

**DREAMORBIT SOFTECH PRIVATE LIMITED**

**AUDITED ACCOUNTS**  
**YEAR ENDED MARCH 31, 2017**

**AUDITORS**  
**M/S AMARNATH KAMATH & CO.**  
**Chartered Accountants**  
**BANGALORE-560017**

**DREAMORBIT SOFTECH PRIVATE LIMITED**

BALANCE SHEET			
Particulars	Note No.	As at	As at
		31.03.2017	31.03.2016
		₹	₹
<b>EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	2.01	141,500	140,000
(b) Reserves and surplus	2.02	38,217,545	14,649,253
<b>2 Non-current liabilities</b>			
<b>Long term borrowings:</b>			
(a) Secured loans	2.03	-	73,676
(b) Unsecured loans	2.04	7,840,000	923,397
(c) Long term provisions	2.05	36,162,097	24,529,483
<b>3 Current liabilities</b>			
(a) Short-term borrowings	2.06	592,198	1,549,911
(b) Trade payables	2.07	2,149,269	2,762,411
(c) Other current liabilities	2.08	9,836,830	24,238,528
<b>TOTAL</b>		<b>94,939,439</b>	<b>68,866,659</b>
<b>ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets:	2.09		
(i) Tangible assets		7,475,304	6,752,872
(ii) Intangible assets		8,000,553	6,473,898
(b) Non-current investments	2.10	66	500,066
(c) Deferred tax	2.11	1,588,325	2,760,533
(d) Long-term loans and advances	2.12	28,979,945	17,791,664
<b>2 Current assets</b>			
(a) Trade receivables	2.13	28,231,689	22,585,512
(b) Cash and cash equivalents	2.14	10,639,944	1,647,199
(c) Short-term loans and advances	2.15	10,023,613	9,304,992
(d) Other current assets	2.16	-	1,049,923
<b>TOTAL</b>		<b>94,939,439</b>	<b>68,866,659</b>


Significant accounting policies and notes on financial statements (Refer notes - 1 and 2)

As per our report of even date attached

For Amarnath Kamath & Co.

Firm Registration No. 000100S


Chartered Accountants




Amarnath Kamath

Proprietor [Membership No.13124]

Bengaluru




For and on behalf of the Board



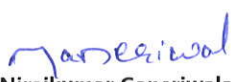
Sanchit Jain

Director



Abhishek Porwal

Director





Niraj Kumar Ganeriwala

Director

Place : Bengaluru

Date : 10-05-2017

# DREAMORBIT SOFTECH PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS			
Particulars	Note No.	Year ended 31.03.2017	Year ended 31.03.2016
		₹	₹
<b>A. INCOME</b>			
Revenue from operations (gross)	2.17	324,840,883	273,335,410
Other income	2.18	2,916,066	205,011
<b>Total</b>		<b>327,756,949</b>	<b>273,540,421</b>
<b>B. Expenses</b>			
(a) Increase/Decrease in Work-in-Progress	2.19	1,049,923	(1,049,923)
(b) Employee benefits expense	2.20	232,843,257	208,416,077
(c) Finance costs	2.21	2,908,390	1,083,324
(d) Depreciation and amortisation expense	2.22	3,082,948	6,678,469
(e) Other expenses	2.23	50,182,499	48,339,158
<b>Total expenses</b>		<b>290,067,017</b>	<b>263,467,105</b>
<b>Profit before Tax</b>		<b>37,689,932</b>	<b>10,073,316</b>
<b>C. Tax expense:</b>			
(a) Current tax expense		13,000,000	5,399,424
(b) Income tax adjustments of earlier year		7,932	-
(b) Deferred tax		1,172,208	(974,845)
		<b>14,180,140</b>	<b>4,424,579</b>
<b>Profit for the year</b>		<b>23,509,792</b>	<b>5,648,737</b>
<b>Earning per share :</b>	<b>2.24</b>		
Basic		<b>1,671.57</b>	<b>457.39</b>
Diluted		<b>1,671.57</b>	<b>457.39</b>
<b>Significant accounting policies and notes on financial statements (Refer notes-1 and 2)</b>			
<p>As per our report of even date attached</p> <p>For Amarnath Kamath &amp; Co.</p> <p>Firm Registration No. 000100S</p> <p>Chartered Accountants</p>  <p>Amarnath Kamath</p> <p>Proprietor [Membership No.13124]</p> <p>Bengaluru</p> <p>Place : Bengaluru</p> <p>Date : 10-05-2017</p>		<p>For and on behalf of the Board</p> <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">  <p><i>Sanchit Jain</i></p> <p>Sanchit Jain</p> <p>Director</p> </div> <div style="text-align: center;"> <p><i>Abhishek Porwal</i></p> <p>Abhishek Porwal</p> <p>Director</p> </div> </div> <div style="text-align: center; margin-top: 20px;"> <p><i>Nirajkumar Ganeriwala</i></p> <p>Nirajkumar Ganeriwala</p> <p>Director</p> </div>	

