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**COMPANY INFORMATION****Board of Directors**

Mr. B.S.N Suryanarayana

Mr. B. Divyesh Nihar

Mr. Jagadeeswara Rao Reddi

Mr. J. Sundara Sekhar

Ms. Nithisha Boda

- Managing Director
- Whole Time Director
- Independent Director
- Independent Director
- Woman Director

**Company Secretary & Chief Compliance Officer**

Ms. Astha Chaturvedi

**Chief Financial Officer:**

Ms. Krishana Veni V

**Auditors:**

Ramachandaram & Co.

Chartered Accountants

Hyderabad

**Bankers:**

Axis Bank

West Marredpally Branch

Secunderabad

**Registrar & Share Transfer Agent:**

Aarthi Consultants Private Limited

Gagan Mahal Street No 7 Street,

Himayath Nagar, Hyderabad,

Telangana - 500029

**State Bank of India**

West Marredpally Branch

Secunderabad

**Registered Office Address:**

Nihar House, No.34, Ganesh Nagar,

West Marredpally, Secunderabad - 26

## NOTICE

Notice is hereby given that the 21<sup>st</sup> Annual General Meeting of the Members of M/s. Nihar Info Global Limited will be held on 30<sup>th</sup> day of September 2015 on Wednesday at Hotel Pearl Regency, 11-5-431, Red Hills, near LakdikaPool bridge, Hyderabad- 500004 at 11.00 A.M. to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as on 31st March, 2015 and the Profit and Loss Account for the year ended on that date together with the Directors' Report and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Jagadeeswara Rao Reddi (DIN : 00063199) who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting on such remuneration as may be decided by the Board of Directors. M/s C. Ramachandram & Co., Chartered Accountants, retiring auditors of the Company, being eligible, offer themselves for re-appointment.

**"RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable rules, if any, as may be applicable, M/s C. Ramachandram & Co., Chartered Accountants (Firm Registration No. 0028645) 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 until the conclusion of the next Annual General Meeting of the Company, on such remuneration as may be decided by the Board of Directors or any Committee thereof."

### SPECIAL BUSINESS

4. To Appoint Mrs. Nithisha Boda as Director of the Company and in this regard, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as **Ordinary Resolution**:

**"RESOLVED THAT** Mrs. Nithisha Boda(DIN : 02816728) who was appointed as an Additional Director on 31<sup>st</sup> March 2015 by the Board of Directors and who holds the office up to the date of this Annual General Meeting, pursuant to provisions of Companies Act 2013 and in respect of whom Company has received a notice in writing under Section 160 of the Companies Act, 2013, proposing her candidature for the office of a Director, be and is hereby appointed as a Woman Director of the Company, liable to retire by rotation."

5. **AMENDMENT OF OBJECT CLAUSE OF MEMORANDUM OF ASSOCIATION OF THE COMPANY AND ADOPTION AS PER COMPANIES ACT 2013**

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

**"RESOLVED THAT** pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013 and pursuant to the Companies (Incorporation) Rules, 2014 and subject to all the applicable laws and regulations, including but not limited to Listing Agreement entered with Stock Exchanges, subject to the approval of the Registrar of Companies and subject to the approval of the Members in General Meeting for alteration of Main Objects under Clause III (A) of the Memorandum of Association of the Company by way of insertion of the following objects in the Main Object Clause of the Company.

"To deal in acquiring Digital assets, supplying of movie content rights including to make, produce, direct, own, enact, dub, shoot, edit, manufacture, export, import, process, direct, organise, exhibit, deal, buy, sell, acquire, screen, dramatize, distribute, reproduce, give and take on hire, licence, advertise, broadcast

through satellite contents, 2D, 3D or latest available technology animation films, television films, video films, feature films, satellite films, cartoon films, advertisement films and campaigns, media films, sports films, web films, other animations and television programmes, serials, documentaries, cultural films, animations, news and news capsules, to run and maintain owned TV channels, broadcasting channels and informative electronic channels, films, interviews, discussions, entertainment programmes, plays, skits, recitals, screen, dramas, cultural shows, music recitals, dance and other live shows of any kind, either silent or talkies for private, commercial or public usage and to do all things necessary to form, organize, troops, groups.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**6. ADOPTION OF NEW SET OF MEMORANDUM & ARTICLES OF ASSOCIATION OF COMPANY INTERALIA PURSUANT TO THE COMPANIES ACT, 2013**

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

**“RESOLVED THAT** pursuant to the provisions of section 13 of Companies Act, 2013 (‘the Act’), read with the Companies (Incorporation) Rules, 2014 and all other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), the new set of Memorandum of Association pursuant to the Act be and are hereby approved and adopted as new set of Memorandum of Association in the place of existing Memorandum of Association of the Company.”

**“RESOLVED THAT** pursuant to the provisions of section 5 and 14 of Companies Act, 2013 (‘the Act’), Schedule I made there under, read with the Companies (Incorporation) Rules, 2014 and all other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), the new set of Articles of Association pursuant to the Act primarily based on the Form of Table F under the Act, be and are hereby approved and adopted as new set of Articles of Association in the place of existing Articles of Association of the Company.”

**“RESOLVED FURTHER THAT** for the purpose of giving full effect to this resolution, Board of Directors of the Company 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, expedient, proper or desirable and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

**7. ISSUE OF EQUITY SHARES ON PREFERENTIAL BASIS**

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

**“RESOLVED THAT** pursuant to the provisions of Section 42 & 62 and other applicable provisions, if any, of the Companies Act, 2013, as amended (“Companies Act”) read with the rules made thereunder, to the extent notified and in effect, the applicable provisions, if any, of the Companies Act, 1956, as amended (without reference to the provisions thereof that have ceased to have effect upon notification of sections of the Companies Act 2013), and subject to the provisions of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI ICDR Regulations”), and subsequent amendments thereto, including but not restricted to the (SEBI ICDR Regulations), the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (“SEBI Takeover Regulations”) and amendments thereto as in force and subject to other applicable

rules, regulations and guidelines of the Securities and Exchange Board of India (“SEBI”) (“SEBI Regulations”), and the stock exchanges where the shares of the Company are listed (“Stock Exchanges”) and enabling provisions of the Memorandum and Articles of Association of Nihar Info Global Limited (“Company”) and the listing agreements entered into between the Company and the Stock Exchanges and subject to requisite approvals, consents, permissions and/or sanctions if any, SEBI, the Stock Exchanges and other appropriate authorities, as may be required and subject to such conditions as may be prescribed by any of them while granting any such approvals, consents, permissions, and/or sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the ‘Board’ which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise one or more of its power including the powers conferred hereunder), the Board be and is hereby authorized to create, offer, issue and allot up to **18,00,000 (Eighteen Lakhs only)** equity shares of face value of Re. 10/- each (“Equity Shares”) fully paid up, for cash, at such price (including premium) being not less than the price determined in accordance with Chapter VII of SEBI ICDR Regulations, on a preferential basis to the persons mentioned below, at such time or times, in one or more tranches and on such terms and conditions and in such manner, as the Board may think fit in its absolute discretion.

| S. No. | Name of the proposed allottee           | PAN        | Category   | No. of Shares  |
|--------|---|------------|------------|----------------|
| 1      | Chintalapati Suryanarayana Raju         | ACMPC02965 | Individual | 100000         |
| 2      | Manda Padamsri                          | AOJPM5702L | Individual | 100000         |
| 3      | Sajjala Rama Krishna Reddy              | AHUPS0737P | Individual | 10000          |
| 4      | Ramachandra Murthy Kondubhatla          | AFAPK2553F | Individual | 20000          |
| 5      | Komaravelli Shiva Kumar                 | AAYPK8925A | Individual | 100000         |
| 6      | Komaravelli Vishwanath                  | BIAPK9206K | Individual | 100000         |
| 7      | Komaravelli Vishwani                    | BWHPK8041D | Individual | 100000         |
| 8      | Komaravelli Swathi                      | ADFPK1186K | Individual | 100000         |
| 9      | Umang Navneet Seth                      | AVSPS7062F | Individual | 250000         |
| 10     | Khandelwal Megha                        | AACPK8139Q | Individual | 250000         |
| 11     | Falgun Mahesh Oza                       | AAAPO0617R | Individual | 250000         |
| 12     | Obul Reddy Puppala                      | AFKPR4332K | Individual | 250000         |
| 13     | Rajesh Kaveti                           | AYFPK5676B | Individual | 60000          |
| 14     | Pavan Clean & Shine Pvt Ltd             | AAECP2827K | Corporate  | 40000          |
| 15     | BH Karunakar Reddy                      | AFIPB5413K | Individual | 10000          |
| 16     | Sasi Kumar Bandlamudi                   | AIZPB7186K | Individual | 10000          |
| 17     | Chunduri Venkata Koteswara Rao          | ABUPC7425Q | Individual | 10000          |
| 18     | Rajshekar Siddhanti                     | ARUPS5470P | Individual | 10000          |
| 19     | Pallavi Saruja Yalamarathi              | ACCPY7941A | Individual | 5000           |
| 20     | Krishna Mohana Satyanarayana Raju Datla | AFQPD4885F | Individual | 20000          |
| 21     | Y Lakshmi Padmini                       | ACCPY7940B | Individual | 5000           |
|        | <b>Total</b>                            |            |            | <b>1800000</b> |

**“RESOLVED FURTHER THAT** in accordance with the provisions of Chapter VII of the SEBI ICDR Regulations, the “Relevant Date” for the purpose of calculating the floor price for the issue of Equity Shares is 28.08.2015 which is the date falling 30 days prior to the date of this Annual General Meeting and the floor price so calculated is Rs. 30.50/-“

**“RESOLVED FURTHER THAT** the equity shares to be allotted to the Investor pursuant to the aforesaid preferential allotment shall rank pari-passu in all respects including as to dividend, with the existing fully paid up equity shares of face value of Re. 10/- each of the Company, subject to lock-in as per requirements of SEBI ICDR Regulations and subject to the relevant provisions contained in the Memorandum and Articles of Association of the Company.”

**“ RESOLVED FURTHER THAT** the Equity Shares shall be issued and allotted by the Company to the Investor in dematerialised form within a period of 15 days from the date of passing of this resolution provided that where the issue and allotment of the said Equity Shares is pending on account of pendency of any approval for such issue and allotment by any regulatory authority or the Central Government, the issue and allotment shall be completed within a period of 15 days from the date of such approval.”

**“RESOLVED FURTHER THAT** the Equity Shares to be offered, issued and allotted shall be subject to lock-in as provided under the provisions Chapter VII of the SEBI ICDR Regulations and the Equity Shares so offered, issued and allotted will be listed subject to the receipt of necessary regulatory permissions and approvals.”

**“RESOLVED FURTHER THAT** subject to the provisions of the SEBI Regulations and other applicable laws, the Board be and is hereby authorized to vary, modify or alter any of the relevant terms and conditions, including size of the preferential issue to the Investor, as may deem expedient.”

**“RESOLVED FURTHER THAT** subject to the provisions of the SEBI Regulations and other applicable laws, the Board be and is hereby authorized to vary, modify or alter any of the relevant terms and conditions, including size of the preferential issue to the Investor, as may deem expedient.”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board/ the Committee be and is hereby authorized on behalf of the Company to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable, incidental or expedient to the issue or allotment of aforesaid equity shares and listing of the equity shares to be allotted on preferential allotment basis with the stock exchange(s) as appropriate and to resolve and settle all questions and difficulties that may arise in relation to the proposed issue, offer and allotment of any of the said equity shares, the utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion may deem fit, including without limitation, issuing clarifications on the offer, making any application etc., to the concerned regulatory authorities, including to the FIPB, issue and allotment of the equity shares, to execute necessary documents and enter into contracts, arrangements, other documents (including for appointment of agencies, intermediaries and advisors for the issue) and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit , without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution and the decision of the Board shall be final and conclusive.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) or Officer(s) of the Company and to generally do all such acts, deeds and things as may be required in connection with the aforesaid resolutions, including making necessary filings and applications etc., with the stock exchanges and regulatory authorities and execution of any documents on behalf of the Company and to represent the Company before any governmental and regulatory authorities and to appoint any merchant bankers or other professional advisors, consultants and legal advisors to give effect to the aforesaid resolution.”

**8. PREFERENTIAL ISSUE OF WARRANTS**

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

**“RESOLVED THAT** pursuant to Sections 42 & 62(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 and Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any statutory modification thereto or re-enactment thereof for the time being in force), and in accordance with the Articles of Association of the Company, the Listing Agreement entered into by the Company with the Stock Exchanges where the securities of the Company are listed, and subject to the approval, consent, permission and/or sanction, as may be required from the Central Government, are there any foreign holders, SEBI Stock Exchange and any other appropriate authority(ies), Institution(ies) or Body(ies) , if any, as may be, and subject to such terms, conditions, alterations, corrections, changes, variations and/or modifications, if any, as may be prescribed by any one or more or all of them in granting such approval, consent, permission and/or sanction, The Board of the Company (which term shall include any duly constituted and authorized committee thereof) be and is hereby authorised on behalf of the Company, to create, offer , issue, and allot up to **9,00,000 warrants ( Nine Lakhs only) on private placement basis through preferential issue to the following persons forming part of the non promoter group, which shall be exercisable into equity shares of the Company at the option of the warrant holder at an issue/ exercise price of Rs.30.50/- per equity share not later than 18 months from the date of their allotment in accordance with the SEBI (ICDR) Regulation and/ or other provisions of the law as may be prevailing at the time of allotment of equity shares/ exercise of warrant.”**

| <b>Name of the proposed allottee</b> | <b>PAN</b> | <b>Category</b> | <b>No. of Warrants</b> |
|--------------------------------------|------------|-----------------|------------------------|
| Arunima Pakalapaty                   | AOTPP6218E | Individual      | 400000                 |
| Sahithi Developers Pvt. Ltd.         | AAECG1393B | Body Corporate  | 500000                 |
| <b>Total</b>                         |            |                 | <b>900000</b>          |

**“FURTHER RESOLVED THAT** the relevant date, as per SEBI (ICDR) Regulations for the determination of issue price of the Warrants to be allotted pursuant to the preferential allotment is fixed as 28<sup>th</sup> August, 2015 i.e 30 days prior to the date of shareholders meeting to approve the proposed preferential issue in terms of Section 62(1)( c ) of the Act.”

**“FURTHER RESOLVED THAT** the Board be and is hereby authorised to issue and allot such number of equity shares of the Company as may be required to be issued and allotted upon exercise of the warrants by the warrant holder(s).”

**“FURTHER THAT** the Equity Shares to be allotted upon exercise of warrants shall rank pari passu in all respects including as to dividend from the date of allotment, with the existing fully paid up equity shares of face value of Rs 10/- each of the Company, subject to the relevant provisions contained in the Memorandum and Articles of Association of the Company.”

**“FURTHER RESOLVED THAT** for the purpose of giving effect to the aforesaid special resolution under Sections 42 & 62 of the Companies Act, 2013, the Board of Directors (which term shall include any duly constituted and authorized committee thereof) of the Company be and is hereby authorized on behalf of the to take all actions and to do all such acts, deeds, matters and things and execute agreements, deeds, and other documents , including without limitation the private placement offer letter, with regard to the issue or allotment of aforesaid warrants and issue or allotment of equity shares pursuant exercise of the warrants and listing of the equity shares so to be allotted with the stock Exchange(s) as it may, in its absolute discretion, deem fit and to give instructions or directions and to settle all questions, difficulties or doubts that may arise in relation to the proposed issue, offer and allotment of any of the said Warrants and the utilization of the issue proceeds and to accept and give effect to such modifications, changes, variations, alterations, deletions, additions as regards to the terms and conditions as may be required by the SEBI, Stock Exchange, Registrar of Companies or other authorities or agencies involved in or concerned with the proposed issue.”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to issue/ allot warrants arising on exercising the right attached to the warrants and do all such things and acts as may be necessary therewith.”

