



**INDEPENDENT AUDITORS' REPORT**

To,  
The Members of  
**SOLIX SOFTECH PRIVATE LIMITED**

**Report on the Financial Statements**

1. We have audited the accompanying financial statements of Solix Softech Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Profit and Loss Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

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

2. 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 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 misstatements.



3. An audit involves performing procedures to obtain audit evidence about the amounts and 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of 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**

4. In our opinion and to the best of our information and according to the explanations given to us, the 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 March 2018;
  - (b) In the case of the statement of profit and loss, of the profit of the Company for the year ended on that date;
  - (c) In the case of cash flow statement, Cash flow statement of the company for the year ended on that date;

#### **Report On Other Legal and Regulatory Requirements**

5. 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 Profit and Loss Statement and 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) On the basis of the written representations received from the directors as on March 31, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to adequacy of the internal financial control over the financial reporting of the company and the operating effectiveness of such controls refer to our "Annexure -A" to this report and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The company did not have any pending litigations on its financial position
  - ii. The company did not have any long term contracts including derivatives contract for which there were any material foreseeable losses; and
  - iii. There were no amounts which were required to be transferred to the investor education and protection fund by the company.

6.As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, the same is given under Annexure B.

For **Rameshwar Rao & Co.,**

Chartered Accountants

(Registration No. 0118075)

V. Vasudeva Reddy

**Partner**

Membership No.: 209546

Hyderabad

Date: 3<sup>rd</sup> September 2018





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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

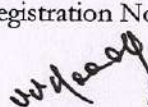
### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on, "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India

For **Rameshwar Rao & Co.,**

Chartered Accountants

(Registration No. 0108075)

  
V. Vasudeva Reddy

**Partner**

Membership No.: 209546

Hyderabad

Date: 3<sup>rd</sup> September 2018



## ANNEXURE - B TO THE AUDITORS REPORT

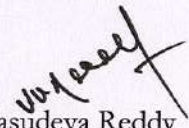
Referred to in paragraph 1 under the heading of "Report on other legal and regulatory requirements" of our report on even date

1. a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.  
  
b) The fixed assets of the Company have been physically verified by the management during the year. According to the information furnished to us, discrepancies between book records and physical inventory noticed during verification were not material and have been properly dealt with in the books of account.  
  
c) There are no Immovable properties held in the name of the Company.  
  
d) The discrepancies noticed on physical verification of the Fixed assets as compared to books records which has been properly dealt with in the books of account were not material.
2. Since, there are no inventories the reporting clause(II) a, b and c are not applicable.
3. The Company has neither granted nor taken any loans, secured or unsecured, to / from Companies, firms or other parties covered in the register maintained under Section 189 of the Act. Hence reporting under clause (iii) (a), (b) and (c) are not applicable.
4. Clause (IV) of paragraph 3 is not applicable as the Company has not given any loans.
5. In our opinion and according to information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of sections 73 and 76 of the Act and the rules framed there under.
6. The Central Government of India has not prescribed the maintenance of cost records under section 148(1) of the Act for any of the products of the Company.
7. a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues including income-tax and other material statutory dues as applicable with the appropriate authorities,  
  
b) According to the information and explanations given to us and the records of the Company examined by us, there were no dues of income tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.
8. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowings to banks and financial institutions.
9. In our opinion and according to the information and explanation given to us the Company has not raised any term loans during the year.



10. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.
11. In Our Opinion and according to the Information and Explanation given to us, the Company has paid managerial remuneration as per the provisions of Section 197 read with Schedule V of Companies act 2013.
12. The Company is not a Nidhi Company; hence reporting is not applicable under clause (Xii) of paragraph 3.
13. In our Opinion and according to the information and explanations given to us the Company's transaction with its related party are in compliance with section 177 and 188 of companies act,2013.
14. During the year Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (Xiv) of paragraph 3 of the order is not applicable.
15. In our opinion and according to the explanations given to us, the Company has not entered any Cash transactions with its Directors or persons Connected with him and hence reporting under clause(XV) of paragraph 3 is not applicable.
16. In our opinion and according to the explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act,1934.

**For Rameshwar Rao and Co.,**  
Chartered Accountants  
FRN: 010887S

  
V Vasudeva Reddy  
Partner  
Membership No. 209546  
Place : Hyderabad  
Date :3<sup>rd</sup> September 2018



**SOLIX SOFTECH PRIVATE.LIMITED.**

12-13-521/5, LANE NO 13, STREE NO 14, TARNAKA, SECUNDERABAD.