## DREAM ORBIT SofTECH PRIVATE LIMITED

## CASH FLOW STATEMENT

Particulars	Year ended March 31,2017		Year ended March 31,2016	
	₹	₹	₹	₹
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>				
Profit after Taxes		23,509,792		5,648,737
<b>Adjustments for -</b>				
Depreciation & amortisation	6,861,089		6,678,469	
Schedule II Adjustments	(3,778,141)		-	
Loss on sale of assets	303,300		-	
Deferred Taxes	1,172,208		(974,845)	
Other non cash expenses and adjustments	-		-	
Interest on loan	1,520,360		1,083,324	
Other incomes	(208,654)	5,870,162	(48,743)	6,738,205
<b>Operational income before working capital charges adjusted for:</b>		29,379,954		12,386,942
Trade Receivables	(5,646,177)		(9,020,558)	
Short term loans and advances	(718,621)		(7,914,901)	
Other Current Assets	1,049,923		(1,049,923)	
Long term Loans & Advances	(11,188,280)		(253,743)	
Trade Payables	(613,142)		172,269	
Other Current Liabilities	(14,401,698)		5,090,565	
Short term borrowings	(957,713)		433,357	
Short term Provisions	0		(121,854)	
Long term Provisions & liabilities	11,632,614	(20,843,094)	10876838	(1,787,950)
<b>Cash from Operations</b>		8,536,860		10,598,992
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of fixed assets	(5,332,036)		(7,753,233)	
Loss on sale of assets	(303,300)			
Sale of investments	500,000	(5,135,336)	0	(7,753,233)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>				
Shares issued during the year	1,500		16,500	
Securities premium received on shares	58,500		478,500	
Unsecured Loans from Directors & Shareholders	7,840,000		-	
Repayment of Term loans	(997,073)		(2,220,764)	
Interest Income	208,654		48,743	
Interest paid	(1,520,360)	5,591,221	(1,083,324)	(2,760,345)
<b>Net cash used for financing activities:</b>				
Increase/(decrease) in cash and cash equivalents		8,992,745		85,414
Opening balance		1,647,199		1,561,785
<b>Closing balance</b>		10,639,944		1,647,199

As per our report of even date attached

For Amarnath Kamath &amp; Co

[Firm Registration No. 000100S]

Chartered Accountants

Amarnath Kamath

Amarnath Kamath

Proprietor [Membership No. 13124]

Bengaluru

Place : Bengaluru

Date : 10-05-2017



For and on behalf of the Board

Sanchit Jain  
Director

Abhishek Porwal  
Director

Niraj Kumar Ganeriwal  
Director



## DREAMORBIT SOFTECH PRIVATE LIMITED

### NOTES ON FINANCIAL STATEMENTS

These Financial statements are prepared in accordance with the Indian Generally Accepted Accounting Principles (GAAP) under historical cost convention on accrual basis.

GAAP comprise mandatory accounting standards as prescribed under Section 133 of the Companies Act ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Act (to the extent notified).

#### 2.01 Share capital:

- (a) The Company has one class of shares, i.e. equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share and such dividend as may be declared. The rights of the shareholders are governed by the Articles of Association and the Companies Act.