**9. Approval of Employees Stock Option Plan - 2015:**

To consider and if thought fit, to pass the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to provisions of Section 62 (1)(b) and all other applicable provisions of the Companies Act, 2013, read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, Memorandum and Articles of Association of the Company, the provisions contained under Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014, read with SEBI Circular CIR/CFD/POLICY CELL/2/2015, dated June 16, 2015, as amended from time to time (including any statutory amendment, modification or reenactment to the Act or the Regulations for the time being in force) and subject to such approvals, consents, permissions and sanctions as may be applicable including such conditions and modifications as may be prescribed or imposed by above authorities while granting such approval, permissions and sanctions, and upon receipt of recommendation of the Nomination and Remuneration Committee cum Compensation Committee, approval and consent of the members of the Company be and is hereby 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 the adoption of **“Nihar Employees Stock Option Plan 2015”** (hereinafter **“Plan”**) and to create, issue, offer and grant/ allot, at any time, a maximum of 30,00,000 Employee Stock Options in one or more lots under the said Employee Stock Option Plan to or for the benefit of eligible employees (as defined under the Plan and as determined by the Compensation Committee) of the Company on such terms and conditions as may be fixed or determined by the Board and / or the Compensation Committee.”

**“FURTHER RESOLVED THAT** in accordance with the provisions of the Act and in accordance with Memorandum and Articles of Association of the Company, and the Regulations and other applicable laws for the time being in force and as may be amended from time to time consent of the members of the Company be and is hereby accorded to the Board (including Compensation Committee) for creation, offer, issue and allotment at any time, 30,00,000 (Thirty Lakhs) equity shares of Rs. 10/- each of the Company, upon exercise of the options, at such price, and on such terms and conditions and upon meeting of such vesting criteria as may be fixed or determined by the Compensation in its sole and exclusive discretion.”

**“FURTHER RESOLVED THAT** the equity shares to be issued and allotted in pursuance of the **Plan** shall rank pari-passu with all the existing equity share of the Company for all purposes.”

**“FURTHER RESOLVED THAT** the Nomination and Remuneration Committee be and is hereby designated as the Compensation Committee and authorised and empowered for the administration and superintendence of the **Plan**.”

**“FURTHER RESOLVED THAT** the Board be and is hereby authorized to formulate, evolve, decide upon and bring into effect the **“Nihar Employees Stock Option Plan 2015”** on such terms and conditions as contained in the relevant item under the Explanatory statement to the notice of AGM and to make any modification(s), change(s), variation(s), alteration(s), or revision(s) in the terms and conditions of the **Plan** from time to time including but not limited to amendments with respect to vesting period, exercise price, eligibility criteria, vesting schedule or to suspend, withdraw or revive the **Plan**.”

**“FURTHER RESOLVED THAT** the Board including the Compensation Committee of the Board be and is hereby authorized in whole or in part, 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 and pay fees and commission and incur expenses in relation to or for implementing the **Plan**”.

**“FURTHER RESOLVED THAT** in case of any corporate action(s) such as rights issues, bonus issues, merger, split, etc., for the purpose of making a fair and reasonable adjustment to the options granted earlier, the



above ceiling of 30,00,000 options/shares shall be deemed to be increased/decreased to the extent of such corporate action.”

“**FURTHER RESOLVED THAT** in case the equity shares are either sub-divided or consolidated, then the number of shares to be allotted under the **Plan** shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of Rs. 10/- per Equity Share bears to the revised face value of the Equity Shares after such sub-division or consolidation, and the price of acquisition payable by the option grantees shall automatically stand reduced or augmented, as the case may be, in the same proportion as the revised face value of the Equity Shares after such sub-division or consolidation bears to the present face value of Rs. 10/- per equity share, without affecting any other rights or obligations of the said allottees.”

“**FURTHER RESOLVED THAT** the Board be and is hereby authorized to take necessary steps for listing the shares allotted under the **Plan** on the Stock Exchange where the Shares of the Company are listed as per the provisions of Listing Agreement entered with the Stock Exchanges and other applicable guidelines, rules and regulations.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to any creation, offer, issue, allotment or listing of securities, the Board be and is hereby authorized on behalf of the Company to evolve, decide upon and bring into effect the **Plan** and make any modifications, changes, alterations or revisions in the **Plan** from time to time or to suspend, withdraw or revise the **Plan** from time to time as may be specified by any statutory authority and to do all such acts, deeds, matter and things as it may in its absolute discretion deem fit or necessary or desirable for such purpose and with power on behalf of the Company to settle any questions, difficulties, or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the Members.”

“**FURTHER RESOLVED THAT** the Board of Directors of the Company be and is hereby authorized to delegate all or any powers conferred herein, to any committee of directors, with the power to further delegate to any executives/ officers of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings, etc., as may be necessary in this regard.”

**10. Approval for issue of Shares under Nihar Employees Stock Option Plan 2015 to the employees of Subsidiary(ies).**

**To consider and if thought fit, to pass the following resolution as a Special Resolution:**

“**RESOLVED THAT** pursuant to provisions of Section 62 (1)(b) and all other applicable provisions of the Companies Act, 2013, read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, Memorandum and Articles of Association of the Company, the provisions contained under Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014, read with SEBI Circular CIR/CFD/POLICY CELL/2/2015, dated June 16, 2015, as amended from time to time (including any statutory amendment, modification or reenactment to the Act or the Regulations for the time being in force) and subject to such approvals, consents, permissions and sanctions as may be applicable including such conditions and modifications as may be prescribed or imposed by above authorities while granting such approval, permissions and sanctions, and upon receipt of recommendation of the Nomination and Remuneration Committee cum Compensation Committee, approval and consent of the members of the Company be and is hereby 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 extend the benefits of **Nihar Info Employee Stock Option Plan - 2015**” proposed in the resolution set out under Item No. 9 in the Notice to such persons who are in the employment of the subsidiary companies / subsidiary (ies) (whether now or hereafter existing, whether incorporated in India or overseas as may be from time to time be allowed under the prevailing laws, rules and regulations and / or any amendments thereto from time to time), hereinafter referred to as “Subsidiary Companies”, whether working in India or out of India and to the directors of the Subsidiary Companies, whether whole-time or not and to such

other persons as may from time to time be allowed, under prevailing laws, rules and regulations, and/or amendments thereto from time to time, on such terms and conditions as may be decided by the Board, whether working in India or out of India, hereinafter referred to as “Subsidiary Companies Employees” at such price or prices in one or more tranche and on such terms and conditions, as may be fixed or determined by the Compensation Committee in accordance with the terms of the **Plan**.”

“**FURTHER RESOLVED THAT** for the purpose of giving effect to any creation, offer, issue, allotment or listing of shares, the Board (including its committee) be and is hereby authorized on behalf of the Company to evolve, decide upon and bring in to effect the **Plan** and make any modifications, changes, variations, alterations or revisions in the said **Plan** from time to time or to suspend, withdraw or revive the Plan from time to time as may be specified by any statutory authority and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit or necessary or desirable for such purpose and with power on behalf of the Company to settle any questions, difficulties, or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company.”

#### 11. TO APPROVE THE BORROWING LIMITS OF THE COMPANY

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

“**RESOLVED that** in supersession of the resolution passed under Section 293(1)(d) of the Companies Act, 1956 at the General Meeting of the Company and pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any committee thereof for the time being exercising the powers conferred on the Board by this Resolution) for borrowing from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business), may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total outstanding amount so borrowed shall not at any time exceed the limit of Rs. 100 crore.”

“**RESOLVED FURTHER that** the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required.”

#### 12. CREATION OF CHARGES ON THE ASSETS OF THE COMPANY

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

“**RESOLVED that** in supersession of the resolution passed under Section 293(1)(a) of the Companies Act, 1956, at the General Meeting of the Company held on and pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, the consent of the members of the Company be and is hereby accorded to the creation by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any committee thereof for the time being exercising the powers conferred on the Board by this Resolution) of such mortgages, charges and hypothecations as may be necessary on such of the assets of the Company, both present and future, in such manner as the Board / Committee of the Board may direct, together with power to take over the management of the Company in certain events, to or in favour of financial institutions, investment institutions and their subsidiaries, banks, mutual funds, trusts, other bodies corporate (hereinafter referred to as the “Lending Agencies”) and Trustees for the holders of debentures/ bonds and/or other instruments which may be issued on private placement basis or otherwise, to secure rupee term loans/foreign currency

loans, debentures, bonds and other instruments of an outstanding aggregate value not exceeding Rs. 100 crore together with interest thereon at the agreed rates, further interest, liquidated damages, premium on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company to the Trustees under the Trust Deed and to the Lending Agencies under their respective Agreements / Loan Agreements / Debenture Trust Deeds entered / to be entered into by the Company in respect of the said borrowings.”

“**RESOLVED FURTHER** that the Board be and is hereby authorized to finalize with the Lending Agencies / Trustees, the documents for creating the aforesaid mortgages, charges and/or hypothecations and to accept any modifications to, or to modify, alter or vary, the terms and conditions of the aforesaid documents and to do all such acts and things and to execute all such documents as may be necessary for giving effect to this Resolution.”

### 13. **Buying of 100% equity of a Company**

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

“**RESOLVED THAT** the Board proposes to buy 100% equity holding 20,000 shares of Rs. 10/- of Nihar Logistics India Pvt. Ltd. thereby resulting in formation of a wholly owned subsidiary, subject to the approval from shareholders of the Company. The name of the subsidiary would remain the same as Nihar Logistics India Pvt. Ltd. and is in terms with the ROC, Telangana.”

“**FURTHER RESOLVED THAT** Mr. BSN Suryanarayana, Managing Director of the Company be and is hereby authorized to sign the necessary papers and forms and to do all such acts, deeds and things in this regard and that the Common seal of the Company be affixed wherever necessary under the signatures of Mr. BSN Suryanarayana, Managing Director of the Company.”

By the order of Board of Directors

(Sd/-)

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

Place: Secunderabad

Date: 27/08/2015

### **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 2015 to 30<sup>th</sup> September 2015. **(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 Business" 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 2014-2015, Notice of the 21<sup>st</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 2014-2015 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 19th September 2015, are entitled to vote on the Resolutions set forth in this Notice.

The Company has entered into an agreement with Central Depository Services (India) Limited and Aarthi Consultants Pvt. Ltd. for facilitating e-voting for AGM.

By the order of Board of Directors

(Sd/-)

**BSN Suryanarayana**

(Managing Director)

(DIN : 01499145)

Place: Secunderabad

Date: 27/08/2015

**Brief Resume of the Director of the Company Seeking appointment as the Women Director pursuant to the relevant clause of the Companies Act 2013 and the Listing Agreement:**

Ms. Nithisha Boda is B.Tech. by qualification and an IBM Certified Architech. She is having more than 5 years of professional experience in companies HP, Emphasis ane Infosys. She has handled more than 30 IT Projects in Architecting and Developing the IT Solutions.

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

The Following statement pursuant to Section 102 of Companies Act, 2013 sets out all the material facts relating to the business to be transacted at the Meeting.

### **ITEM NO. 4**

As per the provisions of Section 149 of the Companies Act, 2013 the name of Mrs. Nithisha Boda was proposed to act as the Woman Director of the Company. Considering the same, her appointment was made on 31<sup>st</sup> March 2015 as an Additional Director. The same is proposed to be regularise in the Annual general Meeting of the Company subject to the permission of the shareholders.

The Board of Directors of the Company (the 'Board'), at its meeting held on 31<sup>st</sup> March 2015, appointed Mrs. Nithisha Boda as Additional Director who shall hold office up to the date of the ensuing Annual General Meeting. Now, it is proposed to seek the members' approval for the regularisation of Mrs. Nithisha Boda as Woman Director of the company. She 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 Mrs. Nithisha Boda as a candidate for the office of Woman Director of the Company. Brief resume of Mrs. Nithisha Boda, nature of his expertise in specific functional areas, names of companies in which he is holding directorships and memberships/ chairmanships of Board Committees, shareholding and relationships amongst directors inter-se as stipulated under Clause 49 of Listing Agreement with the Stock Exchanges, is provided in the Annual Report. Mrs. Nithisha Boda is interested in the resolution set out at Item No. 4 of the Notice, which pertains to her appointment.

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. The Board recommends the Ordinary Resolution set out at Item Nos. 4 of the Notice for approval by the shareholder

### **ITEM NO. 5**

Your Company is keen to prove its versatility by taking up different activities so as to serve its shareholders in a better way. On the same lines, the Company proposes to enter into the business of buying Digital Assets and movie content rights etc. thus enabling it to enter the media and entertainment world. This amendment is in view of the Company which has included in its fold the work to deal in acquiring digital assets and providing content rights or latest available technology animation films, television films, video films, feature films etc. the Company has already launched two ecommerce portals on the same lines viz. Smartmelody.in and cinescope.in. Smartmelody.in is an online music portal of movies while cinescope.in is an online movie streaming portal.

The nature of concern or interest, financial or otherwise of:

- (i) Every director: No financial interest; the interest is only to the extent of shareholding because the directors are also the shareholders of the Company.
- (ii) KMP – Not Applicable.
- (iii) Relatives of the Directors: No interest, financial or otherwise.

It is to be noted that this resolution does not relate to or affects any other Company. The Board recommends the passing of this resolution by way of special resolution.

### **Item No. 6**

The existing AOA/MOA are based on the Companies Act, 1956 and several regulations in the existing AOA/ MOA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AOA/ MOA are no longer in conformity with the New Companies Act, 2013. Hence, it is considered expedient to wholly

replace the existing AOA by a new set of Articles and amend MOA to some extent which shall be in conformity with the new companies Act, 2013. The proposed new draft AOA/MOA are being uploaded on the Company's website for perusal by the shareholders. The draft AOA/ MOA shall be available for inspection during the meeting and can be inspected by members during the business hours at the registered office of the company. None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 6 of the Notice. The Board recommends the Special Resolution set out at Item No.6 of the Notice for approval by the shareholders.

A draft of the altered Articles of Association with the following Clause V was tabled and initialled for discussion.

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

Your Company is growing in E-commerce and growth requires capital. Further funds are required to augment its working capital, capital expenditure and for other corporate purposes.

It is proposed therefore to raise the further capital by way of a preferential issue of Equity Shares & Warrants as per the Chapter VII of Securities and Exchange Board of India (issue of Capital & disclosure requirements) regulations 2009 and as per Section 62 and other applicable provisions if any of the Companies Act 2013. Section 62 of the Companies Act, 2013, provides, inter alia, that such further shares may be offered to any persons whether or not such persons are existing holders of equity shares of the Company as on the date of offer by way of a Special Resolution passed to that effect by the Company in General Meeting.

The Listing Agreements executed by the Company with the Bombay Stock Exchange provide that the Company shall issue or offer in the first instance all Securities to the existing equity shareholders of the Company unless the Shareholders decide otherwise.

Accordingly, the consent of the shareholders is being sought, pursuant to the provisions of Section 62 and other applicable provisions of the Companies Act, 2013, Regulation 74(1) of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments thereof, and in terms of the provisions of the Listing Agreements, and such other approvals as may be necessary, to issue and allot securities as stated in the Special Resolution.

