nodal Income	59,910	-
<b>Total</b>	<b>164,252</b>	<b>107,095</b>



**22 Purchases:**

<b>Particulars</b>	<b>For the year ended 31 st March 2016</b>	<b>For the year ended 31 st March 2015</b>
IBM Filenet Software	-	10,910,630
Cache Peripherals	107,713	-
<b>Total</b>	<b>107,713</b>	<b>10,910,630</b>

**23 Employee Benefit Expenses**

<b>Particulars</b>	<b>For the year ended 31 st March 2016</b>	<b>For the year ended 31 st March 2015</b>
Salaries and Wages	639,499	489,796
Contribution to provident and other funds	83,856	39,065
<b>Total</b>	<b>723,355</b>	<b>528,861</b>

**24 Other Expenses**

<b>Particulars</b>	<b>For the year ended 31 st March 2016</b>	<b>For the year ended 31 st March 2015</b>
Rent	125,510	69,000
Rates & Taxes	404,079	236,766
Subscription fee	11,115	-
Postage and Courier	80,142	-
Electricity Charges	338,189	98,608
Directors Remuneration	300,000	275,000
Interest on statutory payments	14,444	-
Repairs & Maintenance	-	2,362
Printing & Stationery	139,423	59,365
Interest Paid	18,500	-
Bad Debts written Off	129,878	-
Communication expenses	6,049	98,976
Telephone & Internet Charges	178,360	-
Gold and Silver Inaugration Expenses.	241,285	-
Recruitment Expense	-	-
Travelling & Conveyance	74,684	30,014
Consultancy & Professional Charges	208,648	138,589
Office Maintenance	790,079	757,323
AGM / EGM expenses	-	10,200
Miscellaneous expenses	8,053	-
Advertisement & Publicity	107,234	75,286
Sitting Fees	60,000	-
Bank Charges	14,040	49,342
<b>Total</b>	<b>3,249,711</b>	<b>1,900,831</b>

**Payment to auditor**

Particulars	For the year ended 31 st March 2016	For the year ended 31 st March 2015
<b>As auditor:</b>		
Audit fee	40,000	40,000
Other services (certification fees)	-	10,618
<b>Total</b>	<b>40,000</b>	<b>50,618</b>

**25 Deferred tax**

Particulars	For the year ended 31 st March 2016	For the year ended 31 st March 2015
Provision for Deffered Tax	(127,172)	55,650
<b>Total</b>	<b>(127,172)</b>	<b>55,650</b>

**NIHAR INFO GLOBAL LIMITED****Cash Flow Statement**

All the Amounts Are in Indian Rupees , Except share data and Where otherwise stated

PARTICULARS		Year ended 31st March, 2016	Year ended 31st March, 2015
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>Net Profit/(loss) before tax and extra ordinary items</b>		<b>5,002,276</b>	<b>2,718,890</b>
adjustments for :			
Depreciation		134,828	297,604
Transfers to Reserves & Surplus			-
<b>Operating Profit/(loss) before working capital changes</b>		<b>5,137,104</b>	<b>3,016,494</b>
adjustments for :			
(Increase)/Decrease in Trade and other receivables		7,980,274	(18,529,213)
(Increase)/Decrease in Loans and Advances		(21,549)	485,485
(Increase)/Decrease in Other Non Current Assets		(25,569,955)	-
(Increase)/Decrease in Other Current Assets		653,804	-
(Decrease)/Increase in Trade payables and liabilities		(10,384,193)	11,612,568
(Increase)/ Decrease in Non Current Investments		25,550,000	-
(Decrease)/Increase in Short Term Loans & Advances		21,549	
(Decrease)/Increase in liabilities		1,047,746	848,689

<b>Cash generated from operations</b>		<b>4,414,781</b>	<b>(2,565,977)</b>
Prior period adjustments		-	-
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>A</b>	<b>4,414,781</b>	<b>(2,565,977)</b>
<b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>			
Purchase of fixed assets		(736,706)	(527,258)
Purchase of Intangible Assets		(29,537)	(25,500)
Increase in Intangible Assets under Development		(9,312,440)	(3,763,465)
Increase in Long Term Loans & Advances		4,700,000	(7,066,243)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>B</b>	<b>(5,378,683)</b>	<b>(11,382,466)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>			
Interest accrued & due		-	-
issue of capital		-	-
(Repayment) /Increase in Term Borrowings		100,600	15,387,947
(Repayment) /Increase in Unsecured Loans	<b>C</b>		<b>(134,826)</b>
<b>NET CASH USED IN FINANCING ACTIVITIES</b>		<b>100,600</b>	<b>15,253,121</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>	<b>D=A+B+C</b>	<b>(863,302)</b>	<b>1,304,678</b>
<b>Opening balance</b>		1,516,423	211,745
		653,122	1,516,423
<b>Closing balance</b>		<b>273,277</b>	<b>1,516,423</b>

The Notes referred to above form an integral part of the Balance Sheet.