- (b) Particulars of authorised, issued, subscribed and paid up share capital:

Particulars	As at 31.03.2017		As at 31.03.2016	
	Number	Amount	Number	Amount
<b>Authorised</b>				
Equity Shares of Rs.10/- each	30,000	300,000	30,000	300,000
<b>Issued/Subscribed &amp; paid up</b>				
Equity Shares of Rs.10/- each	14,150	141,500	14,000	140,000
<b>Par value of shares</b>	1	10	1	10

- (c) Reconciliation of number of shares

Particulars	As at 31.03.2017		As at 31.03.2016	
	Number	Amount	Number	Amount
<b>Equity shares</b>				
Shares outstanding at the beginning of the year				
Equity shares of Rs.10 each - fully paid	14,000	140,000	12,350	123,500
Shares bought back during the year				
Shares issued during the year				
Equity shares of Rs.10 each - fully paid	150	1,500	1,650	16,500
Shares outstanding at the end of the year	14,150	141,500	14,000	140,000

- (d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the company:

Names of the shareholders	As at 31.03.2017		As at 31.03.2016	
	%	No. of shares	%	No. of shares
Saksoft Ltd	60.00%	8,490	-	-
Mr. Sanchit Jain	14.13%	2,000	40.485	5,000
Mr. Abhishek Porwal	14.13%	2,000	40.485	5,000

The above shareholding represents both legal and beneficial ownership of shares.

- (e) As on the date of the Balance sheet the Company has neither issued any equity shares, pursuant to any contract, without payment having been received in cash nor any bonus shares.
- (f) As on the Balance sheet date, the Company has not issued any securities like Convertible Preference Shares, Convertible debentures, etc. which are convertible into equity/preference shares.
- (g) As per the records of the Company, the shares issued by the Company are fully paid for and no calls remain unpaid as on the date of Balance sheet.
- (h) The Company also did not buy back any equity shares as on the date of the Balance sheet.
- (i) The equity shares of the Company rank pari passu, in all respects, including voting rights and entitlement to dividend.



*A Jain*

*Abhishek Porwal*



## DREAMORBIT SOFTECH PRIVATE LIMITED

### NOTES ON FINANCIAL STATEMENTS

#### 2.02 Reserves & surplus:

Particulars	As at 31.03.2017	As at 31.03.2016
	₹	₹
<b>A. Securities premium account :</b>		
Opening balance	578,846	100,346
Add: Securities premium received during the year	58,500	478,500
Closing balance	<b>637,346</b>	<b>578,846</b>
<b>B. General reserve:</b>		
Opening balance	1,606,123	1,600,000
Adjustment as per Sch-II	-	6,123
Total	<b>1,606,123</b>	<b>1,606,123</b>
<b>C. Surplus in Statement of Profit &amp; Loss</b>		
Opening balance	12,464,284	6,815,547
Net profit for the year	23,509,792	5,648,737
Total	35,974,076	12,464,284
<b>Less: Appropriations:</b>		
Transfer to General Reserve		-
Proposed dividend		-
Dividend distribution tax		-
	-	-
Closing balance	<b>35,974,076</b>	<b>12,464,284</b>
<b>Total (A+B+C)</b>	<b>38,217,545</b>	<b>14,649,253</b>



*A. K. K.*

*Abhishek Porwal*



**DREAMORBIT SOFTECH PRIVATE LIMITED**

**NOTES ON FINANCIAL STATEMENTS**

**Note 2.03 Long term borrowings -Secured loans:**

Particulars	As at 31.03.2017	As at 31.03.2016
	₹	₹
Asset backed loan from a Financial instituion(Refer Note 2.31)	-	269,986
Less :Payable in next one year	-	196,310
<b>Total</b>	<b>-</b>	<b>73,676</b>

**Note 2.04 Loan term borrowings -Unsecured loans:**

Particulars	As at 31.03.2017	As at 31.03.2016
	₹	₹
Term loans from financial institutions	-	2,947,854
Less :Payable in next one year	-	2,024,457
Unsecured Loans from Directors	7,840,000	-
<b>Total</b>	<b>7,840,000</b>	<b>923,397</b>