The proposed Special Resolutions gives (a) adequate flexibility and discretion to the Board to finalise the terms of the issue in accordance with the normal practice, (b) powers to issue and market any securities; and (c) for utilization of the issue proceeds as the Board may deem fit, without being required to seek any further consent or approvals of the Members or otherwise, with the intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

Your Board at its meeting held on 27.08.2015 subject to approval by the Company in General Meeting and requisite statutory approvals, has

1. Proposed to offer for subscription by way of preferential allotment up to 18,00,000 Equity Shares of Rs.10/- each to proposed allottees at a price of Rs. 10/- (Rupees Ten only) per Equity Share (including a premium of Rs 20.50/- per Equity Share) being a price higher than the price determined as per Regulation 76(1) of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
2. Issue of 9,00,00 Warrants by way of preferential issue to the proposed investors at the current price subject to the approval of the Members at the proposed Annual General Meeting  
As per Regulation 76(1) of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, an issue of equity shares / Warrants on a preferential basis can be made only at a price, which is not less than the higher of the following:-

- (i) The average of the weekly high and low of the closing prices of the related equity shares quoted on the recognised stock exchange during the twenty six weeks preceding the relevant date; or
- (ii) The average of the weekly high and low of the closing prices of the related equity shares quoted on a recognised stock exchange during the two weeks preceding the relevant date.

The “Relevant Date” in accordance with the provisions of Regulation 71(a) of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 for the preferential offer means the date as thirty days prior to the date on which this Annual General Meeting of the Company is held, to consider, the proposed preferential offer under Section 62 of the Act. Accordingly the “Relevant Date” for this preferential offer is for this purpose, stock exchange means Bombay Stock Exchange of India Limited in which the highest trading volume in the company’s shares has been recorded during the two weeks immediately preceding the relevant date.

The average price as computed on the above basis during the twenty six weeks preceding the Relevant Date is Rs. 23.04 per equity share whereas during the two weeks preceding the Relevant Date is Rs 30.36 per equity share. The higher of these two prices calculated is Rs 30.36 and the issue price is Rs 30.50, which is higher than the higher of these two calculated prices.

The Equity Shares of the Company to be allotted shall be subject to the Memorandum and Articles of Association of the Company and the terms of the issue.

The consummation of the proposed subscription of equity Shares by proposed allottees is subject to approval from any governmental / or regulatory authorities etc., if required and / or as applicable.

The Board believes that the preferential offer to proposed allottees will be in the best interest of the Company and its Members.

As required under Rule 13 (2) (d) of the (Share Capital and Debentures) Rules, 2014 of Companies Act 2013 and regulation 73(1) & (2) of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, the other required details are furnished as under.

#### **OBJECTS OF THE PREFERENTIAL ISSUE**

Your Company’s business is growing in E commerce and growth requires capital. Further funds are required to augment its working capital, capital expenditure and for other corporate purposes.

It is proposed therefore to raise the further capital by way of a preferential issue of Equity Shares as per the Chapter VII of Securities and Exchange Board of India (issue of Capital & disclosure requirements) regulations 2009 and as per Section 62 and other applicable provisions if any of the Companies Act 2013.

#### **INTENTION OF THE PROMOTERS / DIRECTORS / KEY MANAGEMENT PERSONS TO SUBSCRIBE TO THE OFFER**

None of the Directors / Key management persons of the Company intend to subscribe to this preferential issue authorised by the resolution. None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the passing of this Resolution.

**SHAREHOLDING PATTERN BEFORE AND AFTER THE ISSUE OF SHARES & WARRANTS**

The Figures in the following Table are as on 30<sup>th</sup> September 2015 and excludes subsequent transfers and allotments:

| S. No. | Category                 | Pre Issue      |                    | Post Issue     |                    |
|--------|--------------------------|----------------|--------------------|----------------|--------------------|
|        |                          | No. of Shares  | Percentage holding | No. of Shares  | Percentage holding |
| A      | Promoters                | 3250319        | 65.01              | 3250319        | 42.21              |
| B      | Public                   |                |                    |                |                    |
|        | Body Corporate           | 1057790        | 21.16              | 1497790        | 19.45              |
|        | Individuals              | 684323         | 13.68              | 2944323        | 38.24              |
|        | Non Resident Individuals | 3033           | 0.06               | 3033           | 0.04               |
|        | Clearing Members         | 4535           | 0.09               | 4535           | 0.06               |
|        | <b>Total</b>             | <b>5000000</b> | <b>100</b>         | <b>7700000</b> | <b>100</b>         |

**Note :** The post issue contains proposed allotment of shares and warrants converted into shares.

- (i) The voting rights will change in tandem with the change in shareholding pattern.
- (ii) The figures shown in the above table assumes the following:
- The issue and allotment of all the Equity Shares of the issue is to proposed allottees as mentioned in the resolution.
  - The holdings of other shareholders do not change

**PROPOSED TIME WITHIN WHICH THE ALLOTMENT SHALL BE COMPLETED**

The allotment of the Equity Shares are proposed to be completed within 15 days of the date of passing of the above resolutions at the general meeting, provided where the allotment is pending on account of pendency of any regulatory authority or Central Government approval(s), the allotment shall be completed within 15 days from the date of receipt of such approval(s).

**AUDITOR'S CERTIFICATE**

Auditors of the Company, certifying that the issue of shares by way of the proposed preferential allotment is being made in accordance with the requirement of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 shall be placed before the shareholders at the General Meeting.

**LOCK—IN**

Lock-in: The Warrants and the Equity Shares allotted pursuant to exercise of entitlement attached to Warrants shall be subject to 'lock-in' as per the ICDR Regulations. Such locked-in Equity Shares may however be transferable to and amongst the Promoters/Promoter Group subject to the provisions of ICDR Regulations.

The entire pre-preferential allotment shareholding of the above Allottee, if any shall be locked-in from the Relevant Date up to the period of 6 months from the date of Trading Approval as per the Regulations 78(6) of ICDR Regulations.

**UNDERTAKING**

The Board of Directors of the Company undertakes that

- The Company undertakes that if require the price shall recomputed in terms of the provisions of the ICDR Regulations. If the amount payable upon the re-computation is not paid within the stipulated



time as mentioned in the ICDR Regulations, the specified securities shall continue to be locked-in with such amount is paid by the Allottee.

- The proposed allotment of the Equity Shares on a preferential basis, if made, will not result in change in the management or control of the Company as per the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.
- The Company is taking necessary steps to obtain the requisite approval/s from the regulatory authorities, as may be applicable, for the proposed investment.
- There has not been any other preferential allotment of shares made during the year
- The proposed issue of securities is in the interest of the Company and your Directors recommend the passing of the resolution under this item as a Special Resolution.
- None of the Directors, Key Managerial Persons of the Company or any relatives of such Directors or KMP are in any way consent or interested financially or otherwise in the proposed resolutions.

#### ITEM No. 9 & 10:

In order to attract and retain qualified, talented and competent personnel in the Company, the Board of directors of your Company at its meeting held on 27<sup>th</sup> August 2015, recommended for the approval of the Members the formulation of **Nihar Employee Stock Option Plan 2015** (hereinafter referred to as "**Plan**"), in accordance with the provisions of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (hereinafter referred to as SEBI Regulations), for the eligible employees of the Company and of its subsidiaries (if any).

The Board of Directors ("Board") of the Company at its meeting approved introduction of the 'the **Nihar Employee Stock Option Plan 2015**' for the benefit of the Eligible Employees (as identified in the **Plan**), subject to the approval of the members and the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014") as amended from time to time and authorized the Nomination & Remuneration Committee (Compensation Committee) to formulate the detailed terms and conditions of the **Plan** and to administer and implement the **Plan** in accordance with the Companies Act, 2013 and the Regulations.

The approval of the shareholders is, therefore being sought for issue of stock options to the employees of your Company and its subsidiaries by introduction of the Plan.

The main features of **the Plan** are as under:

- a) Under the **Plan** the employees will be given an option to acquire a certain number of equity shares of the face value of Rs. 10/- each.
- b) The Nomination and Remuneration Committee of the Board shall act as Compensation Committee which shall formulate detailed terms and conditions of the **Plan**, administer, and supervise the same.
- c) Subject to the provisions of the **Plan**, and subject to the approval of relevant authorities, the Compensation Committee shall implement and administer the Plan including inter – alia the following:
  - i. Determine the employees eligible to participate in the Plan.
  - ii. Determine the performance parameters for Grant and/or Vesting of Options granted to an employee, the number of tranches in which the Options are to be granted and the number of Options to be granted in each such tranche.
  - iii. Assess the performance of an employee for granting/determining the Vesting of the Options.
  - iv. Determine the number of Options to be granted, to each employee and in the aggregate, and the times at which such Grants shall be made.
  - v. Determine the vesting period of the Grant made to any employee and/or any conditions subject to which such Vesting may take place.

- vi. Determine the Exercise period within which the Participants should Exercise the Option and that the Option would lapse on failure to Exercise the Option within the Exercise period.
- vii. Determine the conditions under which the Options, Vested or Unvested in Grantee/ Participants may lapse in case of termination of employment for misconduct (apart from what has been stated elsewhere herein).
- viii. Determine the specified time period within which the Participant shall Exercise the Vested Options in the event of termination or resignation of an Employee.
- ix. Determine the right of a Participant to Exercise all the Options vested in him at one time or at various points of time within the Exercise period.
- x. Determine the Exercise price of the Options Granted.

The Salient Features of the **Plan** are as follows:

There is no secondary acquisition involved under the Plan and upon exercise of options new shares of the company will be issued.

**(A) Total number of Options to be granted**

A total of 30,00,000 (Thirty Lakhs) Options would be available for being granted to the eligible employees of the Company and its subsidiaries. Each Option when exercised would be converted into One equity share of Rs. 10/- each fully paid-up.

The Compensation Committee of the Company shall determine the number of Options to be granted, to each employee and the times at which such Grants shall be made.

Vested Options that lapse due to non-exercise or unvested Options that get cancelled due to resignation of the employee or otherwise would be available for being re-granted to eligible employee at a future date.

In case of any corporate actions(s) such as right issues, bonus issues, merger, de-merger, amalgamation, sale of division or any other form of corporate restructuring, a fair and reasonable adjustment needs to be made to the options granted.

**(B) Identification of the Class of Employees Entitled to the Plan**

Employees entitled to participate in the Plan are "Employees" including Directors (whether full time or not but excluding the Independent Directors as defined in the SEBI Regulation including any statutory modifications or re-enactment of the Act or the Guidelines, for the time being in force), of the Company and its subsidiary and as may be decided by the Compensation Committee from time to time. An Employee who is a promoter or belongs to the promoter group will not be eligible to participate in the Plan. Identification of Employees eligible to participate in the Plan and grant of options to identified employees will be based on such parameters as may be decided by the Compensation Committee in its discretion from time to time. The options granted to an employee will not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in manner.

**(C) Grant of Options**

The Compensation Committee may, on such dates as it shall determine, grant to such eligible Employees/Directors and excluding Independent Directors (other than promoters & promoter group and promoter directors) as it may in its absolute discretion, options of the Company on the terms and conditions and the consideration as it may decide.

**(D) Requirements of Vesting and Period of Vesting**

Except in case of demise or permanent incapacity, continuation of the employee in the service of the Company shall be a primary requirement of the vesting. With regard to Options granted under the **Plan**, there shall be a

minimum period of one year between Grant Date and the Vesting Period for the options granted and a maximum period of 36 months from the date of grant of such Options.

In the event of the death of an employee while in employment, all the options granted to him till such date shall vest in the legal heirs or nominees of the deceased employee, and in the event of the permanent incapacity while in employment, all the options granted to him as on the date of permanent incapacitation shall vest in him on that date.

**(E) Exercise Price**

The Exercise price of the Option shall be the face value of the share or such other price as may be determined by the Board/Compensation Committee as defined under Clause 3 of the Plan. Exercise price shall be paid to the Company in cash upon exercise of the Options.

**(F) Exercise Period and the Process of Exercise**

At the end of the each Vesting Period, the Employees have a period of 6 (Six) months to exercise the Options and if the Employee does not Exercise his/her Vested Options within the time specified, the Options shall lapse. The Options lapsed before the termination of the Plan shall be available for future grants.

The options will be exercisable by the Employees by a written application accompanied by payment of the exercise price to the Company to exercise the options in such manner, and on execution of such documents, as may be prescribed by the Compensation Committee from time to time.

**(G) Appraisal Process for Determining the Eligibility of Employees**

The appraisal process for determining the Employees to whom the option shall be granted, shall be based upon the performance of the Employees as indicated by the annual performance appraisal, minimum period of service, the status of the Employees in the Company and the present and potential contribution of the Employee to the success of the Company, and other factors deemed relevant by the Compensation Committee.

In case of Directors, the eligibility would depend on the period for which the office of Director is held by him and such other factors as the Compensation Committee may think appropriate. The Compensation Committee at its discretion may extend the benefits of the **Plan** to a new entrant also.

**(H) Maximum Number of Options to be issued Per Employee**

The maximum number of options granted to an employee/director shall not be equal to or exceed 1% of the issued capital of the Company at the time of grant of Option. However in case the number of options granted to an employee/director is constituting 1% or more of the issued capital of the Company, then approval of shareholders by way of separate resolution in the general meeting shall be obtained by the Company.

**(I) Accounting Policies and Disclosures**

The company will confirm the disclosures and the accounting policies prescribed by SEBI under SEBI (Share Based Employee Benefit) Regulations, 2014 and other regulatory authorities from time to time.

**(J) Method to be used to determine the Value of the Options**

The Company shall use the intrinsic value method to value its options. The difference between the employee compensation cost computed under intrinsic value method and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed in the Directors' Report and the impact of this difference on profits and on EPS of the Company shall be disclosed in the Directors' Report.

**(K)** In case the service of the Participant with the Company is terminated due to resignation of the Participant from the Company or otherwise (except as mentioned in clause 14.1, 14.2, 14.3, 14.4 of the Plan), all the Vested Options as on that date shall be permitted to be exercised within 30 (Thirty) days from the date of termination. All Unvested Options on the date of termination shall lapse.

**(L)** Notwithstanding anything contained contrary in the Plan, in case the termination of employment of a Participant with the Company is with cause (i.e., negligence, fraud, professional misconduct, involvement in moral turpitude etc.), the Participant's Options (vested as well as unvested) shall lapse.

The documents containing the salient features of Nihar ESOP- 2015, the duties and responsibilities of the option holders as also the benefits and the procedure to be followed after taking into consideration the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014, is available for inspection at the registered office of the company during 11:00 A.M. and 1:00 P.M. on any working day except Saturday and public holidays up to the date of the meeting.

The Company will confirm to the applicable accounting policies and standards as prescribed under the SEBI Regulations.

Rule 12 of the Companies (Share Capital and Debentures) Rule, 2015 and Clause 6 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 requires that any ESOS for offering stock options to the employees of the Company and its Subsidiaries, if any, must be approved by the Shareholders by way of Special Resolution. Furthermore, as the **Plan** will entail further shares to be offered to the person other than existing shareholders of the Company, consent of the shareholders is required by way of a Special Resolution pursuant to the provisions of the Section 62 (1)(b) of the Companies Act, 2013.

None of the Directors or KMPs of the Company is in any way, concerned or interested in the resolution, except to the extent of the stock options or securities that may be offered to them under the **Plan**.

The Board of Directors recommends the Special Resolution set out in Item number 9 & 10 for your approval.

#### **ITEM NO. 11 & 12**

Keeping in view, the existing borrowing and the additional fund requirements for meeting the capital expenditure for the ongoing / future projects, capacity expansion, and enhanced long term working capital needs of the Company, the Board of Directors had, in its meeting held on 27th August, 2015, considered and approved subject to the approval of the shareholders, the borrowing limits of the company to Rs. 100 crores and creation of security on the properties of the Company and recommends Resolution no. 11 & 12 of the accompanying Notice to the shareholder for their approval by way of special resolution. Pursuant to Section 180(1)(c) and 180(1)(a) of the Companies Act 2013, approval of the Shareholder by way of special resolution is required to authorize the Board of Director to borrow moneys up to the said limits and create security in respect thereof. None of the Directors and / or Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.11 & 12.

