

U|I UNITED | INTERACTIVE

(FORMERLY NEEMTEK ORGANIC PRODUCTS LIMITED)

empower  
your business  
with value  
focused  
it solutions



**UNITED INTERACTIVE LIMITED**  
**(formerly Neemtek Organic Products Limited)**

**28th**

**ANNUAL REPORT**

**2010-2011**

**UNITED INTERACTIVE LIMITED**  
**(formerly Neemtek Organic Products Limited)**

**REGISTERED OFFICE**

No.304 Maker Chambers V,  
Nariman Point,  
Mumbai – 400 021

**BOARD OF DIRECTORS**

Mr. Ajay Shanghavi  
Mrs. Sarayu Somaiya  
Mr. Rasiklal Somaiya

**AUDITORS**

D.N.Kanabar & Co.  
Chartered Accountants  
No.404, Maker Chambers V,  
Nariman Point,  
Mumbai – 400 021

**REGISTRAR AND TRANSFER AGENTS**

Universal Capital Securities Private Limited  
(formerly Mondkar Computers Private Limited)  
21, Shakil Niwas  
Mahakali Caves Road  
Andheri (East)  
Mumbai – 400 093

**BANKERS**

HDFC Bank - Mumbai

## INDEX

Sr. No.	Particulars	Page No.
1	AGM NOTICE & DIRECTORS REPORT	1
2	AUDIT REPORT	13
3	BALANCE SHEET STAND ALONE	17
4	PROFIT AND LOSS ACCOUNT	18
5	SCHEDULES AND NOTES TO ACCOUNTS	19
6	BALANCE SHEET ABSTRACT	28
7	CONSOLIDATED AUDIT REPORT, FINANCIAL STATEMENTS & NOTES TO ACCOUNTS	29
8	STATEMENT U/S 212 OF THE COMPANIES ACT, 1956	42
9	ANNUAL REPORT OF NETESoft INDIA LIMITED	43
10	ATTENDANCE SLIP AND PROXY FORM	73

**UNITED INTERACTIVE LIMITED**  
**(formerly Neemtek Organic Products Limited)**

**AGM NOTICE**

NOTICE is hereby given that the Twenty Eighth Annual General Meeting of the members of United Interactive Limited will be held on Saturday, September 24, 2011 at Kilachand Conference Room, 2<sup>nd</sup> Floor, IMC Building, IMC Marg, Churchgate, Mumbai – 400 020 at 11.00 a.m. to transact the inter alia the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2011 and the Profit and Loss Account year ended on that date and the Report of Auditors and Directors thereon.
2. To appoint Director in place of Mr. Rasiklal Somaiya, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors and to fix their remuneration and for this purpose to consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of section 224 and other applicable provisions if any of the Companies Act, 1956, M/s D N Kanabar & Co. Chartered Accountants, (Firm Registration No.: FRN 104698W), be and are hereby appointed as the Auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting, on such remuneration to be fixed by Board of Directors.”

By Order of the Board of Directors  
For United Interactive Limited

Place: Mumbai  
Date: August 29, 2011

Sd/-  
Ajay Shanghavi  
Director

**NOTE:**

- I. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him or herself and such proxy need not be a member. Proxies in order to be effective must be received by the company not less than 48 hours before the commencement of the meeting.
- II. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- III. The Register of Members and Share Transfer Books of the Company will remain closed for Seven days from the September 19, 2011 (Monday) to the September 24, 2011 (Saturday) (both days inclusive).
- IV. All documents referred to in the accompanying Notice and the Explanatory Statement is open for inspection at the Registered Office of the Company during the office hours on all working days except Sundays between 11.00 a. m. and 1.00 p. m., up to the date of the ensuing Annual General Meeting.
- V. Members are informed that in case of joint holders attending the Meeting, only such joint holder who is higher in order of the names will be entitled to vote.
- VI. Members are requested:
  - a to notify any change in their addresses to their Depository Participants (DPs) in respect of their electronic share accounts quoting Client ID no. and DP ID to the Universal Capital Securities Private Limited (Formerly, Mondkar Computers Pvt. Ltd.) – Registrar and Transfer Agent (RTA) or to the Company in respect of their physical shares quoting their folio numbers;
  - b to write to RTA to enable them to consolidate their holdings in one folio, who are not opting for depository and are holding Shares in identical order of names in more than one folio;
  - c to write to the Company at an early date so as to enable the Management to keep information ready, who are desiring any information as regard to accounts,.
  - d to bring their Client ID and DP ID numbers for easy identification of attendance at the Meeting, who hold Shares in dematerialized form;
- VII. In terms of Section 109A of the Companies Act, 1956, the Share holder(s) of the Company may nominate a person on whom the Shares held by him/them shall vest in the event of his/their death. Share(s) desirous of availing this facility may submit nomination in Form 2B.
- VIII. Members/Proxies are advised to bring their copy of the Annual Report and Attendance Slip while attending the meeting.
- IX. Members seeking any information with regard to accounts are required to write to the Company at the earliest so that the same could be kept ready.