**Note 2.05 Long term provisions**

Particulars	As at 31.03.2017	As at 31.03.2016
	₹	₹
Provision for employee benefits:		
Provision for gratuity	9,331,665	7,890,652
Provision for compensated absences	3,453,482	4,348,330
Provision for income tax	23,376,950	12,290,501
<b>Total</b>	<b>36,162,097</b>	<b>24,529,483</b>

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*Abhishek Porewal*



## DREAMORBIT SOFTECH PRIVATE LIMITED

### NOTES ON FINANCIAL STATEMENTS

#### 2.06 Short term borrowings

Particulars	As at 31.03.2017	As at 31.03.2016
Buyers' credit	592,198	1,549,911
<b>Total</b>	<b>592,198</b>	<b>1,549,911</b>

#### 2.07 Trade payables:

Particulars	As at 31.03.2017	As at 31.03.2016
Sundry creditors - for supplies & services	2,149,269	2,762,411
<b>Total</b>	<b>2,149,269</b>	<b>2,762,411</b>

#### 2.08 Other current liabilities:

Particulars	As at 31.03.2017	As at 31.03.2016
Advance from customers	-	27,682
Secured loans repayable in next 12 months	-	196,310
Unsecured loans repayable in next 12 months	-	2,024,459
Expenses payable	2,219,503	17,870,726
Other Liabilities	2,160,000	-
Statutory liabilities	5,457,327	4,119,351
<b>Total</b>	<b>9,836,830</b>	<b>24,238,528</b>



*Abhishek Parwal*





# **DREAMORBIT SOFTECH PRIVATE LIMITED**

## **NOTE: 2.09 - FIXED ASSETS:**

### **(A) Tangible assets**

(A) Tangible assets		GROSS BLOCK				DEPRECIATION				NET BLOCK		(Amount in Rs.)
		Cost as at 01.04.2016	Acquired during the year	Sold during the year	Cost as at 31.03.2017	Upto 01.04.2016	For the year	Adjustments	Withdrawn on sales	Upto 31.03.2017	As at 31.03.2017	
Particulars of assets												
Computers		17,884,468	2,026,790	-	19,911,258	13,090,814	4,749,850	(2,935,366)	-	14,905,298	5,005,960	4,793,654
Furniture & fixtures		2,219,000	-	-	2,219,000	1,296,386	276,425	(638,623)	-	934,188	1,284,812	922,614
Office equipments		1,116,273	-	-	1,116,273	845,448	411,072	(328,529)	-	927,991	188,282	270,826
Vehicles		1,689,964	-	-	1,689,964	924,186	233,741	(464,213)	-	693,714	996,250	765,778
TOTAL		22,909,705	2,026,790	0	24,936,495	16,156,834	5,671,088	(4,366,731)	0	17,461,191	7,475,304	
Previous year		19,132,808	3,776,898	0	22,909,706	10,827,913	5,335,044	(6,123)	0	16,156,834		6,752,872

## **NOTE : 2.09**

### **(B) Intangible assets**

Particulars of assets	GROSS BLOCK			DEPRECIATION					NET BLOCK		
	Cost as at 01.04.2016	Acquired during the year	Sold during the year	Cost as at 31.03.2017	Upto 01.04.2016	For the year	Adjustments	Withdrawn on sales	Upto 31.03.2017	As at 31.03.2017	As at 31.03.2016
Computer software	9,775,853	3,305,246	0	13,081,099	3,301,955	1,190,001	588,590	-	5,080,546	8,000,553	6,473,898
	9,775,853	3,305,246		13,081,099	3,301,955	1,190,001	588,590	-	5,080,546	8,000,553	
Previous year	5,799,518	3,976,335	0	9,775,853	1,958,530	1,343,425	-	-	3,301,955		6,473,898

Note:

Adjustments made in depreciation/amortisation is on account of change in the method of computing depreciation from written down value basis to straight line method as also on evaluation of useful lives of the computers & computer softwares. Refer Note on Accounting policy on depreciation/ amortisation