#### **Item 13**

Since the Company majorly deals into e-commerce activities, it is bound to take logistics services for carrying on the activities. The Company decided that instead of taking services from other Logistics Companies it would have a subsidiary of its own whose main objects are into logistics. For the same, The Company invested and bought 100% equity shares of RAK Infrastructure India Private Limited. The main objects then were changed from Infrastructure to Logistics with the name changed to Nihar Logistics India Private Limited. This is to state that all the formalities regarding name change and objects change have been complied with ROC, Telangana.

By order of the Board  
For Nihar info Global limited

(Sd/-)

**B.S.N Suryanarayana**  
Managing Director  
(DIN : 01499145)

Place: Secunderabad  
Date: 27/08/2015

**DIRECTORS' REPORT**

To,  
The Members,  
Your Directors have pleasure in presenting their 21<sup>st</sup> Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2015.

**1. Financial summary**

The Company's financial performance, for the year ended March 31, 2015 is summarised below:

₹ in Lakhs

| Particulars                                     | Current Year ended<br>31 <sup>st</sup> March 2015 | Previous year ended<br>31 <sup>st</sup> March 2014 |
|---|---|--|
| Gross Revenue                                   | 162.50  | 52.00  |
| Profit before interest,<br>depreciation & taxes | 30.19   | 2.14   |
| Interest  | 0.00  | 0.11   |
| Depreciation & Amortization                     | 2.97  | 0.34   |
| Profit /Loss After Tax                          | 27.45   | 1.37   |

**2. Performance of the Company**

The turnover of the Company for the current year is Rs. 162.50 lacs. The Company recorded a profit of Rs. 27.45 lacs as against a profit of Rs. 1.37 lacs during previous year.

**3. Dividend**

The Company is not providing any dividend for the year.

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

The Company is focusing on following segments.

- 1) E commerce
- 2) I T solutions

**E Commerce:**

It is a known fact that the Company was started in 1999, with the Sole Objective of eCommerce. As there was a .com burst across the world the company changed its business model and moved to Enterprise Solutions. We are delighted to inform you that the Company again has started focusing on eCommerce activities and performing immensely well in this direction. It has become India's first listed eCommerce Company.

The Company has launched India's First Multilingual Portal by name **www.niharonline.com** in three languages i.e., English, Hindi and Telugu on 29.12.1999. The Website [www.niharonline.com](http://www.niharonline.com) is almost getting more than one lakh of visitors every day from 140 Countries at that point of time. The Company has appointed proper team of professionals for effective carrying out the E commerce activities.

Till now, the Company has launched the seven e-commerce portals under the Brand Nihar Market and Six Content portals under the Brand Nihar Web, details of which have been mentioned below.

The Company also has the following ecommerce portals under Nihar Market [www.niharmarket.com](http://www.niharmarket.com)

- **Goldsilver.in- Online portal for selling of Gold & Silver ornaments, coins etc.**
  - The Portal was officially launched on the Occasion of Akshaya Tritiya on 21st April, 2015.
  - It is a B2C eCommerce Portal for Minted Gold and Silver Products, Pure Gold and Silver Products and 92.5 Silver.
  - Currently the Portal has the Minted Products of MMTC-PAMP and 92.5 Silver Products.
  - The portal has signed agreements with various sellers like Stock Holding Corporation of India Ltd., Nihar Stocks Ltd. and is in the process of on boarding more sellers on the portal. All the sellers on Goldsilver.in are Handpicked and are ensured that they maintain the best quality.
  - The Company is soon launching the Mobile App on different platforms.
- **Cinescope.in- Online movie streaming portal**
  - Cinescope.in provides Online Streaming of Movies on a Monthly Subscription Fees Model.
  - The portal currently has around 100 exclusive movies on its portal and is in process of increasing the Catalogue.
  - The portal is in plans to come with a unique strategy for the Medium and Low Budget Movies to monetize huge collections on the Day of Release.
  - The Portal also has a huge collection of CDs and DVDs of movies in Different Languages for Online buying.
- **Banyanstore.com- It is B2B portal focusing on LED's , furniture, building material etc.**
  - It is a B2B eCommerce Portal on a Marketplace Model.
  - Currently the Portal has various products like LEDs, Furniture and other products.
  - The Company is also signing agreements with Various Manufacturers in India and is planning to have atleast 100 Manufacturers on its portal very soon.
- **Makeadeal.in- It is a portal for comparison of product and price with various other portals**
  - It is a Product and Price Comparison Portal which aggregates good products from various ecommerce portals.
  - The Objective of this Portal is to enhance the Buying Experience of the Online Buyers.
  - The Portal has products under various categories like Men, Women, Books, Kids, Home and Furniture etc.
  - The Portal also aggregates the best deals from various ecommerce portals like Flipkart, Amazon, Snapdeal and Infibeam.
- **Smartmelody.in- Online music portal of movies**
  - A Friendly User Interface that provides Catalogue of 40 Albums with 250+ Songs, Customized Playlists, Provision for Online Streaming of Audio Songs.
  - The Objective of the Portal is to have a huge collection of Audio Songs on Online Streaming Model.
  - The Company is in talks with various Record Label Companies for the same.
- **ITdukaan.com- Portal for Online shopping of Electronics and Mobiles**
  - It is an eCommerce Portal for all types of Electronics like – Mobiles, Tablets, Accessories, Laptops, Television, Cameras, Speakers & Headphones, Printers, Routers & Datacards.
  - The objective of the portal is to connect the Brand and the Consumers.
  - The Portal also has the various top Deals on various Brands.

- **Anyservice.in- Online selling of various services like loans, insurance, finance, plumbing, electrical etc.**
  - It is a B2C eCommerce Portal based on Marketplace Model that enables users to search for various services based on Location.
  - It provides various services like Home Loan, Education Loan, Auto Loan, Personal Loan, Business Loan, Loan Against Property, Loan Against Shares, Broking Account, Demat Account, Investigation Services, Verification Services etc.
  - The Company is in process of adding more services to the portal by getting various reputed sellers on boarded.

The Company also has the following content portals under Nihar Web:

- **Niharonline.com**
  - NiharOnline.com is India's First Multilingual Portal launched in 1999.
  - This is a Multilingual News Portal in English, Telugu and Hindi. The Portal Contains the News under various categories like Featured, Politics, Tollywood, Bollywood, Photogallery, Sports etc.
  - The Portal is also available in the form of app for Android Devices in English, Hindi and Telugu.
- **Ecards4u.in- Online portal for multilingual greetings**
  - Ecards4u portal is available in 3 languages English, Telugu and Hindi.
  - It contains more than 500 greeting cards under various categories like Festivals, Events, Wishes, Holidays etc.
  - The Android App is available for download and users can share the ecards through email, Facebook and WhatsApp.
- **Railstar.in-**
  - Online portal all information related to Indian Railways like PNR status, Train Routes, Seat availability, Fares etc.
- **Sarasam.in- India's first multilingual humour portal**
  - It is India's First Telugu Humor Portal launched in 1999.
  - The Telugu Humor Portal containing cartoons, jokes and short stories.
  - It has 12 categories and a Daily Cartoon Section.
- **Haasparihaas.in-** Online portal for Humour in Hindi. It provides a good collection of cartoons.
- **HumorBox.in** - An Online English Humor Portal.

These portals are getting traffic and the Company is taking best measures to increase it further. The Company has recruited well qualified designers and content team to achieve the same.

### **Comprehensive Capital/ Financial Restructure Plan**

The Company had gone for Scheme of Arrangement whereby equity capital was reduced and loans were converted into equity and also further issue of equity was made. The Scheme was cleared by High Court on 24<sup>th</sup> January 2014. The Company had filed the same with ROC on 28<sup>th</sup> March 2014 for giving the affect on Scheme of Arrangement. Accordingly the Company announced the record date on 24<sup>th</sup> April 2014 in fulfillment of the terms of the Scheme of Arrangement and subsequently filed the listing application with BSE. The Company has duly complied and completed the entire procedure and received the approval from SEBI and BSE on 20<sup>th</sup> November 2014. The Company has duly followed the post reduction and consolidation formalities along with corporate action with BSE, CDSL & NSDL and the reduced and consolidated shares have been duly issued to the shareholders.

The Company wishes to state that the amount of shares that were unable to be issued to the shareholders due to change in address or any other such reason have been transferred to the suspense account maintained by the Company with SHCIL.

#### **Details of Associate Company**

Nihar Stocks Limited is an associate company since it is holding 25% shares of the Company.

**Summarised performance and financial position of the associate company 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 2015        |
| <b>Share Capital-</b>   | Rs. 15,25,000 equity share capital |
| <b>Reserves &amp; Surplus-</b>                                | Rs. (14,59,569)                    |
| <b>Total Assets-</b>  | Rs. 2,21,72,546                    |
| <b>Total Liabilities</b>                                      | Rs. 2,21,07,115                    |
| <b>(excluding share capital &amp; Reserves &amp; Surplus)</b> |                                    |
| <b>Non Current Investments</b>                                | Rs. 1,75,47,337                    |
| <b>Turnover</b>   | Rs. 1,21,000                       |
| <b>Profit/ Loss before taxation</b>                           | Rs. 6,632                          |
| <b>Profit/ (Loss) after taxation</b>                          | Rs. 6,632                          |

#### **Extract of the annual return**

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

#### **Directors Responsibility Statement**

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

- In preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations and disclosures relating to material departures.
- The relevant accounting policies are applied consistently and the Directors' have made 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, 2015 and of the loss of the Company for the period.
- Proper and sufficient care has been taken in the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The annual accounts have been prepared on a going concern basis.
- 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.

#### **Material changes and commitments affecting financial position between the end of financial year and date of report**

No material changes have taken place in the mentioned period.

#### **Significant and Material orders**

There are no Significant and Material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operation in future.



**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 2014-15.
- **Technology Absorption:** Your Company is constantly upgrading its technological excellence with emerging technologies.
- **Foreign Exchange Earning and outgo:** The Company had a foreign exchange earning of Rs. 33,02,700/- in 2014-15.

**Corporate Governance**

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. The report on Corporate Governance as stipulated under the Listing Agreement forms an integral part of this Report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance.

**Directors & Key Managerial Personnel:**

The Board of Directors consists of Managing Director Mr. BSN Suryanarayana, whole time Director Mr. B Divyesh Nihar, Mr. Jagdeswara Rao Reddi Independent Director, Mr. J Sundara Sekhar and Ms. Nithisha Boda.

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Jagadeeswara Rao Reddi, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible have offered himself for re-appointment

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Act and Clause 49 of the Listing Agreement with the Stock Exchanges.

**Policy on Director's Appointment and Remuneration**

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 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.

**Declaration by Independent Directors**

The Company has received necessary declaration from each independent director u/s 149(7) of Companies Act, 2013, that he/ she meets the criteria of independence laid down in Section 149(6) of Companies Act, 2013 and clause 49 of the Listing Agreement.

**AUDITORS AND AUDITORS' REPORT:****Statutory Auditors**

M/s Ramchandaram & Co. Statutory Auditors of the Company hold the office till the conclusion of ensuing Annual General Meeting and are eligible for re-appointment. They have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for re-appointment.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

**Secretarial Auditor**

The Board had appointed B. Surender & Associates, Practising Company Secretary, to conduct Secretarial Audit for the financial year 2014-15. The Secretarial Audit Report for the financial year ended March 31, 2015 is annexed herewith marked as Annexure to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

**Director's comments to Statutory Auditors qualification**

The Company has already paid the statutory dues of related to VAT and TDS as appearing in the Auditors qualification remarks.

The pending dues of service tax are proposed to be cleared in the current period.

**Disclosures:****Audit Committee**

The Audit Committee comprises Independent Directors namely Mr. Jagadeeshwara Rao Reddi (Chairman), J. Sundara Sekhar and B.S.N Suryanarayana as other members. All the recommendations made by the Audit Committee were accepted by the Board.

**Vigil Mechanism**

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the Listing Agreement, includes an Ethics & Compliance Task Force comprising senior executives of the Company. Protected disclosures can be made by a whistle blower through an e-mail, or dedicated telephone line or a letter to the Task Force or to the Chairman of the Audit Committee. The Company's policy on Vigil Mechanism has been enclosed in the Annual Report.

**Code of Conduct**

The Company has framed the Code of Conduct for Directors and Senior Management. The Code of Conduct is applicable to all the Directors and Senior Management of the Company. All the members of the Board and Senior Management of the Company have affirmed compliance with their respective code of conducts for the financial year ended 31<sup>st</sup> March 2015. A copy of the Code of Conduct is available on the Company's website [www.niharinfo.com](http://www.niharinfo.com) at the Investors page.

**Meetings of the Board**

Seven meetings of the Board of Directors were held during the year which is enclosed in the Corporate Governance Report.

**Particulars of loans, guarantees or investments under section 186**

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the financial statement (Please refer to Note 13 to the financial statement).

**Particulars of contracts or arrangements with related parties:**

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third provision thereto has been disclosed in Form No. AOC -2. (Format enclosed) along with the policy on Related Party Transactions.

**Management's discussion and analysis Report**

In terms of the provisions of Clause 49 of the Listing Agreement, the Management's discussion and analysis report is set out in this Annual Report.

**Corporate Governance Certificate**

The Compliance certificate from the auditors or practicing company secretaries regarding compliance of conditions of corporate governance as stipulated in Clause 49 of the Listing agreement is annexed with the report.

**Details of policy developed and implemented by the Company on its Corporate Social Responsibility Initiatives**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

**Particulars of Employees and related disclosures**

As required by the provisions of the Companies Act, 2013 read with the Companies (Particulars of Employees) Rules, 1975 no employee is drawing remuneration at or above the limits mentioned therein.

**Fixed Deposits**

The Company has not raised any Fixed Deposits during the year so as to attract the provision of Section 81 of the Companies Act, 2013, read with Companies (Acceptance of deposits) rules, 2014 as amended from time to time.

**Green Initiatives**

Electronic copies of the Annual Report 2014-15 and notice of the 21<sup>st</sup> Annual General Meeting are sent to all members whose email address are registered with the Company/RTA/DPs. For members who have not registered their email address, physical copies of the Annual Report 2015 are sent in the permitted mode. Members requiring physical copies can send a request to the Company.

**Acknowledgements**

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

For and behalf of the Board of Directors

(Sd/-)

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

Place: Secunderabad  
Date: 27/08/2015

**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**

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    | Jagadeeswara Rao Reddi | Independent     | Director            |
| 4    | J Sundara Sekhar       | Independent     | Director            |
| 5    | Nithisha Boda          | Women Director  | Additional 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 2014-15. The dates on which the said meetings were held are as follows :

2<sup>nd</sup> May 2014  
 14<sup>th</sup> May 2014  
 13<sup>th</sup> August 2014  
 28<sup>th</sup> August 2014  
 14<sup>th</sup> November 2014  
 11<sup>th</sup> February 2015  
 31<sup>st</sup> March 2015

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 2014-15 |     | No. of Directorships as on 31.03.2015 | No. of Membership(s)/ Chairmanship(s) of Board Committees as on 31.03.2015 |
|-------------------------|--|-----|---------------------------------------|--|
|                         | 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       | 1  | NA  | Nil                                   | Nil  |
| B. Nithisha Boda        | Nil                                      | NA  | 1                                     | Nil  |

Joseph Sudhakar Pitta - NIL

**Board Committees**

There are Following committees viz. Audit Committee, Remuneration Committee, Share Transfer & Shareholders Grievance Committee etc. 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 2014-15 are as follows:

| Name of Directors       | Category             | No. of Meetings during the year 2014-15 |          |
|-------------------------|----------------------|---|----------|
|                         |                      | Held                                    | Attended |
| B.S.N Suryanarayana     | Managing Director    | 4                                       | 4        |
| Jagadeeshwara Rao Reddi | Independent Director | 4                                       | 4        |
| *Joseph Sudhakar Pitta  | Independent Director | 4                                       | 0        |
| J. Sundara Sekhar       | Independent Director | 4                                       | 0        |

\*\* Joseph Sudhakar Pitta resigned on 30.09.2014

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

**Powers of Audit Committee:**

To investigate any activity within its terms of reference

To seek information from any employee

To obtain outside legal or other professional advice

To secure attendance of outsiders with relevant expertise, if it considers necessary

**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. One Meeting of Nomination and Remuneration Committee was held on 31.03.2015.

| Name of Directors       | Category             | No. of Meetings during the year 2014-15 |          |
|-------------------------|----------------------|---|----------|
|                         |                      | 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 conversion of unsecured loans into equity shares and there were no requests for share transfers and no complaints from the share holders of the company.

