

NSE.IT (US) INC.

(A wholly owned subsidiary of NSEIT Limited)



**NINTH ANNUAL REPORT
2015-16**

NSE.IT (US) INC.

BALANCE SHEET AS AT MARCH 31, 2016

Particulars	Note No.	As at	As at
		31-Mar-2016	31-Mar-2015
		US \$	US \$
I. Equity and Liabilities			
(1) Shareholders' Funds			
(a) Share Capital	4	10,00,000	10,00,000
(b) Reserves and surplus	5	(8,48,101)	(9,62,391)
(2) Current liabilities			
(a) Trade payables	6	5,20,070	6,26,846
(b) Other current liabilities	6	9,799	3,751
(c) Short-term provisions	7	70,711	1,13,687
Total		7,52,479	7,81,893
II. Assets			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11	-	-
(ii) Intangible assets		-	-
(b) Long-term loans and advances	8	1,958	3,622
(2) Current Assets			
(a) Trade receivables	9	3,34,099	2,55,183
(b) Cash and bank balances	12	3,34,298	3,93,811
(c) Short-term loans and advances	8	-	530
(d) Other current assets	10	82,124	1,28,747
Total		7,52,479	7,81,893
III. Notes forming part of the Financial Statements	2		

Date : April 22, 2016



For NSE.IT (US) Inc.

N. MURALIDARAN

Director

NSE.IT (US) INC.

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

S.No	Particulars	Note No.	For the period ended	For the year ended
			31-Mar-2016	31-Mar-2015
			US \$	US \$
I.	Revenue from operations	13	13,77,170	16,92,067
II.	Other income	14	3,962	4,521
III.	Total Revenue (I + II)		13,81,132	16,96,588
IV.	Expenses:			
	Employee benefits expense	15	1,15,181	2,13,675
	Depreciation and amortisation expense	11	-	-
	Other expenses	16	11,45,219	14,22,714
	Total expenses		12,60,400	16,36,389
V.	Profit before exceptional and extraordinary items and tax (III-IV)		1,20,732	60,199
VI.	Exceptional items		-	-
VII.	Profit before extraordinary items and tax (V - VI)		1,20,732	60,199
VIII.	Extraordinary Items		-	-
IX.	Profit before tax (VII - VIII)		1,20,732	60,199
X.	Tax expenses:	17		
	(1) Current tax		6,442	2,466
	(2) Deferred tax		-	-
XI.	Profit/(Loss) for the period from continuing operations (IX - X)		1,14,290	57,733
XII.	Profit/(Loss) from discontinuing operations		-	-
XIII.	Profit/(Loss) for the year (XI + XII)		1,14,290	57,733
XIV.	Earnings per equity share:			
	(1) Basic		0.11	0.06
	(2) Diluted		0.11	0.06
	Notes forming part of the Financial Statements	2		

Date : April 22, 2016



For NSE.IT (US) Inc.

N. MURALIDARAN

Director

NSE.IT (US) INC.

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

	Year ended 31-Mar-2016	Year ended 31-March-2015
	(US \$)	(US \$)
A CASH FLOW FROM OPERATING ACTIVITIES		
<i>Net Profit before tax</i>	1,20,732	60,199
<i>Add : Adjustments for</i>		
Depreciation	-	-
Operating profit before working Capital Change	1,20,732	60,199
<i>Change in Working Capital</i>		
Decrease / (Increase) in Sundry Debtors	(78,916)	89,929
Decrease / (Increase) in Loans & Advances	48,427	(1,26,284)
(Decrease) / Increase in Current Liabilities & Prov	(1,44,454)	(1,25,573)
Cash Generated from Operations	(54,211)	(1,01,729)
Direct Taxes Paid (Net of Refunds)	5,302	2,466
Net Cash from Operating Activities- Total (A)	(59,513)	(1,04,195)
B CASH FLOW FROM INVESTING ACTIVITIES		
Addition to Equity Share Capital	-	-
Addition to fixed assets (net)	-	-
Cash flow from investing activity - Total (B)	-	-
C CASH FROM FINANCING ACTIVITY		
Dividend Paid	-	-
	-	-
	-	-
NET INCREASE/ (DECREASE) IN CASH & CASH EQUIVALENT	(59,513)	(1,04,195)
Opening balance of Cash & Cash Equivalent	3,93,811	4,98,006
Closing balances of Cash & Cash Equivalent	3,34,298	3,93,811
NET INCREASE/ (DECREASE) IN CASH & CASH EQUIVALENT	(59,513)	(1,04,195)

Notes to Cash flow statement

Cash and cash equivalent represent bank balances.