(Amount in Rs)

Balance Sheet as at 31st March, 2018

	PARTICULARS	Notes	As at 31.03.2018	As at 31.03.2017
<b>A</b>	<b>I. EQUITY AND LIABILITES</b>			
	<b>1) Share holders funds</b>			
	a) Share Capital	1	100,000	100,000
	b) Reserve and Surplus	2	12,270,987	11,367,241
	<b>2) Non-current liabilities</b>			
	a) Long-term borrowings	3	-	-
	<b>3) Current liabilities</b>			
	a) Current Liabilities - Accounts Payable			112,376
	b) Other Current liabilities	4	4,496,778	3,636,742
	c) Short-term provisions	5	363,323	841,891
	<b>4) Deffered Tax Liability</b>		-	15,243
	<b>Total</b>		17,231,088	16,073,493
<b>B</b>	<b>ASSETS</b>			
	<b>1) Non-current assets</b>			
	a) Fixed Assets			
	Tangible assets	6	751,310	594,803
	<b>2) Current assets</b>			
	(a) Trade Receivables	7	9,479,385	7,954,701
	(b) Cash and Cash Equivalents	8	6,608,294	6,534,478
	(c) Other current assets	9	359,431	989,507
	<b>3) Deffered Tax asset</b>		32,668	-
	Accounting Policies	12		
	Notes on Accounts	13		
	<b>TOTAL</b>		17,231,088	16,073,490

As per our report of even date attached for **RAMESHWAR RAO & CO**

Chartered Accountants

ICAI FRN No: 010887

(V.Vasudeva Reddy)

Partner

Membership Number. 209456

Place : Hyderabad

Date : 03/09/2018

For and on behalf of the Board

P.S. Somayajulu

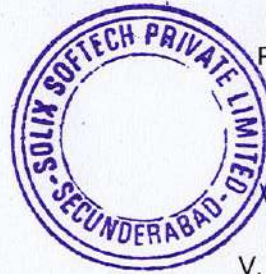
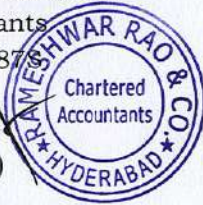
Director

DIN.05221729

V. Bhanu Prakash

Director

DIN.05221738



# SOLIX SOFTECH PRIVATE.LIMITED.

12-13-521/5, LANE NO 13, STREE NO 14, TARNAKA, SECUNDERABAD.

(Amount in Rs)

Profit and Loss Account for the year ended 31st March, 2018

PARTICULARS	Notes	As at 31.03.2018	As at 31.03.2017
<b>Income:</b>			
Service Income		67,040,344	48,866,947
Other Income		337,280	2,416
<b>Total</b>		<b>67,377,624</b>	<b>48,869,363</b>
<b>Expenditure</b>			
Salaries & benefits	10	60,560,791	42,358,123
Administration and other expenses	11	5,023,052	3,650,094
Depreciation	6	340,272	126,845
Miscellaneous expenditure written off		-	-
<b>Total</b>		<b>65,924,115</b>	<b>46,135,062</b>
Profit/(Loss) for the year before taxation		1,453,509	2,734,301
Less: Provision for taxation		597,674	948,185
Less: Deffered Tax liability/(asset)		(47,911)	15,243
Profit after taxation		903,746	1,770,873
Brought forward from earlier years		11,367,241	9,596,368
Balance carried to Balance Sheet		12,270,987	11,367,241
Accounting Policies	12		
Notes on Accounts	13		

As per our report of even date attached  
for **RAMESHWAR RAO & CO**  
Chartered Accountants

ICAI FRN No: 0108878

(V.Vasudeva Reddy)

Partner

Membership Number. 209456

Place : Hyderabad

For and on behalf of the Board

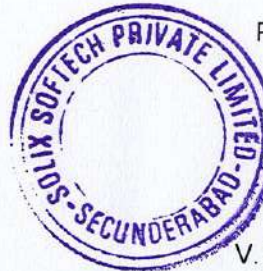
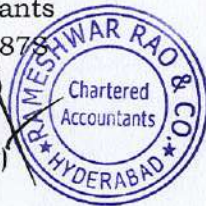
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Director

DIN.05221729

V. Bhanu Prakash

Director



# SOLIX SOFTECH PRIVATE.LIMITED

12-13-521/5, LANE NO 13, STREET NO 14, TARNAKA, SECUNDERABAD.