**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 laying down the policy on Risk Management on 25<sup>th</sup> October 2014.

**GENERAL BODY MEETINGS:**
**Annual General Meetings:**
**Details of last three Annual General Meetings:**

| Number | Year    | Day, date & Time                           | Location  | Special Resolutions passed |
|--------|---------|--|---|----------------------------|
| 18     | 2011-12 | Saturday, 29th September 2012 at 3.30 P.M. | Hotel Time Square, Near Clock Tower, Secunderabad-500003      | Nil                        |
| 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                        |

**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 2014-15, 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 2015

Day : Wednesday

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): 01.04.2014 to 31.03.2015**

1st Quarter Results : 14<sup>th</sup> May 2014

2nd Quarter Results : 13<sup>th</sup> August 2014

3rd Quarter Results : 14<sup>th</sup> November 2014

4th Quarter Results : 11<sup>th</sup> February 2015

**Date of Book Closure** : From 22<sup>nd</sup> September 2015 to 30<sup>th</sup> September 2015 (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 14 | 0.63       | 0.52      |
| 2.   | May 14   | 0.63       | 0.52      |
| 3.   | June 14  | 0.63       | 0.52      |
| 4.   | July 14  | 0.63       | 0.52      |
| 5.   | Aug 14   | 0.63       | 0.52      |
| 6.   | Sep 14   | 0.63       | 0.52      |
| 7.   | Oct 14   | 0.63       | 0.52      |
| 8.   | Nov 14   | 0.63       | 0.52      |
| 9.   | Dec 14   | 0.63       | 0.52      |
| 10.  | Jan 15   | 16.50      | 14.98     |
| 11.  | Feb 15   | 15.58      | 9.48      |
| 12.  | Mar 15   | 20.40      | 15.19     |

**Shareholding Pattern as on 31st March 2015:**

| Category                        | No. of Shares | %of Shareholding |
|---------------------------------|---------------|------------------|
| Promoters                       | 3250319       | 65.01            |
| NRI/ OCB                        | 0             | 0                |
| FII/ Banks                      | 0             | 0                |
| Mutual Funds UTI                | 0             | 0                |
| Foreign Institutional Investors | 0             | 0                |
| Body Corporate                  | 1057790       | 21.16            |
| Indian Public                   | 1749681       | 34.99            |
| Total                           | 5000000       | 100              |

**Share Holding pattern Size as on March 31, 2015:**

| Category       | Holders | Shares  | % of total shares |
|----------------|---------|---------|-------------------|
| Up to 5000     | 3426    | 180383  | 92.67             |
| 5001-10000     | 126     | 83073   | 3.41              |
| 10001-20000    | 80      | 112648  | 2.16              |
| 20001-30000    | 19      | 46819   | 0.51              |
| 30001- 40000   | 9       | 29574   | 0.24              |
| 40001- 50000   | 2       | 8828    | 0.05              |
| 50001-100000   | 15      | 102606  | 0.41              |
| 100001 & above | 20      | 4436069 | 0.54              |

**Dematerialisation of Shares:**

| Mode of Holding | % age |
|-----------------|-------|
| NSDL            | 92.17 |
| CDSL            | 5.66  |
| Physical        | 2.17  |
| Total           | 100   |

**Compliance Certificate of the Auditors:**

Certificate from the Company's Auditors, M/s. Surender Rao & Associates, confirming compliance with conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement, is attached to this Report.

**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 2014-15.

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, 2015 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.

For Nihar Info Global Limited

(Sd/-)

**Ms. Krishna Veni**  
Chief Financial Officer

(Sd/-)

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

Place: Secunderabad  
Date: 27/08/2015

**PRACTICING 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 2015, 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.

**For Kota Srinivas & Associates**  
**Practicing Company Secretary**

Sd/-

**CS Kota Srinivas**  
**Company Secretary in Practice**  
**COP: 14300**

**Place:** Secunderabad

**Date:** 27.08.2015

**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, 2015

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

Dear Sirs,

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, 2015, 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, 2015 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 there-under 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 thereunder to the extent of

- a) Foreign Direct Investment (FDI) were not attracted to the Company during the period under review.
  - b) Overseas Direct Investment (ODI) by Residents in Joint Venture/ Wholly Owned Subsidiary abroad were 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 further report that during the audit period the Company has reduced the paid up share capital against High Court order dated 13-03-2014 from Rs.6,18,84,670 to Rs.5,00,00,000/-.
8. 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.

For B.SURENDER & ASSOCIATES,  
Company Secretaries,

(Sd/-)

Proprietor

B.SURENDER

ACS: 36472

CP :13492

Place: Hyderabad

Dated: 22/08/2015

This Report is to be read with our letter of even date which is annexed as Annexure –II and forms an integral part of this Report.

### **ANNEXURE-II**

(to the Secretarial Report of M/s. Nihar Info Global Limited for the FY 2014-15)

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 2014-15.**

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.



3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we 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. Our 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.

For B.SURENDER & ASSOCIATES,  
Company Secretaries,

(Sd/-)

Proprietor

B.SURENDER

ACS: 36472

CP :13492

Place: Hyderabad

Dated:22/08/2015

## 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 stream 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, Amazon etc provide tough challenge and competition to the Company.

### Competitive Pressures

E commerce companies like Flipkart, Snapdeal, 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 endeavors to achieve a steady business performance in the coming years. We anticipate higher percentage of gross profits from the new projects that we undertake during the coming years.

**Internal Control System**

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

**Financial Performance**

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

**Human Resources**

The management continues to lay emphasis on identifying and developing talent of human resources with a view to retain them and impart further training to those capable of handling additional responsibilities. This works to increase employee satisfaction and within the organization, by providing employees with fresh challenges, developing people and harnessing their ideas is the high priority for the company.

**Cautionary Statement**

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

**EXTRACT OF ANNUAL RETURN:**
**Annexure-I**
**Form No. MGT-9**
**EXTRACT OF ANNUAL RETURN**
**As on the financial year ended on 31.03.2015**
**[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>  |  |
| 1.         | CIN  | L67120AP1995PLC019200  |
| 2.         | Registration Details   | 12/01/1995   |
| 3.         | Name of the Company  | Nihar Info Global Limited  |
| 4.         | Category / Sub-Category of the Company   | Public Company Limited by Shares   |
| 5.         | Address of the Registered office and contact details   | Nihar House, No.34, Ganesh Nagar,<br>West Marredpally, Secunderabad, 500033                                |
| 6.         | Whether listed company Yes / No  | Yes  |
| 7.         | Name, Address and Contact details of Registrar and Transfer Agent, if any                                    | Aarthi consultants private limited<br>Gagan Mahal, Street No 7, Himayatnagar,<br>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>                    |  |
| a          | Category-wise Share Holding  | As per Attachment B  |
| b          | Shareholding of Promoters  | As per Attachment C  |
| c          | Change in Promoters' Shareholding<br>( please specify, if there is no change)                                | As per Attachment D  |
| d          | Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)  | As per Attachment E  |
| e          | Shareholding of Directors and Key Managerial Personnel   | As per Attachment F  |
| <b>V</b>   | <b>Indebtedness</b>  |  |
|            | 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>   | <b>Remuneration to Managing Director, Whole-time Directors and/or Manager</b>                                | As per Attachment G  |
| <b>B</b>   | <b>Remuneration to other directors</b>   | 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 |                          |
| Promoters                       |   |          |        |                   |   |          |         |                   |                          |
| (1) Indian                      |   |          |        |                   |   |          |         |                   |                          |
| 1. Individual/ HUF              | 285435  | 0        | 285435 | 4.61              | 1602916                                   | 0        | 1602916 | 32.06             | 27.45                    |
| 2. Central Govt                 | 0   | 0        | 0      | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| 3. State Govt                   | 0   | 0        | 0      | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| 4. Bodies Corp.                 | 0   | 0        | 0      | 0                 | 1647403                                   | 0        | 1647403 | 32.95             | 32.95                    |
| 5. Banks / FI                   | 0   | 0        | 0      | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| Sub-total (A)(1)                | 285435  | 0        | 285435 | 4.61              | 3250319                                   | 0        | 3250319 | 65.01             | 60.04                    |
| (2) Foreigna)                   |   |          |        |                   |   |          |         |                   |                          |
| NRIs - Individuals              | 0   | 0        | 0      | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| b) Other – Individuals          | 0   | 0        | 0      | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| c) Bodies Corp.                 | 0   | 0        | 0      | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| d) Banks / FI                   | 0   | 0        | 0      | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| e) Any Other                    | 0   | 0        | 0      | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| Sub-total (A)(2)                | 0   | 0        | 0      | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| Total                           |   |          |        |                   |   |          |         |                   |                          |
| shareholding of Promoter (A) =  | 285435  | 0        | 285435 | 4.61              | 3250319                                   | 0        | 3250319 | 65.01             | 60.04                    |
| (A)(1)+(A)( 2)                  |   |          |        |                   |   |          |         |                   |                          |
| <b>Public Holding</b>           |   |          |        |                   |   |          |         |                   |                          |
| 1. Institutions                 | 0   | 0        | 0      | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| a. Mutual Funds                 | 0   | 0        | 0      | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| UTI                             |   |          |        |                   |   |          |         |                   |                          |
| b. Financial Institutions/Banks | 0   | 0        | 0      | 0                 | 0   | 0        | 0       | 0                 | 0                        |

| 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 |                          |
| 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                        |
| Sub Total (B)(1)   | 0   | 0        | 0       | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| 2. Non-Institutions  |   |          |         |                   |   |          |         |                   |                          |
| a. Bodies Corporate  | 721169  | 1004     | 722173  | 11.67             | 1057790                                   | 0        | 1057790 | 21.16             | 9.49                     |
| b. Individuals   |   |          |         |                   |   |          |         |                   |                          |
| i) Individual shareholders holding nominal share capital upto Rs.1 Lakh          | 1877193   | 459665   | 2336858 | 37.76             | 453372                                    | 72276    | 525648  | 10.51             | (27.25)                  |
| ii) Individual shareholders holding nominal share capital in excess of Rs.1 Lakh | 2660297   | 140280   | 2800577 | 45.25             | 134799                                    | 23876    | 158675  | 3.17              | (42.08)                  |
| c. NRI   | 19938   | 0        | 19938   | 0.32              | 3033                                      | 0        | 3033    | 0.06              | (0.26)                   |
| d. Clearing Member   | 23486   | 0        | 23486   | 0.38              | 4535                                      | 0        | 4535    | 0.09              | (0.29)                   |
| Sub-Total (B)(2)   | 5302083   | 600949   | 5903032 | 95.39             | 1653529                                   | 96152    | 1749681 | 34.99             | (60.04)                  |
| Total Public Shareholding (B)= (B)(1)+ (B)(2)                                    | 5302083   | 1863469  | 5903032 | 95.39             | 1653529                                   | 96152    | 1749681 | 34.99             | (60.04)                  |

| 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 |                          |
| C. Shares held by Custodian for GDRs & ADRs | 0   | 0        | 0       | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| Grand Total (A+B+C)                         | 5587518   | 600949   | 6188467 | 100               | 4903848                                   | 96152    | 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                          | 0   | 0        | 0      | 0                 | 1259403                                   | 0        | 1259403 | 25.19             | 25.19                    |
| BSN Suryanarayana                         | 285068  | 0        | 285068 | 4.61              | 725425                                    | 0        | 725425  | 9.32              | 4.71                     |
| Boda Nithisha                             | 0   | 0        | 0      | 0                 | 466050                                    | 0        | 466050  | 9.32              | 9.32                     |
| Diyesh Nihar Boda                         | 0   | 0        | 0      | 0                 | 411394                                    | 0        | 411394  | 8.23              | 8.23                     |
| BSN Corporate Advisory Services Pvt. Ltd. | 0   | 0        | 0      | 0                 | 388000                                    | 0        | 388000  | 7.76              | 7.76                     |
| Boda Vijaya Lakshmi                       | 367   | 0        | 367    | 0.01              | 47  | 0        | 47      | 0.00              | (0.01)                   |

**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<br>At the beginning of the year<br>Scheme of Restructuring<br>Reduction of equity shares<br>Conversion of unsecured loans into equity<br>Further issue of shares | 285068                                    | 14.50                            | 285068                                  | 14.50                            |
|      |  | 36205                                     |                                  | 36205                                   |                                  |
|      |  | 489710                                    |                                  | 525915                                  |                                  |
|      |  | 199510                                    |                                  | 725425                                  |                                  |
|      |  | 725425                                    |                                  |   |                                  |
| 2.   | Boda Vijaya Laxmi<br>At the beginning of the year<br>Scheme of Restructuring:<br>Reduction of share capital<br>At the end of the year  | 367                                       | 0.00                             | 367                                     | 0.00                             |
|      |  | 47  |                                  | 47                                      |                                  |
|      |  | 47  |                                  |   |                                  |

|    |  |         |       |         |       |
|----|--|---------|-------|---------|-------|
| 3. | Nihar Stocks Ltd.<br>At the beginning of the year                            | 0       | 25.19 | 0       | 25.19 |
|    | Scheme of Restructuring:<br>Conversion of loans into equity                  | 1259400 |       | 1259400 |       |
|    | At the end of the year   | 1259400 |       |         |       |
| 4. | BSN Corporate Advisory<br>Services Pvt. Ltd.<br>At the beginning of the year | 0       | 7.76  | 0       | 7.76  |
|    | Scheme of Restructuring:<br>Conversion of loans into equity                  | 138000  |       | 138000  |       |
|    | Further Issue of Shares  | 250000  |       | 388000  |       |
|    | At the end of the year   | 388000  |       |         |       |
| 5. | Boda Nithisha<br>At the beginning of the year                                | 0       | 9.32  | 0       | 9.32  |
|    | Scheme of Restructuring:<br>Conversion of loans into equity                  | 316050  |       | 316050  |       |
|    | Further Issue of Shares  | 150000  |       | 466050  |       |
|    | At the end of the year   | 466050  |       |         |       |
| 6. | Divyesh Nihar Boda<br>At the beginning of the year                           | 0       | 8.23  | 0       | 8.23  |
|    | Scheme of Restructuring:<br>Conversion of loans into equity                  | 122110  |       | 122110  |       |
|    | Further Issue of Shares  | 289284  |       | 411394  |       |
|    | At the end of the year   | 411394  |       |         |       |