The above cash flow has been prepared under the "Indirect method" as set out in the Accounting Standard -3



For NSE.IT (US) Inc.

N. Muralidaran
N. MURALIDARAN
Director

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NOTE 1: COMPANY PROFILE

The following is a brief profile of the business:

A: The business is a corporation.

B: The business's main source of revenue is from software development and maintenance services.

NOTE 2: ACCOUNTING POLICY

The corporation uses the accrual method of accounting, which is the method of recording transactions, by which revenue and expenses are reflected in the accounts in the period which they are considered to be earned and incurred, respectively, whether or not such transactions have been finally settled by receipt or payment of cash or its equivalent. Also, depreciation expense is computed and recorded in the financial statements in accordance with the management estimates.

NOTE 3: METHOD OF DEPRECIATION

The business uses the methods prescribed by the Internal Revenue Code to calculate the current year's depreciation expense.

NOTE 4 : SHARE CAPITAL

	31-Mar-2016	31-Mar-15
	US \$	US \$
Authorised		
10,00,000 (P.Y. 10,00,000) Equity shares of \$ 1/- each fully paid up	10,00,000	10,00,000
Issued, Subscribed and Paid-up		
10,00,000 (P.Y. 10,00,000) Equity shares of \$ 1/- each fully paid up	10,00,000	10,00,000
TOTAL	10,00,000	10,00,000

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

	31-Mar-2016		31-Mar-15	
	Nos.	US \$	Nos.	US \$
At the beginning of the year	10,00,000	10,00,000	10,00,000	10,00,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	10,00,000	10,00,000	10,00,000	10,00,000

b. Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of \$ 1/- per share. Each holder of equity shares is entitled to one vote per share.

During the year ended 31st March 2016, the amount of per share dividend recognized as distributions to equity shareholders is \$ NIL (31st March 2015 : \$ NIL)

In the event of liquidation 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. Shares held by holding/ultimate holding company and/or their subsidiaries/associates.

	31-Mar-2016	31-Mar-15
	US \$	US \$
NSEIT Limited, the holding company		
10,00,000 (P.Y. 10,00,000) equity shares of \$ 1/- each fully paid	10,00,000	10,00,000

d. Details of shareholders holding more than 5% in the Company

	31-Mar-2016		31-Mar-15	
	Nos.	%	Nos.	%
Equity shares of \$ 1/- each fully paid				
NSEIT Limited, the holding company	10,00,000	100%	10,00,000	100%

As per records of the company, the above shareholding represents both legal and beneficial ownership of shares.



NOTE 5: RESERVES & SURPLUS**General Reserve**

Balance as per last financial statement

Add : amount transferred from the surplus/(deficit) balance in the statement of profit & loss

TOTAL

	31-Mar-2016 US \$	31-Mar-15 US \$
	(9,62,391)	(10,20,124)
	1,14,290	57,733
TOTAL	(8,48,101)	(9,62,391)

NOTE 6 : TRADE PAYABLE AND OTHER CURRENT LIABILITIES**Trade payables****Other Current Liabilities**

Advance received from customers

Liability for Expenses

Government Dues (Payroll Tax)

	31-Mar-2016 US \$	31-Mar-15 US \$
	5,20,070	6,26,846
	5,20,070	6,26,846
	-	100
	8,764	2,049
	1,035	1,602
	9,799	3,751

NOTE 7 : PROVISIONS**Provision for Employee benefits****Other Provisions**

Provision for outstanding expenses

Provision for taxes

	Short Term	
	31-Mar-2016 US \$	31-Mar-15 US \$
	-	-
	-	-
	64,711	1,08,437
	6,000	5,250
	70,711	1,13,687
	70,711	1,13,687