(Amount in Rs)

## Cash Flow Statement as on 31.03.2018

Cash flows from operating activities	2017-18	2016-17
Net income	903746	1770874
Adjustments for:		
Depreciation and amortization	340272	126845
Deferred tax	-47908	15243
Depreciation adjustment 2013 act	0	0
(Increase)\Decrease in Current assets	-894607	3756245
Increase\Decrease in Current Liabilities	269092	238460
<b>Cash generated from operations</b>	<b>570595</b>	<b>5907667</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant, and equipment	496779	358089
Security Deposits	0	0
Long term loans and advances	0	0
profit on sale of company	0	0
<b>Net cash used in investing activities</b>	<b>-496779</b>	<b>-358089</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of common stock	0	0
Proceeds from issuance of Long-term debt	0	0
Dividends paid	0	0
<b>Net cash used in financing activities</b>	<b>0</b>	<b>0</b>
<b>Net increase in cash and cash equivalents</b>		
<b>Cash and cash equivalents at beginning of period</b>	<b>6534478</b>	<b>984900</b>
<b>Cash and cash equivalents at end of period</b>	<b>6608294</b>	<b>6534478</b>

As per our report of even date attached

for **RAMESHWAR RAO & CO**

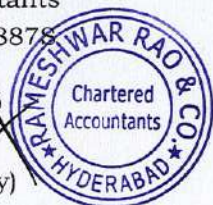
Chartered Accountants

ICAI FRN No: 0108878

(V.Vasudeva Reddy)

Partner

Membership Number. 209456



For and on behalf of the Board

P.S. Somayajulu

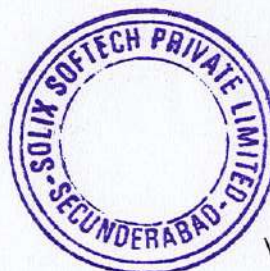
Director

DIN.05221729

V. Bhanu Prakash

Director

DIN.05221738



Place : Hyderabad

Date : 03/09/2018

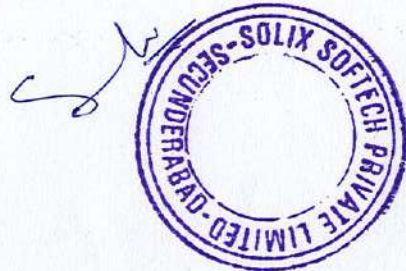
SOLIX SOFTECH PRIVATE.LIMITED.

12-13-521/5, LANE NO 13, STREE NO 14, TARNAKA, SECUNDERABAD.

Notes to Accounts

(Amount in Rs)

Particulars	As at			
	31.03.2018	31.03.2017		
<b>Note 1 Share Capital</b>				
<b>Authorised Share Capital</b> (10,000 shares of Rs.10/- each)	100000	100000		
Issued, Subscribed & Paid up Capital	100000	100000		
10,000 Equity Shares of Rs 10/- each	100000	100000		
<b>Further Notes:</b>				
<b>Reconciliation of Number and amount of share capital outstanding at the beginning and at the end of the reporting period</b>				
Particulars	For the Year Ended 31st March,2018		For the Year Ended 31st March,2017	
	No.of Shares	Amount ( in Rs)	No.of Shares	Amount ( in Rs)
Shares outstanding at the beginning of the year	10,000	100,000	10,000	100,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	10,000	100,000	10,000	100,000
<b>Shareholders holding more than 5% shares</b>				
<b>Name</b>	<b>No. of shares held</b>		<b>% of holding</b>	
M/S SOLIX TECHNOLOGIES INC	9999		99.99%	



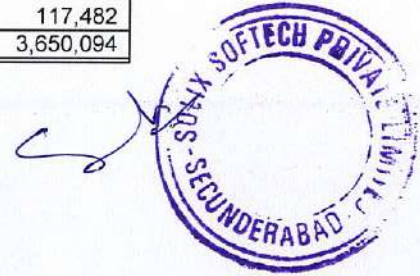
**SOLIX SOFTECH PRIVATE.LIMITED.**

12-13-521/5, LANE NO 13, STREE NO 14, TARNAKA, SECUNDERABAD.