*For* *Abhishek Porwal*



# DREAMORBIT SOFTECH PRIVATE LIMITED

## NOTES ON FINANCIAL STATEMENTS

### 2.10 Non-current investments

Particulars	As at 31.03.2017	As at 31.03.2016
	₹	₹
<b>Trade investments</b>		
Unquoted:		
1000 equity shares in Dreamorbit Inc. U.S.A (Common stock par value \$0.001 per share)	66	66
4000 equity and 100 Preference shares in Marketxpander Services Pvt Ltd (sold during the year)	-	500,000
<b>Total</b>	<b>66</b>	<b>500,066</b>

### 2.11 Deferred tax:

Deferred tax is recognised, subject to the consideration of prudence in respect of deferred tax, on timing difference, being the difference between taxable income and accounting income that originate in one period are capable of reversal in one or more subsequent periods.		
Particulars	As at 31.03.2017	As at 31.03.2016
	₹	₹
Difference between books and income tax written down		
value of depreciable fixed assets	(2,017,416)	(1021312)
Disallowances under the Income tax Act, 1961	3,522,628	3781845
Capital loss	83,113	0
<b>Total</b>	<b>1,588,325</b>	<b>2,760,533</b>
Deferred tax assets and deferred tax liabilities are offset when there is a legal enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.		

### 2.12 Long term loans and advances:

Particulars	As at 31.03.2017	As at 31.03.2016
	₹	₹
(unsecured, considered good)		
Advance for equipments/systems	59,100	59,100
Advance share subscription	64,774	66,267
Advance for purchase of flat	-	350,000
Rent deposits	8,850,000	7,850,000
VAT deposit	10,000	10,000
Income Tax paid & tax deducted at source	19,996,071	9,456,297
<b>Total</b>	<b>28,979,945</b>	<b>17,791,664</b>

### 2.13 Trade receivables

Particulars	As at 31.03.2017	As at 31.03.2016
	₹	₹
(Unsecured, considered good)		
- Outstanding for a period exceeding six months from the date they were due for payment	12,505,628	795,919
- Others	15,726,061	21,789,593
<b>Total</b>	<b>28,231,689</b>	<b>22,585,512</b>



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*Abhishek Parwal*



## DREAMORBIT SOFTECH PRIVATE LIMITED

### NOTES ON FINANCIAL STATEMENTS

#### 2.14 Cash & cash equivalents:

Particulars	As at 31.03.2017	As at 31.03.2016
	₹	₹
Cash in hand	9,870	22,582
Balances with banks:		
- In current accounts, including MOD accounts	10,083,661	1,118,526
In Fixed Deposit accounts	546,413	506,091
<b>Total</b>	<b>10,639,944</b>	<b>1,647,199</b>

#### 2.15 Short term loans & advances:

Particulars	As at 31.03.2017	As at 31.03.2016
	₹	₹
Advances receivable in cash or in kind or for value to be received	691,294	919,585
Advance to vendors	-	19,926
Advance to employees	127,000	1,833,500
Taxes/duties inputs credit/refund due (net off provisions)	9,205,319	6,531,981
<b>Total</b>	<b>10,023,613</b>	<b>9,304,992</b>

#### 2.16 Closing work in progress:

Particulars	As at 31.03.2017	As at 31.03.2016
	₹	₹
Value of work in progress	-	1,049,923
<b>Total</b>	<b>-</b>	<b>1,049,923</b>

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*Abhishek Porwal*





**DREAMORBIT SOFTECH PRIVATE LIMITED**

**NOTES ON FINANCIAL STATEMENTS**

**2.17 Revenue from operations:**

Particulars	Year ended Mar 31, 2017 ₹	Year ended March 31, 2016 ₹
<b>Sale of services</b>		
Software Consultancy (Domestic)	10,855,194	10,810,675
Software Consultancy (Export)	313,985,689	262,524,735
<b>Total</b>	<b>324,840,883</b>	<b>273,335,410</b>

**2.18 Other income :**

Particulars	Year ended Mar 31, 2017 ₹	Year ended March 31, 2016 ₹
Interest on bank deposits	208,654	26,268
Other Income	-	48,743
Interest on staff advance	-	130,000
Amounts on reimbursables	1,024,882	-
Reversal of Excess Provision of Leave Encashment	1,682,530	-
<b>Total</b>	<b>2,916,066</b>	<b>205,011</b>