**ADDITIONAL INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT**

As required under the Listing agreement, the particulars of Director who are proposed to be appointed / re-appointed are given below:

<b>Name</b>	<b>Shri Rasiklal Somaiya</b>
Date of Birth	November 07, 1934
Date of Appointment / Period	January 18, 2010
Expertise in specific functional area	Law, Taxation, Administration, Finance, Corporate planning and Capital markets
Qualifications	M. Com, LLB, DSM, ACS
Listed / Unlisted Companies in which outside Directorship held as on 31 <sup>st</sup> March 2011	1. Netesoft India Limited 2. Ganesh Keshav Securities Pvt. Ltd 3. Span Capital Services Pvt. Ltd 4. India Technology Investments Pvt. Ltd 5. Soft Circuit.Com (India) Pvt. Ltd 6. Toral Farms Pvt. Ltd 7. India Internet Investments Pvt. Ltd
Chairman / Member of the Committees of the Board of the other Companies on which he is a Director as on 31 <sup>st</sup> March 2011	Nil

**UNITED INTERACTIVE LIMITED**  
**(formerly Neemtek Organic Products Limited)**  
Regd. Office, 304, Maker Chambers V, Nariman Point, Mumbai – 400 021

**DIRECTORS' REPORT**

To,  
**The Members,**

Your Board of Directors have pleasure in presenting the **28<sup>th</sup> ANNUAL REPORT AND AUDITED ACCOUNTS** of the Company for the year ended on 31<sup>st</sup> March 2011.

**FINANCIAL HIGHLIGHTS: Standalone Basis (₹ in Lacs)**

	<b>2010-11</b>	<b>2009-10</b>
<b>Total Income</b>	<b>11.89</b>	<b>81.88</b>
<b>Total Expenditure</b>	<b>6.48</b>	<b>117.34</b>
<b>Profit Before Tax</b>	<b>5.41</b>	<b>(35.46)</b>
<b>Exceptional Item (Loss on Sale of Asset)</b>	<b>Nil</b>	<b>(43.73)</b>
<b>Profit Before Tax after Exception Item</b>	<b>5.41</b>	<b>(79.19)</b>

**REVIEW OF OPERATIONS**

During the current year, your Company has not undertaken any major operations, but consolidated its position through acquisition of 51% controlling stake in Netesoft India Limited (Details about the Netesoft is given below). For the financial year ended 2011, your Company has booked Total Income of ₹ 11.89 Lacs and PAT of ₹ 5.41 Lacs.

**DIVIDEND**

In view of the lesser profits, your Directors do not recommend payment of Dividend for the current financial year.

**SUBSIDIARY COMPANY**

About Netesoft India Limited:

**Netesoft India Limited** is a creative graphic design studio offering passionate and creative visual presentation metaphors using a blend of strategy, design and technology perspectives for the design of logos, corporate stationery, corporate brochures, marketing and promotional literature and a wide range of custom print and web graphics.

Netesoft serves a broad and diversified global client base in a variety of segments, including capital and financial services, professional services, advertising, entertainment, media, health and medicine, government, internet, sports, travel, aerospace, corporates, manufacturers, software, technology, institutes, real estate, communities, etc.