As per our report of even date

For and On behalf of the Board of directors

(Sd/-)

(Sd/-)

For **C.Ramachandram & Co,**  
Firm Registration No: 002864S  
Chartered Accountants

**Boda Satya Naga Suryanarayana**  
Managing Director  
DIN: 01499145

**Divyesh Nihar Boda**  
Whole Time Director  
DIN: 02796318

(Sd/-)

(Sd/-)

(Sd/-)

**C.RAMACHANDARAM**  
Partner  
Membership No. 25834  
Place : Hyderabad  
Date : 27.08.2016

**Pinapala Anuradha**  
CFO

**Astha Chaturvedi**  
Company Secretary

**Notes on accounts annexed to and forming part of the accounts as at and for the year ended March 31, 2016.**

**1. Statement of significance accounting policies**

**Overview Company**

Nihar Info Global Limited was incorporated on 12<sup>th</sup> January 1995 as a Public Limited Company. Company is engaged in the business of Software and e-Commerce. It is listed on Bombay Stock Exchange. The company undertakes development and/or trade in sale, import or exports of computer software and carry out on the business of Research and development, designing, manufacturing, trading and deal in all type of computer software and hardware and render consultancy services in the field of software development and turnkey projects and solutions.

**1.1 Basis of accounting and preparation of financial statements**

The financial statements have been prepared and presented in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises accounting standards notified by the Central Government of India under Section 133 of the Companies Act, 2013, other pronouncements of Institute of Chartered Accountants of India, the provisions of Companies Act, 2013. The financial statements are presented in Indian rupees.

**1.2 Use of Estimates**

The preparation of financial statements in conformity with Indian GAAP requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

**1.3 Current-non-current classification**

All assets and liabilities are classified into current and non-current.

**Assets**

An asset is classified as current when it satisfies any of the following criteria:

2. It is expected to be realised in, or is intended for sale or consumption in the Company's normal operating cycle;
3. it is held primarily for the purpose of being traded;
4. it is expected to be realised within 12 months after the reporting date; or
5. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

## **Liabilities**

A liability is classified as current when it satisfies any of the following criteria:

- a. it is expected to be settled in the Company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is due to be settled within 12 months after the reporting date; or
- d. the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

## **Operating Cycle**

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents.

### **1.4 Fixed Assets and Depreciation**

Fixed assets are carried at cost of acquisition less accumulated depreciation. The cost of fixed assets comprises of the purchase price, taxes, duties, freight and any other directly attributable costs of bringing the assets to their working condition for their intended use. Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized. Other borrowing costs are recognized as an expense in the period in which they are incurred.

Depreciation on fixed assets is provided on straight line method, at the rates based on the useful life of the fixed assets as estimated by the Management or at the rates prescribed under Schedule II to the Companies Act, 2013 whichever is higher.

### **1.5 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 of 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 during the time proportion method, based on interest rates implicit in the transaction.

### **1.6 Expenditure**

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

## **1.7 Retirement benefits**

Provision for accrued gratuity liability is provided on actual basis which is not actuarial Valuation.

## **1.8 Income Taxes**

Income tax expense comprises current tax and deferred tax charge or credit. Income tax expense is **Current Tax**

The current charge for the income taxes is calculated in accordance with the relevant tax regulations applicable to the Company.

### **Deferred Taxes**

Deferred tax charge or benefit reflects the tax effects of timing differences between accounting income and taxable income, which originate during the year but reverse after the tax holiday period. The deferred tax charge or benefit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date and written-down or written-up to reflect the amount that is reasonably / virtually certain to be realized. The break-up of the major components of the deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company has a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

## **2.0 Cash Flow Statement**

Cash flows are reported using the indirect method, whereby net profit/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the company are segregated.

## **2.1 Provisions and Contingent Liabilities**

### **Provision:**

The Company recognizes a provision when there is a present obligation as a result of past events that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed regularly and are adjusted where necessary to reflect the current best estimate of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

**2.2 As Stipulated in AS-28**, the company has assessed 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 its business. There is no impairment indication to the company and accordingly the management is of the view that no impairment provision is called for in these accounts.

The company enters in the business relating to e-commerce. The company incurred preoperative expenditure relating to e-commerce. The company capitalized pre-operative expenditure relating to e-commerce business in the proportion of 80:20.

### 2.3 Related Party Disclosure As Required Under AS 18

#### A. List of related Parties and description of relationship

<b>Name of Party</b>	<b>Relations</b>
Nihar Stocks Ltd	Associate Company
Boda Nithisha	Additional Director
BSN Suryanarayana	Managing Director
Boda Divyesh Nihar	Whole Time Director
Pinapala Anuradha	Chief Finance Officer
B. Vijaya Lakshmi	Relative of KMP
BSN Corporate Advisory Services (P) Ltd.	KMP having significant Influence

#### B. Transactions with related parties:

<b>Nature of Transactions</b>	<b>Year ended 31 March 2016</b>	<b>Year ended 31 March 2015</b>
Rent paid to B .Vijaya Lakshmi Advance taken	Rs.1,25,510/- Rs.2,69,087/-	Rs.1,80,000/-
BSN Suryanarayana:		
i) Remuneration	Rs.6,00,000/-	Rs 6,00,000/-
ii) Advance taken	Rs.2,56,631 /-	Rs. 18,32,201/-
Boda Divyesh Nihar	Rs.4,80,000/-	Rs. 4,80,000/-
Investments sold to Nihar Stocks Ltd	Rs.2,55,50,000/-	Rs 25,11,452/-
Loans from BSN Corporate Advisory Services (P) Ltd.	Rs.1,02,720 /-	Rs 1,53,720/-

## 2.4 Earnings per share (EPS)

Basic earnings per share ('EPS') is computed by dividing the net profit/(loss) after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit/(loss) after tax for the year and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date.