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

| 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.   | APR Investments & Leasing Pvt. Ltd.<br>At the beginning of the year | 272700                                    | 14.69                            | 272700                                  | 14.69                            |
|      | Reduction of share  | 34633                                     |                                  | 34633                                   |                                  |
|      | Conversion of loans into equity                                     | 200000                                    |                                  | 234633                                  |                                  |
|      | Further Issue of Equity   | 500000                                    |                                  | 734633                                  |                                  |
|      | At the end of the year  | 734633                                    |                                  |   |                                  |



|    |  |                                  |      |                          |      |
|----|--|----------------------------------|------|--------------------------|------|
| 2. | Pamidi RSB<br>Buildtech Pvt. Ltd.<br>At the beginning of the year<br>Further Issue of Equity Under<br>At the end of the year                                       | 0<br>100000<br>100000            | 2    | 0<br>100000              | 2    |
| 3. | K. Kumar Raja<br>Projects Pvt. Ltd.<br>At the beginning of the year<br>Conversion of Loans into<br>equity Under Scheme of<br>Arrangement<br>At the end of the year | 0<br>100000<br>100000            | 2    | 0<br>100000              | 2    |
| 4. | Usha Kiran Finance Ltd.<br>At the beginning of the year<br>Conversion of Loans into<br>equity Under Scheme of<br>Arrangement<br>At the end of the year             | 6414<br>50000<br>56414           | 1.13 | 6414<br>56414            | 1.13 |
| 5. | MVR Sastry<br>At the beginning of the year<br>Further issue of<br>equity Shares Under Scheme of<br>Arrangement<br>Transfer of shares<br>At the end of the year     | 0<br>50000<br>(1873)<br>48127    | 0.96 | 0<br>50000<br>48127      | 0.96 |
| 6. | Guiness Securities Ltd.<br>At the beginning of the year<br>Allotment of shares<br>At the end of the year   | 0<br>43695<br>43695              | 0.87 | 0<br>43695               | 0.87 |
| 7. | G. Chennakesava Reddy<br>At the beginning of the year<br>Due to reduction of<br>share Capital<br>At the end of the year  | 200000<br>25400<br>25400         | 0.51 | 200000<br>25400          | 0.51 |
| 8. | B. Navya Reddy<br>At the beginning of the year<br>Due to reduction of<br>share Capital<br>At the end of the year   | 159998<br>20320<br>20320         | 0.41 | 159998<br>20320          | 0.41 |
| 9. | Rajendra Naniwadekar<br>At the beginning of the year<br>Due to reduction of<br>share Capital<br>Buying of shares<br>At the end of the year                         | 128321<br>16297<br>1101<br>17398 | 0.35 | 128321<br>16297<br>17398 | 0.35 |

|     |                                   |        |      |        |      |
|-----|-----------------------------------|--------|------|--------|------|
| 10. | Manjula Reddy Mannem              |        |      |        |      |
|     | At the beginning of the year      | 100000 |      | 100000 |      |
|     | Due to reduction of share Capital | 12700  |      | 12700  | 0.25 |
|     | At the end of the year            | 12700  | 0.25 |        |      |

**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 |
|      | <b>For each Diorector &amp; KMP</b>                               |   |                                  |   |                                  |
| 1.   | BSN Suryanarayana   |   |                                  |   |                                  |
|      | At the beginning of the year                                      | 285068                                    |                                  | 285068                                  |                                  |
|      | Schme of the Restructuring Reduction of equity shares             | 489710                                    |                                  | 525915                                  |                                  |
|      | Conversion of unsecured loans into equity Further issue of shares | 199510                                    |                                  | 725425                                  | 14.51                            |
|      | At the end of the year  | 725425                                    | 14.51                            |   |                                  |
| 2.   | Divesh Nihar Boda   |   |                                  |   |                                  |
|      | At the beginning of the year                                      | 0   |                                  | 0                                       |                                  |
|      | Schme of the Restructuring Conversion of loans into equity        | 122110                                    |                                  | 122110                                  |                                  |
|      | Further issue of shares   | 289284                                    |                                  | 411394                                  | 8.23                             |
|      | At the end of the year  | 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                             | —                   | —                | —            |
|      | (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961              | —                   | —                | —            |
| 2    | Stock Option  | —                   | —                | —            |
| 3    | Sweat Equity  | —                   | —                | —            |
| 4    | Commission – as % of profit – others, specify                                       | —                   | —                | —            |
| 5    | Others  | —                   | —                | —            |
|      | Total (A)   | 6,00,000            | 4,80,000         | 10,80,000    |
|      | Ceiling as per the Act  | 42,00,000           | 42,00,000        |              |

**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<br>(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961<br>(b) Value of perquisites u/s 17(2) Income-tax Act, 1961<br>(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961 | 3,60,000                 | 4,20,000  | 8,40,000     |
| 2    | Stock Option   | —                        | —         | —            |
| 3    | Sweat Equity   | —                        | —         | —            |
| 4    | Commission – as % of profit – others, specify  | —                        | —         | —            |
| 5    | Others   | —                        | —         | —            |
|      | Total (A)  | 3,60,000                 | 4,80,000  | 8,40,000     |
|      | Ceiling as per the Act   | 42,00,000                | 42,00,000 | —            |

**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 |
|--|--|---------------|--------------------------------|
| BSN Suryanarayana-Promoter                               | Remuneration & loan Given to the Company | NA            | —                              |
| B. Divyesh Nihar-Promoter Group                          | Unsecured Loan Given                     | NA            | —                              |
| BSN Corporate Advisory Services Pvt. Ltd.-Promoter Group | Unsecured Loan Given                     | NA            | —                              |
| Nihar Stocks Ltd.- Promoter Group                        | Business Advance                         | NA            | —                              |
| B. Vijaya Lakshmi  | Rent                                     | NA            | —                              |

**Particulars of employees**
**I. Remuneration paid to Whole Time Directors**

| Name of the Director | Title               | Remuneration in 2015 | Remuneration in 2014 | Number of Stock options granted | %age increase in remuneration | Ratio of remuneration to MRE (excluding WTD) | Ratio of remuneration to MRE (including WTD) | Ratio of remuneration Revenue | Ratio of remuneration to net profit |
|----------------------|---------------------|----------------------|----------------------|---------------------------------|-------------------------------|--|--|-------------------------------|-------------------------------------|
| BSN Suryanarayana    | Managing Director   | 600000               | 0                    | 0                               | 100                           | 3.33:1                                       | 2.17:1.                                      | 0.04:1                        | 0.22:1                              |
| Divyesh Nihar Boda   | Whole Time Director | 480000               | 480000               | 0                               | 0                             | 2.67:1                                       | 1.74:1                                       | 0.03:1                        | 0.18:1                              |

**I. Remuneration paid to Independent Director- NIL**
**II. Remuneration of other KMP:**

| Name of the Director | Title | Remuneration in 2015 | Remuneration in 2014 | Number of Stock options granted | %age increase in remuneration | Ratio of remuneration to MRE (excluding WTD) | Ratio of remuneration to MRE (including WTD) | Ratio of remuneration Revenue | Ratio of remuneration to net profit |
|----------------------|-------|----------------------|----------------------|---------------------------------|-------------------------------|--|--|-------------------------------|-------------------------------------|
| Krishna Veni         | CFO   | 420000               | 420000               | 0                               | 0                             | 2.33:1                                       | 1.52:1                                       | 0.03:1                        | 0.15:1                              |
| Astha Chaturvedi     | CS    | 480000               | 480000               | 0                               | 0                             | 2:1  | 1.30:1                                       | 0.02:1                        | 0.13:1                              |

**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 - Not Applicable**

**WHISTLEBLOWER POLICY**

As per our corporate governance practices, the Company has adopted Whistleblower 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 'Whistleblower 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](mailto:cs@niharinfo.com) or (iii) anonymously, by sending an email to : [bsn@niharinfo.com](mailto: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 Whistleblower 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 Exchange 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 arms length and the limits upto 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 the first General Meeting subsequent to October 01, 2014.

**DISCLOSURE**

The particulars of contracts or arrangement 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, 2014 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, 2014, 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 AUDITOR'S 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, 2015, 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 31<sup>st</sup> March, 2015;
- (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.

**Emphasis of Matter**

- (a) We draw your attention to Note 1.8 with respect to Investments have not been confirmed by the parties.
- (b) Due to unavailability of Confirmation from debtors, advances and creditors, we are unable to draw conclusion on those balances

**Report on Other Legal and Regulatory Requirements**

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 31<sup>st</sup> March 2015, and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Sub-section 2 of Section 164 of the Act.
- (f) 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:
- (g) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer clause No.vii(b) of CARO, 2015 and note no.2.37 to the financial statements;

For M/s **C.RAMACHANDRAM & CO.**,  
Chartered accountants,  
Firm Registration No. 002864S

(Sd/-)

**C.RAMACHANDRAM**

Partner

Membership No: 025834

Place: Hyderabad,  
Date: 27.08.2015

**Annexure to Independent Auditors' report**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date of **M/s .NIHAR INFO GLOBAL LIMITED** for the year ended March 31, 2015).

- i. In respect of fixed assets
  - (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.
- ii. In respect of its inventories:  
The company does not have any inventory.
- iii. In respect of loans:  
As informed to us, during the year 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 2015.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods & services.
- v. The company has not accepted any deposits, and hence clause (v) of Companies (Auditor's Report) Order, 2015 is not applicable.
- vi. Section 148(1) of the Companies Act, 2013 is not applicable as 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, VAT, TDS, ESI and Professional Tax; while the undisputed statutory dues under PF are paid however with delay. 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, Income-tax, Service tax, VAT and TDS which are in arrears as at 31 March 2015 for a period more than six months from the date they became payable.

| Name of the statute                      | Nature of the dues | Amount(Rs.) | Period to which the amount relates |
|--|--------------------|-------------|------------------------------------|
| Andhra Pradesh Value Added Tax Act, 2005 | Value Added Tax    | 6,511       | 2014-15                            |
| Finance Act, 1994                        | Service Tax        | 5,97,118    | 2014-15 & 2013-14                  |
| Income Tax Act, 1961                     | TDS                | 73,305      | 2014-15 & 2013-14                  |

- b) According to the information and explanations given to us, there are no dues of Income-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. The Company does not have any accumulated losses and has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- ix. In our opinion and according to the information and explanations given to us, as the company has not take any loan from bankers and financial institutions, this Clause is not applicable
- x. According to the information and explanations given to us the company has not given any guarantee for loans taken by others from banks or financial institutions.
- xi. In our opinion and according to the information and explanations given to us, the Company has not taken any term loans .Hence this clause is not applicable.
- xii. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of audit.

For **C. RAMACHANDRAM & CO.,**  
Chartered accountants,  
FRN.002864S

(Sd/-)

**C.RAMACHANDRAM**  
Partner  
Membership No: 25834

Place: Hyderabad  
Date: 27/08/2015

**Balance Sheet**

CIN :L67120AP1995PLC019200

Amounts in ₹

| Particulars |  | Note No. | As at 31 March,2015 |                   | As at 31 March,2014 |                   |
|-------------|--|----------|---------------------|-------------------|---------------------|-------------------|
| <b>I.</b>   | <b>EQUITY AND LIABILITIES</b>            |          |                     |                   |                     |                   |
| <b>1</b>    | <b>Shareholders' Funds</b>               |          |                     | <b>51,874,900</b> |                     | <b>6,992,805</b>  |
|             | (a) Share Capital                        | 3        | 50,000,000          |                   | 61,884,670          |                   |
|             | (b) Reserves and Surplus                 | 4        | 1,874,900           |                   | (54,891,865)        |                   |
| <b>2</b>    | <b>Non-Current Liabilities</b>           |          |                     | <b>2,277,750</b>  |                     | <b>29,110,918</b> |
|             | (a) Long-Term Borrowings                 | 5        | 2,125,001           |                   | 28,938,169          |                   |
|             | (b) Long term provisions                 | 6        | 152,749             |                   | 172,749             |                   |
| <b>3</b>    | <b>Current Liabilities</b>               |          |                     | <b>16,805,133</b> |                     | <b>3,845,298</b>  |
|             | (a) Short Term Borrowing                 | 7        | 2,981,724           |                   | 2,496,239           |                   |
|             | (b) Trade Payables                       | 8        | 11,592,568          |                   | -                   |                   |
|             | (c) Other Current Liabilities            | 9        | 2,197,749           |                   | 1,349,059           |                   |
|             | (d) Short-term provisions                | 10       | 33,092              |                   |                     |                   |
|             | <b>Total</b>                             |          |                     | <b>70,957,784</b> |                     | <b>39,949,022</b> |
| <b>II.</b>  | <b>ASSETS</b>                            |          |                     |                   |                     |                   |
| <b>1</b>    | <b>Non-Current Assets</b>                |          |                     | <b>49,715,969</b> |                     | <b>38,541,098</b> |
|             | (a) Fixed Assets                         | 11       |                     |                   |                     |                   |
|             | (i) Tangible Assets                      |          | 548,559             |                   | 284,654             |                   |
|             | (ii) Intangible Assets                   |          | 40,276              |                   | 14,670              |                   |
|             | (iii) Intangible assets underdevelopment |          | 3,763,465           |                   | -                   |                   |
|             | (b) Non Current Investments              | 12       | 25,550,000          |                   | 25,550,000          |                   |
|             | (b) Long-Term Loans and Advances         | 13       | 19,425,790          |                   | 12,425,790          |                   |
|             | (c) Deffered Tax Asset                   | 14       | 123,144             |                   | 67,494              |                   |
|             | (d) Other Non-Current Assets             | 15       | 264,734             |                   | 198,491             |                   |
| <b>2</b>    | <b>Current Assets</b>                    |          |                     | <b>21,241,815</b> |                     | <b>1,407,924</b>  |
|             | (b) Trade receivables                    | 16       | 15,318,642          |                   | 792,002             |                   |
|             | (c) Cash and Cash Equivalents            | 17       | 1,516,423           |                   | 211,745             |                   |
|             | (d) Short-Term Loans and Advances        | 18       | 3,228,483           |                   | 61,178              |                   |
|             | (e) Other Current Assets                 | 19       | 1,178,267           |                   | 342,999             |                   |
|             | <b>Total</b>                             |          |                     | <b>70,957,784</b> |                     | <b>39,949,022</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 of

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

(Sd/-)  
**Boda Satya Naga Suryanarayana**  
Managing director  
DIN :01499145

(Sd/-)  
**Divyesh Nihar Boda**  
Whole-time director  
DIN :02796318

(Sd/-)  
**C.RAMACHANDARAM**  
Partner  
Membership No. 25834

(Sd/-)  
**Vavilala Krishna Veni**  
CFO

(Sd/-)  
**Astha Chaturvedi**  
Company Secretary

Place : Hyderabad  
Date : 27/08/2015

**Statement of Profit and Loss for the year ended 31st March 2015**

Amounts in ₹

|      | Particulars   | Note No. | For the year      |                  |
|------|---|----------|-------------------|------------------|
|      |   |          | 31st March 2015   | 31st March 2014  |
| I    | Revenue from Operations   | 20       | 16,249,721        | 5,199,566        |
| II   | Other Income  | 21       | 107,095           | 24,151           |
| III  | <b>TOTAL REVENUE (I + II)</b>   |          | <b>16,356,816</b> | <b>5,223,717</b> |
| IV   | <b>EXPENSES</b>   |          |                   |                  |
|      | Purchases   | 22       | 10,910,630        | 895,568          |
|      | Employee Benefit Expenses   | 23       | 528,861           | 1,907,497        |
|      | Depreciation and Amortization Expenses                                    | 11       | 297,604           | 34,358           |
|      | Other Expenses  | 24       | 1,900,831         | 2,181,077        |
|      | <b>TOTAL EXPENSES</b>   |          | <b>13,637,926</b> | <b>5,018,500</b> |
| V    | <b>Profit before Exceptional and Extraordinary Items and Tax (III-IV)</b> |          | <b>2,718,890</b>  | <b>205,217</b>   |
| VI   | Exceptional Items   |          | -                 | -                |
| VII  | <b>Profit before Extraordinary Items and Tax</b>                          |          | <b>2,718,890</b>  | <b>205,217</b>   |
| VIII | Extraordinary Items   |          | -                 | -                |
| IX   | <b>Profit Before Tax</b>  |          | <b>2,718,890</b>  | <b>205,217</b>   |
| X    | <b>Tax Expense</b>  |          | <b>(22,558)</b>   | <b>(31,730)</b>  |
|      | Current Tax   |          | 33,092            | -                |
|      | Deferred Tax  | 25       | 55,650            | (31,730)         |
| XI   | <b>Profit/(Loss) for the period from Continuing Operations(IX-X)</b>      |          | <b>2,741,448</b>  | <b>173,487</b>   |
| XII  | Profit/(Loss) from Discontinuing Operations                               |          | -                 | -                |
| XIII | Tax Expense of Discontinuing Operations                                   |          | -                 | -                |
| XIV  | <b>Profit/(Loss) from Discontinuing Operations (after tax)(XII-XIII)</b>  |          | <b>-</b>          | <b>-</b>         |
| XV   | <b>Profit(Loss) for the Period(XI+XIV)</b>                                |          | <b>2,741,448</b>  | <b>173,487</b>   |
| XVI  | <b>Earnings per Equity Share</b>  |          |                   |                  |
|      | -Basic  |          | 0.56              | 0.03             |
|      | -Diluted  |          | 0.56              | 0.03             |
|      | <b>Significant Accounting Policies</b>                                    | 1        |                   |                  |
|      | <b>Notes to Accounts</b>  | 2        |                   |                  |

The Notes referred to above form an integral part of the P &amp; L Account.