As at March 31, 2011, Netesoft India Limited has a total paid up capital of Rs. 15,321,000/- divided into 15,32,100 fully paid up equity shares of Rs.10/- each.

Netesoft operates from its office situated at 401/402/405/406 Bldg-2, Sector-1, 309/310/315/316 Bldg.-1, Sector – 2, Millennium Business Park, Mahape, Navi Mumbai – 400 710. Netesoft has more than hundred dedicated and experienced employees.

Annual Report of Netesoft India Limited is annexed to this Annual Report.



## **DIRECTORS**

Shri. Rasiklal Somaiya, Director of the company retires by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment.

## **LISTING**

The Equity Shares of the Company are listed only with Bombay Stock Exchange Limited ('BSE'). We confirm that, your Company has paid the listing fees for the financial year 2011-2012.

## **TICKER CODE ON THE BSE**

Your Company name has been changed to United Interactive Limited, but as per the BSE Website, the name still appears as NEEMTEK ORGANIC PRODUCTS LIMITED and ticker code is NEEMTEK. Till last financial year, your Company was not able to comply with the criteria set by the BSE for change of name as per their records.

However, as at financial year ended March 31, 2011, your Company has complied with the said criteria and will apply for change of name with BSE post ensuing Annual General Meeting.

## **ENTITIES FORMING PART OF GROUP AS PER THE MRTP ACT, 1969**

As per the definition of Group, as provided in the MRTP Act, 1969, following entities constitute Group for the purpose of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

1. Netesoft India Limited
2. Ganesh Keshav Securities Pvt. Ltd.
3. Span Capital Services Pvt. Ltd.
4. India Technology Investments Pvt. Ltd.
5. Soft Circuit.Com (India) Pvt. Ltd.
6. India Internet Investments Pvt. Ltd.
7. India Market Watch Pvt. Ltd.
8. Toral Farms Pvt. Ltd.
9. Smt. Sarayu Somaiya
10. Shri Rasiklal Somaiya

## **DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors, based on the representations received from the operating management, confirm that: -

- I. in the preparation of the annual accounts for the Financial Year ended 31<sup>st</sup> March 2011, the applicable accounting standards had been followed along with the proper explanation relating to material departures, if any;
- II. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit & Loss of the Company for the year ended under review;
- III. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing & detecting fraud and other irregularities; and
- IV. The Directors have prepared the Annual accounts on a going concern basis.

## **CORPORATE GOVERNANCE**

Clause 49 of the Listing Agreement does not apply to the Company in terms of provisions of circular no. SEBI/CFD/DIL/2004/12/10 dated October 29, 2004.

**AUDITORS**

The Company's Auditors, M/s. D N Kanabar & Co., Chartered Accountants, Mumbai retire as Statutory Auditors of your Company at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. They have intimated their willingness to accept reappointment and have further furnished necessary Certificate in terms of Section 224 (1B) of the Companies Act, 1956. Board of Directors recommend their appointment as Statutory Auditors of the Company.

**CONSOLIDATED FINANCIAL STATEMENTS**

The Audited Consolidated Financial Statements based on the Financial Statements received from subsidiary company, as approved by their Board of Directors, have been prepared in accordance with the Accounting Standard (AS-21) on Consolidated Financial Statement notified under Section 211(3C) of the Companies Act, 1956 read with the Companies (Accounting Standards) Rules, 2006, as applicable.

**SECRETARIAL COMPLIANCE CERTIFICATE**

The Compliance Certificate obtained from a Practising Company Secretary in whole time practise in accordance with the provisions of section 383A of the Companies Act, 1956 and the rules made there under is annexed to this Directors Report.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The Information in accordance with the provisions of Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption is given in the Annexure forming part of this Report. As regards the information in respect of foreign exchange earnings and outgo, the same has been given in the Notes forming part of the accounts for the period ended 31<sup>st</sup> March 2011.

**PARTICULARS OF THE EMPLOYEES:**

During the year, no employee of the Company was in receipt of remuneration exceeding the sum prescribed under Section 217 (2A) of the Companies Act, 1956. Hence, furnishing of particulars under the Companies (Particulars of employees) Rules, 1975 does not arise.