NOTE 8 : LOANS AND ADVANCES**a. Security Deposits**

(Unsecured, considered good)

Loans and advances to related parties

b.

c. Other loans and advances**(unsecured, considered good)**

Advance Income Tax

Advance Payroll Tax

Advance to creditors

(a + b + c)

	Non-current		Current	
	31-Mar-2016 US \$	31-Mar-15 US \$	31-Mar-2016 US \$	31-Mar-15 US \$
	1,958	3,622	-	-
	-	-	-	-
	-	-	-	390
	-	-	-	-
	-	-	-	140
	-	-	-	530
	1,958	3,622	-	530

NOTE 9 : TRADE RECEIVABLES**Trade receivables****Unsecured, Considered good**

Outstanding for a period exceeding six months from the date they are due for payment

Other receivables

	Current	
	31-Mar-2016 US \$	31-Mar-15 US \$
	2,19,239	1,66,216
	1,14,860	88,967
	3,34,099	2,55,183

NOTE 10 : OTHER ASSETS

Prepaid Expenses

Unbilled Revenue

	Current	
	31-Mar-2016 US \$	31-Mar-15 US \$
	5,237	5,700
	76,887	1,23,047
	82,124	1,28,747



Schedule 11 : Fixed Assets

(All figures in US \$)

Sr No.	Category	GROSS BLOCK				DEPRECIATION/AMORTIZATION				NET BLOCK	
		As on 1-Apr-15	Additions	Deductions	As on 31-Mar-2016	As on 1-Apr-15	For the Year	Deductions	As on 31-Mar-2016	As on 31-Mar-2016	As on 31-Mar-15
	<u>Tangible Assets</u>										
1	Computer Hardware		-		-		-	-	-	-	-
2	Office Equipment		-		-		-	-	-	-	-
3	Furniture & Fixtures		-	-	-		-	-	-	-	-
	GRAND TOTAL	-	-	-	-	-	-	-	-	-	-
	PREVIOUS YEAR	5,581		-	5,581	5,581		-	5,581	-	-



NOTE 12 : CASH AND BANK BALANCES**Cash and Cash Equivalent**

Balances with banks

Current	
31-Mar-2016	31-Mar-15
US \$	US \$
3,34,298	3,93,811
3,34,298	3,93,811

NOTE 13 : REVENUE FROM OPERATIONSSoftware Application Development
E-Learning Solutions

31-Mar-2016	31-Mar-15
US \$	US \$
13,55,203	16,73,226
21,967	18,841
13,77,170	16,92,067

NOTE 14 : OTHER INCOME**Interest income**

Interest on Balances with Bank

Other non-operating income

Miscellaneous Income

31-Mar-2016	31-Mar-15
US \$	US \$
3	20
3,959	4,501
3,962	4,521

NOTE 15 : EMPLOYEE BENEFITS EXPENSESSalaries & Allowances
Company's Contribution to Employee's retirement plan
Company's Contribution to Payroll Tax

31-Mar-2016	31-Mar-15
US \$	US \$
1,04,095	1,91,890
3,123	5,757
7,963	16,028
1,15,181	2,13,675

NOTE 16 : OTHER EXPENSESTechnical & Sub Contract Charges
Professional Fees
Insurance
Travelling expenses
Bad Debts Written Off
Rent
Conveyance
Fess & Subscription
Entertainment Expenses
Telephone & Internet Expenses
Power and fuel
Miscellaneous expenses

31-Mar-2016	31-Mar-15
US \$	US \$
11,01,736	13,53,653
4,325	18,009
17,375	11,378
3,084	7,153
155	-
10,063	18,056
1,784	2,549
-	207
312	513
2,588	4,001
-	1,538
3,797	5,657
11,45,219	14,22,714

NOTE 17 : Tax expense(a) Current Tax
Short / Excess Provision for taxes (net)

31-Mar-2016	31-Mar-15
US \$	US \$
6,000	2,000
442	466
6,442	2,466

NOTE 18 : Regrouping

The previous year figures are regrouped, reclassified and rearranged, wherever necessary to confirm to the current year presentations.