**2.19 Increase/(Decrease) in Work-in-Progress**

Particulars	Year ended Mar 31, 2017 ₹	Year ended March 31, 2016 ₹
Opening WIP	1,049,923	-
Closing WIP	-	1,049,923
<b>Total</b>	<b>1,049,923</b>	<b>(1,049,923)</b>

**2.20 Employee benefits expense:**

Particulars	Year ended Mar 31, 2017 ₹	Year ended March 31, 2016 ₹
Salaries, allowances and other benefits (PF)	208,922,336	187,551,565
Directors' remuneration	5,727,891	2,645,748
Contribution to Provident & other funds	8,397,349	7,248,597
Leave salary	3,885,365	2,143,827
Gratuity	1,441,013	3,429,443
Staff welfare	4,469,303	5,396,897
<b>Total</b>	<b>232,843,257</b>	<b>208,416,077</b>

**2.21 Finance cost:**

Particulars	Year ended Mar 31, 2017 ₹	Year ended March 31, 2016 ₹
Interest on delayed tax payments	1,388,030	-
Interest on loans	738,608	1,083,324
Other interest	781,752	-
<b>Total</b>	<b>2,908,390</b>	<b>1,083,324</b>

**2.22 Depreciation & amortisation expense:**

Particulars	Year ended Mar 31, 2017 ₹	Year ended March 31, 2016 ₹
Depreciation on tangible assets	5,671,088	5,335,044
Amortisation of intangible assets	1,190,001	1,343,425
Less; Effect on account of change in method of depreciation	(3,778,141)	-
<b>Total</b>	<b>3,082,948</b>	<b>6,678,469</b>



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*Abhishek Pooval*





# DREAMORBIT SOFTECH PRIVATE LIMITED

## NOTES ON FINANCIAL STATEMENTS

### 2.23 Other expenses:

Particulars	Year ended Mar 31, 2017 ₹	Year ended March 31, 2016 ₹
Rent	13,296,435	11,720,402
Rates & taxes	1,669,001	9,380
Professional & consultancy fees	9,040,546	10,487,703
Workstation and computer hire charges	2,061,025	2,175,757
Outsourced contract works	456,551	581,892
Travelling & conveyance	5,531,992	5,092,695
Communication costs	2,332,263	2,271,028
Office general expenses	110,254	45,335
Electricity charges	4,240,050	3,677,908
Repairs and maintenance		
-Others	1,590,783	1,977,603
-Building	1,653,167	1,325,724
Insurance	238,094	162,675
Loss on sale of assets	303,300	-
Loss on foreign exchange fluctuation	1,270,130	691,862
Advertisement, marketing & promotional costs	4,338,895	4,296,045
Donations	10,000	1,137,650
Bad debts written off	687,655	-
Provision for advances doubtful of recovery	-	-
Bank charges	335,195	261,965
Payment to auditors	750,000	600,000
Miscellaneous expenses	267,163	1,823,534
<b>Total</b>	<b>50,182,499</b>	<b>48,339,158</b>

### 2.24 Earnings per share:

Particulars	Year ended Mar 31, 2017 ₹	Year ended March 31, 2016 ₹
Net profit after tax	23,509,792	5,648,737
Weighted average number of equity shares outstanding	14,065	12,350
Basic earning per share (EPS) of ₹.10/- each	1,671.57	457.39

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Abhishek Porwal



## DREAMORBIT SOFTECH PRIVATE LIMITED

### NOTES ON FINANCIAL STATEMENTS:

2.24 C I F value of imports: The Company has not imported any assets or goods during the year (Prev. year Nil)

### 2.25 Expenditure in foreign currency transactions:

Particulars	Year ended Mar 31, 2017 ₹	Year ended March 31, 2016 ₹
<b>Expenditure in foreign currencies:</b>		
Software expenses	1,566,639	1,860,064
Business promotion expenses	211,610	279,007
Staff welfare	20,338	75,992
Marketing expenses	75,064	65,751
Travel expenses	2,177,396	1,853,951