**ACKNOWLEDGEMENTS:**

The Board of Directors wishes to thank the Central Government, State Government, Bombay Stock Exchange Limited for their cooperation in various spheres of your Company's functions. The Board of Directors express its gratitude for the cooperation extended by the Bankers i.e. HDFC Bank for their support.

Your Directors thanks all its shareholders, clients and investors for their support during the year and looks forward to their continued support in the years to come.

By Order of the Board of Directors  
For United Interactive Limited

Place: Mumbai  
Date: August 29, 2011

Sd/-                      Sd/-  
Sarayu Somaiya      Rasik Somaiya  
Director                      Director

**ANNEXURE TO DIRECTORS REPORT**

**Annexure I forming part of Directors Report**

**PARTICULARS IN ACCORDANCE WITH THE PROVISIONS OF SECTION 217 (1) (E) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.**

**A) Conservation of Energy:**

Nil

**RESEARCH AND DEVELOPMENT**

Nil

**B) Technology absorption:**

Nil

**C) Foreign Exchange Earnings and Outgo:**

Nil

By Order of the Board of Directors  
For United Interactive Limited

Place: Mumbai  
Date: August 29, 2011

Sd/-                      Sd/-  
Sarayu Somaiya      Rasik Somaiya  
Director                      Director

**SECRETARIAL COMPLIANCE CERTIFICATE FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2011 IN RESPECT OF UNITED INTERACTIVE LIMITED**

Registration No of the Company: L72900MH1983PLC030920

Authorised Share Capital: Rs. 3,00,00,000/-

Paid up Share Capital: Rs. 1,83,10,000/-

To,

The Members

**UNITED INTERACTIVE LIMITED**

*formerly Neemtek Organic Products Limited*

No.304, Maker Chambers V, Nariman Point,

Mumbai 400 021

Dear Sirs,

We have examined the registers, records, books, and papers of **UNITED INTERACTIVE LIMITED**, (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31<sup>st</sup> March 2011. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

The Company has kept and maintained all registers as stated in “**Annexure A**” to this certificate, as per the provisions of the Act and the rules made thereunder and all the entries therein have been duly recorded.

1. The Company has duly filed the form or return as stated in “**Annexure B**” subject to our comments with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities during the financial year.
2. The Company, being a Public Limited Company, comments are not required.
3. The Board of Directors duly met 8 (Eight) times during the financial year on **May 15, 2010, May 28, 2010, August 12, 2010, August 14, 2010, August 25, 2010, November 15, 2010, February 12, 2011, March 31, 2011** in respect of which meetings proper notices were given and the proceedings were properly recorded and signed. No Resolution was passed by circulation during the financial year.
4. The Company closed its Register of Members from September 17, 2010 to September 23, 2010 and necessary compliance of Section 154 of the Act has been made.
5. The Annual General Meeting for the financial year ended on **31<sup>st</sup> March 2010** was held on **23<sup>rd</sup> September 2010** after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
6. No Extra-ordinary General Meeting (EOGM) was conducted during the year under review.

7. The Company has not advanced any loan to its Directors and/or persons or firms or Companies referred in the Section 295 of the Act during the financial year.
8. The Company was not required to comply with the provisions of section 297 of the Act.
9. The Company has made necessary entries in the register maintained under Section 301 of the Act.
10. As informed to us by the Company, there were no there were no instances falling within the purview of section 314 of the Act.
11. The Company has not issued any duplicate share certificate during the financial year under scrutiny.
12. The Company:
  - i. there are instances of physical transfer of securities. Further, on the basis of explanations given to us, Company has delivered all certificates on lodgement thereof for transfer / transmission of securities during the financial year.
  - ii. has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
  - iii. was not required to post any warrants to any members of the Company during the financial year as no dividend was declared.
  - iv. was not required to transfer any amount to Investor Education and Protection Fund.
  - v. has duly complied with the requirements of section 217 of the Act.
13. The Board of Directors of the Company is duly constituted and no appointment of directors, additional directors, alternate directors and directors to fill casual vacancy was made during the financial year.
14. The Company has not appointed any Managing Director/ Whole-Time Director/ Manager during the financial year under review.
15. The Company has not appointed any sole selling agent during the financial year.
16. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
17. The Company has not issued shares, debentures or other securities during the financial year.
18. The Company has not bought back any shares during the financial year.
19. The Company has not redeemed any Preference shares/Debentures during the financial year under review.