As per our report of even date

For and On behalf of the Board of directors of

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

(Sd/-)  
**Boda Satya Naga Suryanarayana**  
Managing director  
DIN :01499145

(Sd/-)  
**Divyesh Nihar Boda**  
Whole-time director  
DIN :02796318

(Sd/-)  
**C.RAMACHANDARAM**  
Partner  
Membership No. 25834

(Sd/-)  
**Vavilala Krishna Veni**  
CFO

(Sd/-)  
**Astha Chaturvedi**  
Company Secretary

Place : Hyderabad  
Date : 27/08/2015

**Notes to Liabilities**
**3 Share Capital**

Amounts in ₹

| Particulars  | As at 31 March, 2015 | As at 31 March, 2014 |
|--|----------------------|----------------------|
| <b>Authorized shares</b><br>14000000(31 March 2014: 14000000) 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>   |

**Issued, subscribed and fully paid-up shares**

Amounts in ₹

|  |                   |                   |
|--|-------------------|-------------------|
| 5000000 (31 March 2014: 6188647) equity shares of Rs.10/- each | 50,000,000        | 61,884,670        |
| <b>Total</b>   | <b>50,000,000</b> | <b>61,884,670</b> |

**3(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

| Particulars                                 | As at 31 March, 2015<br>No of shares | As at 31 March, 2014<br>No of shares |
|---|--------------------------------------|--------------------------------------|
| At the beginning of the period              | 6,188,467                            | 6,188,467                            |
| less : Capital Reduction ( Ref note .3. i)  | (5,402,532)                          | -                                    |
| add : Unsecured Creditors ( ref note 3.ii)  | 2,675,270                            | -                                    |
| further Issue ( ref note 3.iii)             | 1,538,795                            | -                                    |
| <b>Outstanding at the end of the period</b> | <b>5,000,000</b>                     | <b>6,188,467</b>                     |

**Note 3**

- i The Company has made a Scheme of Arrangement between Company and its share holders and its unsecured creditors, effect from 30.09.2012. As Per the court order , accumalated loss of Rs 607,75,211/- has been set off against Share Premium to the extent of Rs 5800000/-, 9,45,000/- against general Reserve and 540,25,317/- aganist paid up share capital
- ii As per the Scheme of arrangment , Company has Unsecured Creditors are Rs 2,67,52,701/- as on 30.09.2012. The unsecured loans have been converted into equity shares of the Company at par.
- iii The scheme of arrangement states that the identified investors /promoters have also consented to subscribe for further sharesof 15,38,795 at Par which will again be benefical to company to retrieve its operation and improve its networkth.

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

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

During the year ended 31-03-15 the amount of per share dividend recognized as Distributions to equity share holders was Rs. Nil (31-03-14: 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 31.03.2015 |              | As on 31.03.2014 |              |
|---|------------------|--------------|------------------|--------------|
|   | No of shares     | % of holding | No of shares     | % of holding |
| Nihar Shocks LTD                        | 1259403          | 25.18        | -                | -            |
| BSN Surya Narayana                      | 725425           | 14.508       | -                | -            |
| APR Investment & Leasing Pvt. Ltd.      | 715583           | 14.31        | -                | -            |
| Boda Nithisha                           | 466050           | 9.321        | -                | -            |
| B.Divyesh Nihar                         | 411394           | 8.22         | -                | -            |
| BSN Corporate Advisory Services Pvt Ltd | 388000           | 7.76         | -                | -            |

**4 Reserves and Surplus**

| Particulars   | As at31 March,2015 | As at31 March,2014  |
|---|--------------------|---------------------|
| General reserve   | 92,227             | 92,227              |
| Share premium ( ref note 3.i)                             | -                  | 5,800,000           |
| Other Reserves(Share warrants forfeited) ( ref note 3.ii) | -                  | 945,000             |
| Closing balance(A)  | 92,227             | 6,837,227           |
| <b>Surplus</b>  |                    |                     |
| Opening Balance   | (61,729,092)       | (61,902,579)        |
| Less: set off against reserves and share capital          | 60,770,317         | -                   |
| (+) Net profit/(Net loss) for the Current Year            | 2,741,448          | 173,487             |
| Closing balance(B)  | 1,782,673          | (61,729,092)        |
| <b>Total(A+B)</b>   | <b>1,874,900</b>   | <b>(54,891,865)</b> |

**5 Long-Term Borrowings**

| Particulars  | As at31 March,2015 | As at31 March,2014 |
|--|--------------------|--------------------|
| <b>Loans and Advances :</b>                        |                    |                    |
| <b>Unsecured and Interest free(Re f note 3.ii)</b> |                    |                    |
| From Related parties                               | 2,125,001          | 25,438,169         |
| From other parties                                 | -                  | 3,500,000          |
| <b>Total</b>                                       | <b>2,125,001</b>   | <b>28,938,169</b>  |

**Details of loans from Related parties:**

| Particulars                              | As at31 March,2015 | As at31 March,2014 |
|--|--------------------|--------------------|
| Nihar Stocks Limited                     | -                  | 12,854,468         |
| BSN Suryanarayana                        | 1,930,001          | 6,782,101          |
| Boda Nithisha                            | 75,000             | 3,200,500          |
| Boda Divyesh Nihar                       | -                  | 1,221,100          |
| BSN Corporate Advisory Services (P) Ltd. | 120,000            | 1,380,000          |
| <b>Total</b>                             | <b>2,125,001</b>   | <b>25,438,169</b>  |

**Details of loans from Others:**

| Particulars                       | As at31 March,2015 | As at31 March,2014 |
|-----------------------------------|--------------------|--------------------|
| APR Investments & Leasing Pvt Ltd | -                  | 2,000,000          |
| K. Kumar Raja Projects Pvt Ltd    | -                  | 1,000,000          |
| Usha Kiran Finance Ltd            | -                  | 500,000            |
| <b>Total</b>                      | <b>-</b>           | <b>3,500,000</b>   |



**6 Long term provisions**

| Particulars      | As at 31 March 2015 | As at 31 March 2014 |
|------------------|---------------------|---------------------|
| Gratuity payable | 152,749             | 172,749             |
| <b>Total</b>     | <b>152,749</b>      | <b>172,749</b>      |

**7 Short-term borrowings**

| Particulars          | As at 31 March 2015 | As at 31 March 2014 |
|----------------------|---------------------|---------------------|
| <b>Unsecured</b>     |                     |                     |
| Loans and Advances   |                     |                     |
| From Related parties | 2,316,236           | 2,296,236           |
| others               | 665,488             | 200,003             |
| <b>Total</b>         | <b>2,981,724</b>    | <b>2,496,239</b>    |

**8 Trade Payables**

| Particulars      | As at 31 March 2015 | As at 31 March 2014 |
|------------------|---------------------|---------------------|
| <b>Unsecured</b> |                     |                     |
| Trade Payables   | 11,592,568          | -                   |
| <b>Total</b>     | <b>11,592,568</b>   | <b>-</b>            |

**9 Other Current Liabilities**

| Particulars           | As at 31 March 2015 | As at 31 March 2014 |
|-----------------------|---------------------|---------------------|
| <b>Other Payables</b> |                     |                     |
| For expenses          | 831,813             | 776,469             |
| <b>Statutory Dues</b> |                     |                     |
| Service Tax           | 628,664             | 529,372             |
| TDS Payable           | 133,738             | 30,945              |
| PF                    | -                   | 6,999               |
| VAT                   | 584,155             | 300                 |
| ESI Payable           | 14,405              | -                   |
| Professional Tax      | 4,974               | 4,974               |
| <b>Total</b>          | <b>2,197,749</b>    | <b>1,349,059</b>    |

**10 Short-term provisions**

| Particulars                     | As at 31 March 2015 | As at 31 March 2014 |
|---------------------------------|---------------------|---------------------|
| <b>Provision for Income Tax</b> | 33,092              | -                   |
| <b>Total</b>                    | <b>33,092</b>       | <b>-</b>            |

**Notes to Assets**
**Fixed Assets**

Amount in ₹

| PARTICULARS                   | Gross Block         |                |           | Depreciation        |                 |                     | Net Block           |                     |
|-------------------------------|---------------------|----------------|-----------|---------------------|-----------------|---------------------|---------------------|---------------------|
|                               | AS ON<br>01.04.2014 | ADDITIONS      | DELETIONS | AS ON<br>01.04.2014 | FOR THE<br>YEAR | AS ON<br>31.03.2015 | AS ON<br>31.03.2015 | AS ON<br>31.03.2014 |
| <b>Tangible Assets</b>        |                     |                |           |                     |                 |                     |                     |                     |
| Plant & Machinery - Computers | 8,739,845           | 504,258        | -         | 8,703,845           | 71,467          | 8,775,312           | 468,791             | 32,547              |
| Furniture & Fixtures          | 480,511             | 23,000         | -         | 198,780             | 224,964         | 423,744             | 79,767              | 252,107             |
| <b>Sub Total</b>              | <b>9,220,356</b>    | <b>527,258</b> | <b>-</b>  | <b>8,902,625</b>    | <b>296,430</b>  | <b>9,199,055</b>    | <b>548,559</b>      | <b>284,654</b>      |
| <b>In-Tangible Assets</b>     |                     |                |           |                     |                 |                     |                     |                     |
| Computer Software             | 172,855             | 25,500         | -         | 156,905             | 1,174           | 158,079             | 40,276              | 14,670              |
| <b>Sub Total</b>              | <b>172,855</b>      | <b>25,500</b>  | <b>-</b>  | <b>156,905</b>      | <b>1,174</b>    | <b>158,079</b>      | <b>40,276</b>       | <b>14,670</b>       |
| <b>Grand Total</b>            | <b>9,393,211</b>    | <b>552,758</b> | <b>-</b>  | <b>9,059,530</b>    | <b>297,604</b>  | <b>9,357,134</b>    | <b>588,835</b>      | <b>299,324</b>      |
| Previous years                | 9,308,661           | 84,550         | -         | 9,059,530           | 34,358          | 9,093,888           | 299,323             | 249,131             |

**As per IT Act**

| Particulars                            | WDV<br>as on 01-04-14 | Additions             |                |                       |          | Deletions             |                       | Depreciation   |                | W D V as<br>on 31-03-15 |
|--|-----------------------|-----------------------|----------------|-----------------------|----------|-----------------------|-----------------------|----------------|----------------|-------------------------|
|  |                       | More Than<br>180 Days |                | Less than<br>180 Days |          | More Than<br>180 Days | Less than<br>180 Days | Rate of Dep    | Amount         |                         |
|  |                       |                       |                |                       |          |                       |                       | %              |                |                         |
| Plant & Machinery(Computers)           | 39,176                | 36,600                | 41,200         | -                     | -        | -                     | 60                    | 57,826         | 59,150         |                         |
| Plant & Machinery (Others)             | 277,017               | -                     | 364,287        | -                     | -        | -                     | 15                    | 68,874         | 572,430        |                         |
| Furniture & Fixtures                   | 131,763               | 106,971               | 23,000         | -                     | -        | -                     | 10                    | 25,023         | 236,711        |                         |
| <b>B)Intangible Assets</b><br>Software | -                     | -                     | 25,500         | -                     | -        | -                     | 25                    | 3,188          | 22,313         |                         |
| <b>Total</b>                           | <b>447,957</b>        | <b>143,571</b>        | <b>453,987</b> | <b>-</b>              | <b>-</b> | <b>-</b>              | <b>-</b>              | <b>154,911</b> | <b>890,603</b> |                         |

**12 Non current Investments**

| Particulars   | As at 31 March 2015 | As at 31 March 2014 |
|---|---------------------|---------------------|
| Unquoted equity instruments<br>365000(31 March 2014:365000) Equity shares @ Rs.70/- per share<br>in Integrated Broad casting Co.Pvt Ltd | 25,550,000          | 25550000            |
| <b>Total</b>  | <b>25,550,000</b>   | <b>25,550,000</b>   |

**13 Long Term Loans & Advances**

| Particulars   | As at 31 March 2015 | As at 31 March 2014 |
|---|---------------------|---------------------|
| <b>Other loans and advances</b><br>Unsecured, considered good | 19,425,790          | 12,425,790          |
| <b>Total</b>  | <b>19,425,790</b>   | <b>12,425,790</b>   |

**14 Deffered Tax Asset(net)**

| Particulars  | As at 31 March 2015 | As at 31 March 2014 |
|--|---------------------|---------------------|
| Impact of expenditure charged to the statement of profit and loss<br>in the current year but allowed for tax purposes on payment basis | 123,144             | 67,494              |
| <b>Total</b>   | <b>123,144</b>      | <b>67,494</b>       |

**15 Other Non Current Assets**

| Particulars               | As at 31 March 2015 | As at 31 March 2014 |
|---------------------------|---------------------|---------------------|
| <b>Others</b><br>Deposits | 264,734             | 198,491             |
| <b>Total</b>              | <b>264,734</b>      | <b>198,491</b>      |

**16 Trade Receivables**

| Particulars   | As at 31 March 2015 | As at 31 March 2014 |
|---|---------------------|---------------------|
| <b>Outstanding for less than 6 months from the due date</b><br>Unsecured, considered good | 11,309,351          | 54,907              |
| <b>Outstanding for more than 6 months from the due date</b><br>Unsecured, considered good | 4,009,291           | 737,095             |
| <b>Total</b>  | <b>15,318,642</b>   | <b>792,002</b>      |

**17 Cash & Cash Equivalents**

| Particulars                                      | As at 31 March 2015 | As at 31 March 2014 |
|--|---------------------|---------------------|
| <b>Balances with banks</b><br>In Current Account | 177,241             | 62,993              |
| <b>Cash on hand</b>                              | 1,339,183           | 148,752             |
| <b>Total</b>                                     | <b>1,516,423</b>    | <b>211,745</b>      |