The computation of Earnings per share is set out below:

	Year ended 31 March 2016	Year ended 31 March 2015
Earnings : (₹)		
Net Profit/(Loss) for the year	3,907,023	27,41,448
Shares :		
Number of shares at the beginning of the year	50,00,000	61,88,467
Less: Capital Reduction	Nil	(54,02,532)
Add: Unsecured creditors	Nil	26,75,270
Add: No. of equity shares issued	Nil	15,38,795
Total number of equity shares outstanding at the end of the year	50,00,000	50,00,000
Weighted average number of equity shares outstanding during the year	50,00,000	50,00,000
Basic and Diluted Earnings per share - Par value of ₹10 (₹)	0.78	0.56

For and On behalf of the Board of directors

(Sd/-)

(Sd/-)

For **C.Ramachandram & Co,**  
Firm Registration No : 002864S  
Chartered Accountants

**Boda Satya Naga Suryanarayana**  
Managing Director  
DIN: 01499145

**Divyesh Nihar Boda**  
Whole Time Director  
DIN: 02796318

(Sd/-)

(Sd/-)

(Sd/-)

**C.RAMACHANDARAM**  
Partner  
Membership No. 25834

**Pinapala Anuradha**  
CFO

**Astha Chaturvedi**  
Company Secretary

Place : Hyderabad

Date : 27.08.2016



**INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY ARE AS UNDER:**

- (i) The remote e-voting period begins on **26th September, 2016 at 10.00 A.M. and ends on 29th September, 2016 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 21<sup>st</sup> September, 2016**, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
- a. For CDSL: 16 digits beneficiary ID,
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	<b>FOR MEMBERS HOLDING SHARES IN DEMAT FORM AND PHYSICAL FORM</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  ● Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.  ● In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format
Dividend	Enter the Dividend Bank Details as recorded in your demat account or in the company Bank Details records for the said demat account or folio.  ● Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv)

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for remote e-

voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential

x) For Members holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant **Nihar Info Global Ltd.** on which you choose to vote.

(xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

(xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.

(xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same. In case you have any queries or issues regarding remote e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) .

**NIHAR INFO GLOBAL LIMITED**

**Plot No. 34, Nihar House, Ganesh nagar, West Marredpally, Secunderabad, 500 026 Telangana**

**ATTENDANCE SLIP  
ANNUAL GENERAL MEETING**

DP ID		Name & Address of the registered Shareholder
Client Id/ 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 convened at \_\_\_\_\_  
a.m. on \_\_\_\_\_, \_\_\_\_\_, 2016 at \_\_\_\_\_.

\_\_\_\_\_

**Member's / Proxy's Signature**

**Note: Please complete this and hand it over at the entrance of the hall.**

**NIHAR INFO GLOBAL LIMITED**

Plot No. 34, Nihar House, Ganesh nagar, West Marredpally, Secunderabad, 500 026 Telangana

**PROXY FORM (Form No. MGT- 11)**

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

Name of the Member(s):	
Registered Address:	
E-mail Id:	
Folio No./Client ID	
*DP ID: (*Applicable for Members holding Shares in electronic form)	

I/ We, being the member(s) of the above named company, having \_\_\_\_\_ shares hereby appoint:

(1) Name: \_\_\_\_\_ Address: \_\_\_\_\_ Email id: \_\_\_\_\_ Signature \_\_\_\_\_  
or failing him;

(2) Name: \_\_\_\_\_ Address: \_\_\_\_\_  
E-mail id: \_\_\_\_\_ Signature \_\_\_\_\_  
or failing him;

(3) Name: \_\_\_\_\_ Address: \_\_\_\_\_  
E-mail id: \_\_\_\_\_ Signature \_\_\_\_\_  
Or failing him;

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Annual General Meeting of the Company, to be held on 30<sup>th</sup> September, 2016 at 11.00 A.M. at Hotel Pearl Regency, 11-5-431, Red Hills, near Lakdikapool bridge, Hyderabad- 500004 and at any adjournment thereof in respect of such resolution as is indicated below:

Resolution No	Matter of Resolution	For	Against
1	Adoption of Annual Report		
2	Appointment of BSN Suryanarayana		
3	Appointment of Divyesh Nihar Boda		
4	Re Appointment of Auditors		
5	Appointment of Ajith Kumar Nagarani		
6	Alteration of Objects Clause		
7	Grant of options to employees		
8	Amendment of ESOP Plan 2015		

Signed this ..... Day of ..... 2016.

Signature of Shareholder(s): \_\_\_\_\_

Signature of Proxy holder(s): \_\_\_\_\_

**Note:** This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.