- 20 There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
- 21 On the basis of information and explanations given to me, the Company has not invited /accepted any deposits including any unsecured loans falling within the purview of section 58A and 58AA read with Companies (Acceptance of Deposit) Rules, 1975 / applicable directions issued by the Reserve Bank of India / any other authority during the financial year.
- 22 The amounts borrowed by the Company from Directors, Members, Banks and others during the financial year March 31, 2011 are within the borrowing limited as prescribed by provisions of section 293(1) (d) of the Act.
- 23 The Company has not made loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
- 24 The Company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one State to another during the financial year under scrutiny.
- 25 The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the financial year under scrutiny.
- 26 The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
- 27 The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the financial year under scrutiny.
- 28 The Company has not altered its Articles of Association during the financial year under review.
- 29 There was/were no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year, for offences under the Act.
- 30 The Company has not received any money as security from its employees during the financial year.
- 31 As informed, Company has deposited both Employees and Employers contribution to the Employees Provident Fund with the prescribed authorities pursuant to section 418 of the Act.

For Ramesh Chandra Bagdi & Associates  
Company Secretaries

Sd/-  
R C Bagdi (Proprietor)  
CP: 2871

Place: Indore  
Date: August 29, 2011

## **Annexure A**

### **Registers as maintained by the Company**

#### Statutory Registers

1. Register of Members u/s.150
2. Register of Directors, Managing Director, Manager and Secretary u/s.303
3. Register of Directors Shareholdings u/s.307
4. Register of Disclosures u/s.301 (3)
5. Register of Particulars of Contracts in which Directors are interested u/s.301
6. Minutes Books of all the Board Meetings and General Meetings u/s. 193

#### Other Registers

1. Register of Transfers

Notes: The Register of Members and Register of Share Transfers are maintained in electronic form by the Registrars and Share Transfer Agents of the Company, being M/s Universal Capital Securities Private Limited, Mumbai.

### Annexure B

Forms and returns as filed by the Company with the Registrar of Companies, Regional Directors, Central Government or other authorities during the financial year ending March 31, 2011 (as per the copies of returns made available by the Company).

Forms and Returns filed with Registrar of Companies.

Sr. No.	Form No/Return	Filed U/s	Date of Event	Date of Filing	Whether filed within prescribed time Yes/ No.	Receipt No.	Delay in filing whether requisite additional fees paid Yes/ No/
1.	Form 23AC & 23ACA	220	23-09-2010	14-10-2010	Yes	P54631437	NA
2.	Form 20B	159	23-09-2010	26-03-2011	No	P66694233	Yes
3.	Form 66	383A	23-09-2010	13-10-2010	Yes	P54480926	NA

Regional Directors – Nil

Central Government – Nil



## AUDITORS' REPORT

TO THE MEMBERS OF UNITED INTERACTIVE LIMITED  
(FORMERLY NEEMTEK ORGANIC PRODUCTS LIMITED)

- 1) We have audited the attached Balance Sheet of UNITED INTERACTIVE LIMITED as at 31<sup>st</sup> March, 2011 and also the Profit & Loss Account and the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Management. Our responsibility is to express opinion on these financial statements based on our audit.
- 2) We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3) As required by the Companies (Auditor's Report) Order, 2003 (as amended by 2004) issued by the Company Law Board under Section 227(4A) of the Companies Act, 1956 and on the basis of such checks as considered appropriate, as per information and explanations furnished to us and the books and records examined by us in the normal course of audit, we enclose in the annexure our report on the matters specified in paragraphs 4 and 5 of the said order.
- 4) Further to our comments in the Annexure referred to in paragraph (1) above.
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion, proper books of accounts 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 and Profit and Loss Account referred to in this report are in agreement with the books of account.
  - d) In our opinion the Profit & Loss Account, Balance Sheet and Cash Flow Statement comply with the accounting standards referred to in Section 211 (3C) of the Companies Act, 1956
  - e) On the basis of written representations received from the directors as on 31.03.2011, and taken on the record by the Board of Directors, We report that none of the Directors of the Company is disqualified as on 31.03.2011 from being appointed as a Director u/s 274 (1) (g) of the Companies Act, 1956.