**18 Short-Term Loans and Advances**

| Particulars              | As at 31 March 2015 | As at 31 March 2014 |
|--------------------------|---------------------|---------------------|
| Advances to suppliers    | 49,157              | 49,157              |
| Other Loans and Advances | 3,179,326           | 12,021              |
| <b>Total</b>             | <b>3,228,483</b>    | <b>61,178</b>       |

**19 Other Current Assets**

| Particulars               | As at 31 March 2015 | As at 31 March 2014 |
|---------------------------|---------------------|---------------------|
| Service tax Input         | 7,564               | -                   |
| VAT input                 | 545,306             | -                   |
| TDS Receivable            | 466,282             | 183,884             |
| Refund Income Tax 2012-13 | 159,115             | 159,115             |
| <b>Total</b>              | <b>1,178,267</b>    | <b>342,999</b>      |

**Notes to statement of profit and loss**
**20 Revenue from Operations**

| Particulars    | For the year ended<br>31 st March 2015 | For the year ended<br>31 st March 2014 |
|----------------|--|--|
| Sales Domestic | 12,947,021                             | 5,199,566                              |
| Sales Export   | 3,302,700                              | -                                      |
| <b>Total</b>   | <b>16,249,721</b>                      | <b>5,199,566</b>                       |

**21 Other income**

| Particulars                | For the year ended<br>31 st March 2015 | For the year ended<br>31 st March 2014 |
|----------------------------|--|--|
| Other Non-Operating Income | 107,095                                | 24,151                                 |
| <b>Total</b>               | <b>107,095</b>                         | <b>24,151</b>                          |

**22 Purchases:**

| Particulars  | For the year ended<br>31 st March 2015 | For the year ended<br>31 st March 2014 |
|--------------|--|--|
| Software     | 10,910,630                             | 895,568                                |
| <b>Total</b> | <b>10,910,630</b>                      | <b>895,568</b>                         |

**23 Employee Benefit Expenses**

| Particulars                               | For the year ended<br>31 st March 2015 | For the year ended<br>31 st March 2014 |
|---|--|--|
| Salaries and Wages                        | 489,796                                | 1,671,740                              |
| Contribution to provident and other funds | 39,065                                 | 44,617                                 |
| Gratuity Expense                          | -                                      | -                                      |
| Staff Welfare Expenses                    | -                                      | 191,140                                |
| <b>Total</b>                              | <b>528,861</b>                         | <b>1,907,497</b>                       |

**24 Other Expenses**

| Particulars                        | For the year ended<br>31 st March 2015 | For the year ended<br>31 st March 2014 |
|------------------------------------|--|--|
| Rent                               | 69,000                                 | 272,283                                |
| Rates & Taxes                      | 236,766                                | 21,854                                 |
| Electricity Charges                | 98,608                                 | 163,223                                |
| Directors Remuneration             | 275,000                                | 480,000                                |
| Interest on statutory payments     | -                                      | 11,250                                 |
| Repairs & Maintenance              | 2,362                                  | 13,850                                 |
| Printing & Stationery              | 59,365                                 | 123,340                                |
| Domain Renewal charges             | -                                      | 21,500                                 |
| Communication expenses             | 98,976                                 | 84,821                                 |
| Internet Charges                   | -                                      | 83,793                                 |
| Insurance                          | -                                      | 15,045                                 |
| General Expense                    | -                                      | 5,907                                  |
| Recruitment Expense                | -                                      | 46,155                                 |
| Travelling & Conveyance            | 30,014                                 | 42,683                                 |
| Consultancy & Professional Charges | 64,690                                 | 143,970                                |
| Office Maintenance                 | 757,323                                | 365,988                                |
| AGM / EGM expenses                 | 10,200                                 | -                                      |
| Miscellaneous expenses             | -                                      | 105,288                                |
| Advertisement & Publicity          | 75,286                                 | 78,499                                 |
| Sitting Fees                       | -                                      | -                                      |
| Listing Fee                        | -                                      | 46,712                                 |
| Prior Period Expenses              | 73,899                                 | -                                      |
| Bank Charges                       | 49,342                                 | 10,795                                 |
| <b>Total</b>                       | <b>1,900,831</b>                       | <b>2,136,957</b>                       |

**Payment to auditor**

| Particulars                         | For the year ended<br>31 st March 2015 | For the year ended<br>31 st March 2014 |
|-------------------------------------|--|--|
| <b>As auditor:</b>                  |  |  |
| Audit fee                           | 40,000                                 | 38,605                                 |
| Other services (certification fees) | 10,618                                 | 5,515                                  |
| <b>Total</b>                        | <b>50,618</b>                          | <b>44,120</b>                          |

**25 Deferred tax**

| Particulars                | For the year ended<br>31 st March 2015 | For the year ended<br>31 st March 2014 |
|----------------------------|--|--|
| Provision for Deffered Tax | 55,650                                 | 55,650                                 |
| <b>Total</b>               | <b>55,650</b>                          | <b>55,650</b>                          |

## Cash Flow Statement

CIN :L67120AP1995PLC019200

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

| Particulars   | Note No.       | Year ended<br>31st March, 2015 | Year ended<br>31st March, 2014 |
|---|----------------|--------------------------------|--------------------------------|
| <b>A CASH FLOW FROM OPERATING ACTIVITIES</b>                  |                |                                |                                |
| <b>Net Profit/(loss) before tax and extraordinary items</b>   |                | <b>2,718,890</b>               | <b>205,217</b>                 |
| adjustments for :   |                |                                |                                |
| depreciation  |                | 297,604                        | <b>34,358</b>                  |
| Transfers to Reserves & Surplus                               |                |                                | -                              |
| <b>Operating Profit/(loss) before working capital changes</b> |                | <b>3,016,494</b>               | <b>239,575</b>                 |
| adjustments for :   |                |                                |                                |
| (Increase)/Decrease in Trade and other receivables            |                | (18,529,213)                   | <b>(665,872)</b>               |
| (Increase)/Decrease in Loans and Advances                     |                | 485,485                        | <b>(61,178)</b>                |
| (Decrease)/Increase in Trade payables and liabilities         |                | 11,612,568                     | <b>458,990</b>                 |
| (Decrease)/Increase in liabilities                            |                | 848,689                        | -                              |
| <b>Cash generated from operations</b>                         |                | <b>(2,565,977)</b>             | <b>(28,485)</b>                |
| Prior period adjustments                                      |                | -                              | -                              |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                    | <b>A</b>       | <b>(2,565,977)</b>             | <b>(28,485)</b>                |
| <b>B CASH FLOW FROM INVESTMENT ACTIVITIES</b>                 |                |                                |                                |
| Purchase of fixed assets                                      |                | (527,258)                      | <b>(84,550)</b>                |
| Purchase of Intangible Assets                                 |                | (25,500)                       | -                              |
| Increase in Intangible Assets under Development               |                | (3,763,465)                    | -                              |
| Increase in Long Term Loans & Advances                        |                | (7,066,243)                    | -                              |
| <b>NET CASH USED IN INVESTING ACTIVITIES</b>                  | <b>B</b>       | <b>(11,382,466)</b>            | <b>(84,550)</b>                |
| <b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>                 |                |                                |                                |
| Interest accrued & due  |                | -                              | -                              |
| issue of capital  |                | 15,387,947                     | -                              |
| (Repayment) /Increase in Term Borrowings                      |                | (134,826)                      |                                |
| (Repayment) /Increase in Unsecured Loans                      | <b>C</b>       | -                              | <b>315,468</b>                 |
| <b>NET CASH USED IN FINANCING ACTIVITIES</b>                  |                | <b>15,253,121</b>              | <b>315,468</b>                 |
| <b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>               | <b>D=A+B+C</b> | <b>1,304,678</b>               | <b>202,433</b>                 |
| <b>Opening balance</b>  |                | 211,745                        | <b>9,312</b>                   |
| <b>Closing balance</b>  |                | <b>1,516,423</b>               | <b>211,745</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 of

for **C.Ramachandram & Co,**  
Chartered Accountants

(Sd/-)

**Boda Satya Naga Suryanarayana**  
Firm Registration No : 002864S

(Sd/-)

**Divyesh Nihar Boda**  
Managing director  
DIN :01499145

Whole-time director  
DIN :02796318

(Sd/-)

**C.RAMACHANDARAM**

Partner

Membership No. 25834

(Sd/-)

**Vavilala Krishna Veni**  
CFO

(Sd/-)

**Astha Chaturvedi**  
Company Secretary

Place : Hyderabad

Date : 27/08/2015

## Notes on accounts annexed to and forming part of the accounts as at and for the year ended March 31, 2015.

### 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:

- It is expected to be realised in, or is intended for sale or consumption in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or
- 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:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- 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 Investment**

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

### **1.8 Retirement benefits**

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

## 2.0 Income Taxes

Income tax expense comprises current tax and deferred tax charge or credit. Income tax expense is recognized in the Statement of Profit and Loss.

### 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.

## 2.1 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.

## 2.2 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.

| <b>Contingent Liabilities:</b> | <b>31-03-2015</b> | <b>31-03-2014</b> |
|--------------------------------|-------------------|-------------------|
| Claims against company and not |                   |                   |
| Acknowledged as debts          | NIL               | Rs.1,24,507       |

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

#### 2.4 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 Shocks LTD                         | Associate Company                |
| Boda Nithisha                            | Additional Director              |
| BSN Suryanarayana                        | Managing Director                |
| Boda Divyesh Nihar                       | Whole Time Director              |
| Vavilala Krishna Veni                    | Chief Finance Officer            |
| Astha Chaturvedi                         | Company Secretary                |
| 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 2015</b> | <b>Year ended 31 March 2014</b> |
|---|---------------------------------|---------------------------------|
| Rent paid to B. Vijaya Lakshmi                      | Rs.1,80,000                     | Rs.1,80,000                     |
| BSN Suryanarayana:                                  |                                 |                                 |
| i. Remuneration                                     | Rs 6,00,000                     | NA                              |
| ii. Unsecured loan given by BSN Suryanarayana       | Rs. 19,30,001                   | Rs. 67, 82,101                  |
| Boda Divyesh Nihar                                  | Rs. 4,80,000                    | Rs. 4,80,000                    |
| Loan given to Nihar Stocks Ltd                      | Rs 31,47,532                    | NA                              |
| Loans from BSN Corporate Advisory Services (P) Ltd. | Rs 1,71,000                     | Rs 14,31,000                    |

**2.7** The company has gone for scheme of arrangement under section 391 and 394 read with sections 100 to 103 and 78 of the Companies Act,1956. The company has received the order vide MCA no 700 of 2013 dated 13th March, 2014 from the High Court of Andhra Pradesh approving the scheme of arrangement. The scheme provides for conversion of unsecured loans of Rs.2,67,52,700/- into Equity and reduction of share capital. The effect of above order is implemented in the books of account on 02 May 2014.

**2.8** Letters have been issued to parties for confirmation of balances (including Investments) with the request to confirm or send comment by the stipulated date failing which balance as indicated in the letter would be taken as confirmed. Confirmation letters have not been received. However, no adverse communication received from any party till date.

#### 2.9 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:

|  | <b>Year ended<br/>31 March 2015</b> | <b>Year ended<br/>31 March 2014</b> |
|--|-------------------------------------|-------------------------------------|
| Earnings : (‘)   |                                     |                                     |
| Net Profit/(Loss) for the year                                       | 27,41,448                           | 1,73,487                            |
| Shares :   |                                     |                                     |
| Number of shares at the beginning of the year                        | 61,88,467                           | 61,88,467                           |
| Less: Capital Reduction  | (54,02,532)                         | -                                   |
| Add: Unsecured creditors   | 26,75,270                           | -                                   |
| Add: No. of equity shares issued                                     | 15,38,795                           | -                                   |
| Total number of equity shares outstanding at the end of the year     | 50,00,000                           | 61,88,467                           |
| Weighted average number of equity shares outstanding during the year | 50,00,000                           | 61,88,467                           |
| Basic and Diluted Earnings per share -<br>Par value of ‘10 (‘)       | 0.56                                | 0.03                                |

**2.10** The Company has entered into rent agreement for office premises. The rentals of Rs. 2,72,283/- of which Rs 1,80,000 were charged in the statement of Profit and Loss. These agreements are cancellable in nature.

**2.11** Previous year’s figures have been regrouped/rearranged to conform to those of the current year.

C. Ramachandram & Co.  
Chartered Accountants  
Firm Regn. No. 002864S

For and on behalf of the Board

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

(Sd/-)  
BSN Suryanarayana  
MangingDirector

(Sd/-)  
B Divyesh Nihar  
Director

Place: Hyderabad  
Date: 27/08/2015

**Additional Information as required under part IV of  
Schedule VI to the Companies Act 1956**

**Balance Sheet Abstract and Company's General Business Profile**

**A. Registration Details**

|                    |            |            |   |    |
|--------------------|------------|------------|---|----|
| Registration No.   | 19200      | State Code | : | 01 |
| Balance Sheet Date | 31.03.2015 |            |   |    |

**B. Capital raised during the year ( amount in Rs. 000)**

|              |     |                   |   |     |
|--------------|-----|-------------------|---|-----|
| Public Issue | Nil | Rights Issue      | : | Nil |
| Bonus Issue  | Nil | Private Placement | : | Nil |
|              |     | Share Deposits    | : | Nil |

**C. Position of Mobilisation & Deployment of funds ( amount in Rs. 000)**

|                                 |       |                     |       |
|---------------------------------|-------|---------------------|-------|
| Total Liabilities               | 70958 | Total Assets        | 70958 |
| <b>Equity &amp; Liabilities</b> |       | <b>Assets</b>       |       |
| Paid-up Capital                 | 50000 | Net Fixed Assets    | 4352  |
| Reserve & Surplus               | 1875  | Investments         | 25550 |
| Unsecured Loans                 | 2125  | Net Current Assets  | 21242 |
| Current Liabilities             | 16805 | Deffered Tax Assets | 123   |

**D. Performance of the Company ( amount in Rs. 0000)**

|                                   |       |
|-----------------------------------|-------|
| Turnover (Including other Income) | 16357 |
| Profit Before Tax                 | 2719  |
| Profit After Tax                  | 2741  |
| Earnings Per Share in Rs.         | 0.56  |
| Dividend Rate                     | --    |

**E. Generic names of three principal products/ services of Company ( as per monetary terms)**

|                     |                                   |
|---------------------|-----------------------------------|
| Item Code No.       | 9983                              |
| Product description | Software Development & E-commerce |

For and on behalf of the Board

(Sd/-)  
BSN Suryanarayana  
Managing Director

(Sd/-)  
B Divyesh Nihar  
Director

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

- (i) The remote e-voting period begins on **26th September, 2015 at 10.00 A.M. and ends on 29th September, 2015 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 **19th September, 2015**, 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) <ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> </ul> |
| 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 Bank Details   | Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>• 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).</li> </ul>   |

- (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 \_\_\_\_\_, \_\_\_\_\_, 2015 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 Extraordinary General Meeting of the Company, to be held on \_\_\_\_\_, 2015 at \_\_\_\_\_ a.m. at \_\_\_\_\_ 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 Jagadeeswara Rao Reddi |     |         |
| 3             | Re-Appointment of Auditors            |     |         |
| 4             | Appointment of Women Director         |     |         |
| 5             | Amendment of object Clause            |     |         |
| 6             | Adoption of new set of MOA & AOA      |     |         |
| 7             | Issue of Shares on Preferential Basis |     |         |
| 8             | Preferential Issue of Warrants        |     |         |
| 9             | Issue of Shares on ESOS               |     |         |
| 10            | Enhancing the borrowing limits        |     |         |
| 11            | Creation of charges on Assets         |     |         |
| 12            | Buying 100% equity of a Company       |     |         |

Signed this ..... Day of ..... 2015.

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.