<b>Note 2: Reserves &amp; Surplus</b>		
Opening balance in Profit & Loss account	11,367,241	9,596,364
Balance in Profit & Loss account	903,746	1,770,874
	12,270,987	11,367,241
<b>Note 3: Long-term borrowings</b>		
<b>Unsecured Loans</b>		
From Promoters	-	-
From Outsiders	-	-
	-	-
<b>Current Liabilities and Provisions</b>		
<b>Note 4: Other Current Liabilities</b>		
Audit fee Payable	-	-
Accounts payable	245,650	
TDS Payable	581,638	401,524
PF Payable	183,825	133,020
PT Payable	9,150	400
Food Coupons Payable	68,056	41,250
Salaries Payable	3,357,468	3009556
Leave Salary Payable	50,992	50992
	4,496,778	3,636,742
<b>Note 5: Short Term Provisions</b>		
Provision for income tax	363,323	841,891
Provision for salary and staff welfare	-	-
Others Payable	-	-
	363,323	841,891
<b>Note 7: Trade Receivables</b>		
Receivables	9,479,385	7,954,701
	9,479,385	7,954,701
<b>Note :8 Cash and bank balances</b>		
Cash on hand	26,762	6,742
Balances with scheduled banks :		
In current accounts in Indian currency	6,581,532	6,527,736
Fixed Deposits	-	-
	6,608,294	6,534,478
<b>Note 9: Other Current Assets</b>		
TDS Receivable & GST Input	99,609	1,726
Expenses Advance	257,658	253,800
Travelling Advances	2,163	(24,929)
Advance Tax Paid	-	600,000
PF Excess Paid	-	158,910
	359,430	989,507
<b>Note 10: Salaries and Benefits</b>		
Salaries	60,093,843	42,186,512
Staff welfare	466,948	171,611
	60,560,791	42,358,123
<b>Note 11: Administration and other expenses</b>		
Audit fee	24,600	35,400
Bank charges	59,288	21,482
Repairs And Maintenance	18,200	43,444
Rent	180,000	180,000
Internet	692,351	749,729



Telephone Expenses	87,620	44,865
Electricity	171,240	89,310
Water Charges	8,820	12,235
Seminar Expenses	1,374,873	19,718
Transportation & travelling	1,027,616	1,470,432
Foreign Exchange Fluctuation	799,893	506,585
Legal & Professional Fee	137,300	189,750
Promotional Expense	96,237	-
Interest On TDS	94,900	16,054
ROC Expenses	600	14,352
Taxes & Licenses	13,960	17,648
Printing & Stationary	3,045	-
Purchase of Computer Software	-	26,570
FC Service Charges	12,583	10,066
PF Admin Charges	137,283	84,468
Rates & Taxes	-	-
Office Expenses	82,643	503
Interest on Income Tax	-	117,482
	5,023,052	3,650,094