### 2.26 Earnings in foreign currencies:

Particulars	Year ended Mar 31, 2017 ₹	Year ended March 31, 2016 ₹
Software development revenue	313,985,689	262,524,735
Reimbursement Income	1,024,882	-
<b>Total</b>	<b>315,010,571</b>	<b>262,524,735</b>

### 2.27 Payments to auditors:

Particulars	Year ended Mar 31, 2017 ₹	Year ended March 31, 2016 ₹
Statutory audits of standalone and consolidated accts & reporting on IFC	475,000	375,000
Tax audit	100,000	75,000
Transfer pricing audit	175,000	150,000
<b>Total</b>	<b>750,000</b>	<b>600,000</b>



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*Abhishek Parwal*



# DREAMORBIT SOFTECH PRIVATE LIMITED

**Note- 2.28 :Notes to the Financial Statement for the year ended March 31, 2017**

**Particulars of provision for gratuity:(un-funded) -**

Group Gratuity Scheme	
1 . MEMBERSHIP DATA	
Number Of Members	244
Average age	29.31
Average Monthly Salary	24,631
Average Past Service	2.20
2 . VALUATION METHOD	Projected Unit Credit Method
3. ACTUARIAL ASSUMPTIONS	
Mortality Rate	Indian Assured Lives Mortality (2006-08) Ultimate
Withdrawal Rate	1% to 5% depending on age
Discount rate	7.32% p. a.
Salary Escalation	9%
4. COMPONENTS OF EMPLOYER EXPENSE	
Current service cost	3,641,521
Interest cost	629,674
Net Actuarial (Gain)/Loss	(2,830,181)
Total expenses recognised	1,441,014
5. RESULTS OF VALUATION	
Present Value of Defined Benefit (Op.)	7,890,651
Current Service cost	3,641,521
Interest cost	629,674
Actuarial (Gains)/Loss	(2,830,181)
Present Value of Defined Benefit (Cl.)	9,331,665
6. Total Amount Payable (Rs)	
Obligation at Beginning (Opening)	7,890,652
Add: Obligation for the year ended 31 March 2017	1,441,013
Obligation at the end (Closing)	9,331,665



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**Note - 2.29 Related party transactions:**

As per Accounting Standard 18, the names & disclosures of transactions with the related parties are given below:

**A. Names of related parties and description of relationship with the Company:**

- i. Key managerial personnel : -Directors  
 a) Abhishek Porwal b) Sanchit Jain  
 ii. Subsidiary company: DreamOrbit, Inc. (U.S.A)  
 iii. Relative of Key managerial personnel : a) Mrs.Dimple Ajmera, b) Lalji Gupta, c) Ashok Kumari Gupta

**B. Nature of transactions with related parties:**

( Amount in Rs. )

Sl. No.	Particulars	Related Parties		
		Relative of Key managerial personnel	Key managerial personnel	Subsidiary company
1.	Directors' remuneration		5,967,669	
2.	Salaries, allowances and other benefits	2,986,398		
3.	Export billings-			298,507,802
4.	Sale of shares of Marketxpander		224,000	

**C. Balances as at the year end:**

( Amount in Rs. )

Sl. No	Related Party	As at March 31, 2017		As at March 31, 2016	
		Balance		Balance	
1.	Subsidiary company	Dr.	17,904,646	Dr.	16,499,012
2.	Relative of Key managerial personnel	Dr.		Dr.	499,500

**D. Maximum balances as at the year end:**

( Amount in Rs. )

Sl. No	Related Party	As at March 31, 2017		As at March 31, 2016	
		Dr.		Dr.	
1.	Subsidiary company	23,521,530		19,470,657	
3.	Key managerial personnel	499,500		1,444,500	

**Note- 2.30****Particulars of unhedged foreign currency exposure:**

Particulars		As at March 31, 2017		As at March 31, 2016	
		INR ( )	Foreign Currency	INR ( )	Foreign Currency
Unhedged payables	US \$	-	-		
Unhedged receivables:	US \$				
Trade receivables		26,908,172	415,002	16,499,012	248,729
Advance for share subscription		64,774	999	66,267	999

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Abhishek Porwal





**Note - 2.31****Leases****Operating Lease:**

The Company have executed lease agreements under operating leases, which are not non-cancelable and is renewable by mutual consent on mutually agreeable terms. Lease rental payments of 1,32,96,435/- (Prev. year Rs.1,17,20,402/-) made by the Company are recognized in the Statement of Profit & loss under 'Other expenses' as Rent.