Depreciation Working as per Companies Act, 2013 (With Residual Value)-WDV

3/31/2018

3/31/2017

Name of Assets	Asset Group	Date of Purchase of Assets	Original Cost of Purchase	Net Original Cost	Depreciation charged upto 31.03.2017	Net carrying Amt as on 31.03.2017	Useful life as per companies Act 2013	New useful life in days	Already expired useful life as on 31/03/17	Balance days	Asset used during the year (in days)	Residual Value	Transfer to Reserve	Depreciation Amount	Net block
<b>Plant &amp; Equipment</b>															
Computers	P&E	3/10/2012	23,625	23,625	22,444	1,181	3	1,095	1,095	-	-	1,181	-	-	1,181
Computers	P&E	3/10/2012	127,575	127,575	121,196	6,379	3	1,095	1,095	-	-	6,379	-	-	6,379
Computers	P&E	3/28/2012	48,000	48,000	45,600	2,400	3	1,095	1,095	-	-	2,400	-	-	2,400
Computers	P&E	8/7/2013	26,250	26,250	24,937	1,313	3	1,095	1,095	-	-	1,313	-	-	1,313
Computers	P&E	10/22/2014	63,000	63,000	50,935	12,065	3	1,095	891	204	204	3,150	-	-	3,150
Computers	P&E	10/29/2014	61,425	61,425	49,661	11,764	3	1,095	884	211	211	3,071	-	-	3,071
Computers	P&E	10/31/2014	12,018	12,018	9,716	2,302	3	1,095	882	213	213	681	-	-	681
Computers	P&E	10/31/2014	31,500	31,500	25,467	6,033	3	1,095	882	213	213	1,575	-	-	1,575
Computers	P&E	11/17/2014	63,000	63,000	50,935	12,065	3	1,095	865	230	230	1,575	-	-	1,575
Computers	P&E	11/18/2014	127,500	127,500	103,082	24,418	3	1,095	864	231	231	3,150	-	-	3,150
Computers	P&E	12/16/2014	9,280	9,280	7,503	1,777	3	1,095	836	259	259	6,375	-	-	6,375
Computers	P&E	5/31/2015	158,400	158,400	78,103	80,297	3	1,095	670	425	365	7,920	-	-	7,920
Computers	P&E	8/31/2015	30,030	30,030	13,209	16,821	3	1,095	578	517	365	1,502	-	-	1,502
Computers	P&E	2/10/2016	91,006	91,006	38,346	52,660	3	1,095	415	680	365	4,550	-	-	4,550
Furniture	P&E	2/22/2016	30,200	30,200	3,138	27,062	10	3,650	403	3,247	365	1,510	-	-	1,510
Computers	P&E	12/14/2016	63,600	63,600	5,904	57,696	3	1,095	107	986	365	3,180	-	-	3,180
Electrical Equl	P&E	11/30/2016	7,488	7,488	786	6,702	3	1,095	121	974	365	574	-	-	574
Batteries	P&E	1/5/2017	287,000	287,000	21,165	265,835	3	1,095	85	1,010	365	14,380	-	-	14,380
Electrical Equl	P&E	5/2/2017	24,591	24,591	-	24,591	3	1,095	-	1,095	333	1,230	-	-	1,230
Computers	P&E	4/4/2017	40,254	40,254	-	40,254	3	1,095	-	1,095	361	2,013	-	-	2,013
Computers	P&E	9/25/2017	53,500	53,500	-	53,500	3	1,095	-	1,095	187	2,675	-	-	2,675
Computers	P&E	10/17/2017	6,500	6,500	-	6,500	3	1,095	-	1,095	165	525	-	-	525
Computers	P&E	11/10/2017	54,153	54,153	-	54,153	3	1,095	-	1,095	141	2,708	-	-	2,708
Furniture	P&E	4/18/2017	146,560	146,560	-	146,560	10	3,650	-	3,650	347	7,328	-	-	7,328
Furniture	P&E	4/24/2017	104,175	104,175	-	104,175	10	3,650	-	3,650	341	5,209	-	-	5,209
Computer Software	P&E	10/4/2017	67,047	67,047	-	67,047	3	1,095	-	1,095	178	3,352	-	-	3,352
<b>TOTAL</b>			<b>1,789,177</b>	<b>1,789,177</b>	<b>697,594</b>	<b>1,091,583</b>		<b>37,230</b>		<b>23,531</b>	<b>6,428</b>	<b>89,459</b>	<b>-</b>	<b>340,272</b>	<b>751,310</b>



## Solix Softech Private Limited

### Notes forming part of the financial statements

#### 1. Corporate Information

Solix Softech Private Limited ("the Company") was incorporated as a private limited company under the Companies Act, 1956 on 27 December 2011.

#### Significant accounting policies

##### 2.1 Basis of accounting and preparation of financial statements

The financial statements have been prepared on the basis of going concern, under historical cost convention on accrual basis and in accordance with accounting principles generally accepted in India and as per applicable accounting standards notified under Section 133 of the Companies Act, 2013.

##### 2.2 Use of Estimates

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balance of assets and liabilities on the date of financial statements, revenues and expenses during the reported period and disclosures relating to the contingent liabilities. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

##### 2.3 Fixed assets

Fixed assets are carried at cost of acquisition less accumulated depreciation. The cost of fixed assets comprises the purchase price, taxes, duties, freight (net of rebates and discounts) and any other directly attributable costs of bringing the assets to their working condition for their intended use. Borrowing costs directly attributable to acquisition of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized.