Under the lease rental agreements, refundable rental deposits have been given by the Company, amounting to Rs. 88,50,000 (Prev. year Rs.78,50,000/-) which is shown as Rent deposits under the head 'Long term loans and advances' in Notes to the Financial Statements.

Particulars		As at March 31, 2017	As at March 31, 2016
Rent payable in next one year	Rs.	15,375,673	13,296,435
Rent payable over one year but within five years	Rs.	67,088,526	33,269,570
Over five years	Rs.	-	-

**Note - 2.32****Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006:**

The Company has not received any information from its vendors regarding their status under Micro, Small & Medium Enterprises Development Act, 2006. Nonetheless, there are no amounts outstanding for a period beyond the stipulated period as specified under that Act.

**Note - 2.33****Impairment of assets**

According to the management of the Company, no assets qualifies for impairment for the current year according to AS - 28 issued by The institute of Chartered Accountants of India.

**Note - 2.34****Dues to investor Education and Protection Fund:**

There are no amounts due for payment to the Investor Education & Protection Fund under Section 125 of the Companies Act, 2013 as at March 31, 2017.

**Note-2.35****Contingent liabilities and capital commitments:**

As on the date of the balance sheet, the Company had no contingent liability & had no capital commitments.

**Note: 2.36****Balance confirmatioins:**

Balances in personal accounts are subject to confirmation.

**Note - 2.37****Realisations:**

In the opinion of the Board and to the best of its knowledge and belief, the value on realisation of current assets, loans and advances will, in the ordinary course of business, be not less than the amounts at which they are stated in the Balance sheet.

**Note - 2.38****Contractual liabilities:**

All contractual liabilities connected with business operations of the Company have been appropriately provided for.



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*Abhishek Porwal*



**Note - 2.39****Arm's length transactions under transfer pricing legislation:**

A comprehensive system of maintenance of information and documents is required under the transfer pricing legislation under Section 92 to Sec 92F of the Income tax Act, 1961. Since the relevant law requires existence of detailed information and documentation with regard to transfer pricing international transactions entered into with associated enterprises during the accounting year and the management expects the records to be in existence by the time of filing the income tax return and transfer pricing report for the relevant period. The Management is, of the opinion, that its international transactions are at arm's length so that the aforesaid legislation will not have any

**Note - 2.40**

**SBN Disclosure : Ministry of Corporate Affairs Notification no : G.S.R 308 'E**

PARTICULARS	SBN	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	-	(Rs.100*200) (Rs. 50*200) (Rs. 10*5) (Rs. 2*3)	30,056.00
(+) Permitted receipts	-	-	180,000.00
(-) Permitted payments	-	-	154,070.00
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	-	(Rs.2000*20) (Rs.500*20) (Rs.100*55) (Rs.50*8) (Rs.20*4) (Rs.2*3)	55,986.00

Explanation: For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016."

**Note - 2.41****Amounts in the financial statements**

Amounts in the financial statements are rounded off to the nearest rupee.

Previous year figures have been regrouped/rearranged wherever necessary

**Signatures to Note 1 and Notes 2.01 to 2.41**

As per our report of even date attached  
For Amarnath Kamath & Co.  
Firm Registration No. 000100S  
Chartered Accountants

Amarnath Kamath  
Proprietor [Membership No.13124]  
Bengaluru

Place : Bengaluru  
Date : 10-05-2017

For and on behalf of the Board

*Sanchit Jain*  
Sanchit Jain  
Director

*Abhishek Porwal*  
Abhishek Porwal  
Director

*Niraj Kumar Ganeriwal*  
Niraj Kumar Ganeriwal  
Director