##### 2.4 Depreciation

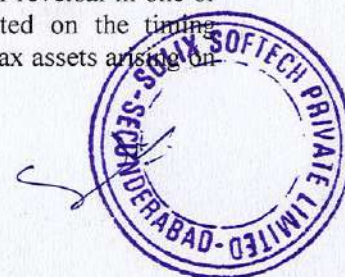
Depreciation on fixed assets are provided using the written down value method ("WDV") as per the rates and manner prescribed in Schedule XIV to the Companies Act, 1956 as in the opinion of the management these rates reflects the estimated useful life of these assets. Depreciation is calculated on a pro-rata basis from/ up to the date the assets are purchased/ sold.

##### 2.5 Employee Benefits

The company has Defined Contribution plan for the post-employment benefits namely Provident Fund which is recognized by the income tax authorities. These funds are administered through the Regional Provident Fund Commissioner and the Company's contributions thereto are charged to revenue every year. The Company's contribution to state plans namely Employee State Insurance Fund is charged to revenue every year.

##### 2.6 Taxes on Income

Current tax is determined on the amount of tax payable in respect of taxable income for the year. Deferred tax is recognized on timing differences; being the difference between taxable income and accounting income that originate in one year and are capable of reversal in one or more subsequent years. Deferred tax assets and liabilities are computed on the timing differences applying the enacted or substantially enacted tax rate. Deferred tax assets arise on



## Solix Softech Private Limited

### Note 1: Significant accounting policies (continued)

account of unabsorbed depreciation or carry forward of tax losses are recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient future tax income will be available against which such deferred tax assets can be realized.

#### 2.7 Provisions and Contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed separately in the financial statements.

#### 2.8 Earnings per Share

The earnings considered in ascertaining the company's Earnings per share (EPS) comprise the net profit / (loss) after tax. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year. The number of shares used in computing Diluted EPS comprises of weighted average shares considered for deriving Basic EPS and also the weighted average number of equity shares which could have been issued on the conversion of diluted potential equity shares where applicable. Dilutive potential equity shares are deemed to have been converted as of the beginning of the year, and unless they have been issued at a later date.

The computation of earnings per share is set out below:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
<i>Earnings (Rs.)</i>		
Profit/(loss) for the year attributable to equity share holders	903,746	1,770,873
<i>Shares</i>		
Weighted average number of equity shares outstanding during the year	10000	10000
Earnings per share of par value Rs.10 Basic	<b>90.37</b>	<b>177.08</b>



**Solix Softech Private Limited****Note 1: Significant accounting policies (continued)****2.9 Segment information**

The Company has considered business segment as the primary segment for disclosure. The Company is engaged in the construction contracts activity which is considered as the only business segment under Accounting Standard 17 "Segment Reporting" notified under section 211 (3C) of Companies Act, 1956. Hence, reporting under the requirements of the said standards does not arise.

**2.10 Related parties****Key management personnel and relatives**

- P.Subbanna Somayajulu - Director
- V.Bhanu Prakash - Director

**2.11 Managerial Remuneration**

Particulars	For the period ended 31 March 2018	For the period ended 31 March 2017
Salaries, bonus and allowances	25,61,726	23,78,400
<b>Total</b>	<b>25,61,726</b>	<b>23,78,400</b>

**2.12 Auditor's remuneration**

Particulars	For the period ended 31 March 2018	For the period ended 31 March 2017
Statutory audit fees	30,000	30,000
<b>Total</b>	<b>30,000</b>	<b>30,000</b>

**2.13 Dues to Micro and Small enterprises**

Based on the information available with the Company, they are no dues / interest outstanding to micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006, as at March 31, 2018 (As at March 31, 2017: Nil)



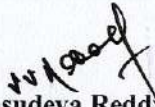
**Solix Softech Private Limited**

**Note 1: Significant accounting policies (continued)**

- 2.14 The Company has prepared these financial statements as per the format prescribed by Schedule III to the Companies Act, 2013 ('the schedule') issued by Ministry of Corporate Affairs. Previous year's figures have been recast/ restated to conform to the current year's classification.
- 2.15 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

for **Rameshwar Rao & Co.,**  
Chartered Accountants

Firm Registration No: 010887S

  
**V. Vasudeva Reddy**  
Partner

Membership No.: 209546  
Place: Hyderabad  
Date: 03/09/2018



for **Solix Softech Private Limited**

  
**P. Subbanna Somayajulu**  
Director  
DIN. 05221729

  
**V. Bhanu Prakash**  
Director  
DIN.05221738