- f) In our opinion and to the best of our knowledge and according to information and explanation given to us, the said accounts read with Significant Accounting Policies and Notes to the Accounts, give information required by the Companies Act, 1956 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 Balance Sheet, of the state of the affairs of the Company as at 31<sup>st</sup> March, 2011, and
  - b) In the case of the Profit & Loss Account, of the Profit for the year ended on that date, and
  - c) In case of the Cash Flow statement, of the cash flows for the year ended on that date.

For D. N. Kanabar & Co.  
Chartered Accountants  
(FRN 104698W)

Sd/-  
Deepak Kanabar  
Proprietor  
M. No. 041157

Date : August 29, 2011  
Place : Mumbai

**ANNEXURE TO THE AUDITORS' REPORT**  
(Referred to in Paragraph (3) of our report of even date)

- (i) As per information and explanation given to us the company does not have any fixed Assets and hence, this clause is not applicable to the company.
- (ii) As per the information and explanation given to us the company does not have any inventory hence, this clause is not applicable to the company.
- (iii) (a) In our opinion and according to the information and explanation given to us, the company has not granted any loan, secured or unsecured, to Companies, Firms and other parties covered in the register maintained under Section 301 of the Companies Act, 1956.  
  
(b) In our opinion and according to the information and explanation given to us, the company has taken unsecured loan from director covered in the register maintained under Section 301 of the Companies Act, 1956. Further the amount involved during the year is Rs.31,36,702.  
  
(c) According to the information and explanation given to us the rate of interest and other term of condition of loan taken by company, are prima facie not prejudicial to the interest of the company; and  
  
(d) According to the information and explanation given to us, there is no stipulation on periodical payment of interest. However, the company has made provision of interest payable as at the year end and it has not been paid, further the loan taken is payable on demand, hence, there is no default in repayment of principle amount.
- (iv) In our opinion and according to information and explanation given to us, internal control procedures are commensurate with the size of the company and the nature of its business.
- (v) (a) In our opinion and according to explanation given to us, particular of contract referred to in section 301 of the Act have been entered in the register required to be maintained under that section; and  
  
(b) According to the information and explanation given to us, the transactions are prima facie reasonable to the company.
- (vi) As the Company has not accepted any deposit from public within the meaning of the provisions of section 58A and 58AA of the Companies Act, 1956 and rules made there under, provisions of clause 4(vi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (vii) In our opinion, the company has an adequate internal audit system commensurate with the size and the nature of the Company's business.
- (viii) In our opinion and according to information and explanation given, maintenance of cost records has not been prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956.
- (ix) According to information and explanations given to us and the records examined by us, the Company has been generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Excise Duty and Cess during the year with appropriate authorities.

- (x) In our opinion and according to information and explanation given, the Company has accumulated losses exceeding fifty percent of its networth at the end of the year. The Company has not incurred cash losses during the financial year. However, the company had incurred cash loss of Rs. 75,16,719 in the immediate preceding financial year.
- (xi) In our opinion and according to information and explanation given to us the company has not defaulted in repayment of dues to Financial Institutions and banks.
- (xii) According to information and explanation given to us, the Company has not granted any loans and / or advances on basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xiv) In our opinion and according to information and explanation given to us, the company is not dealing or trading in shares, securities, debentures, and other investments. However, the company has made investment in its subsidiary company. The company has maintained proper records of transaction and contract and timely entry have been made therein. Also shares have been held by the company in its own name.
- (xv) According to information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) In our opinion, and according to information and explanation given to us the company has not availed any term loan, Therefore, the provisions of clause 4(xvi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xvii) According to information and explanations given to us, and on an overall examination of the balance sheet of the company, we report that no funds raised on short term basis have been used for long term investment. No long term funds have been used to finance short term assets.
- (xviii) According to information and explanations given to us, the company has not made any preferential allotment of shares during the year. Therefore, the provisions of clause 4(xviii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xix) According to information and explanation given to us the company has not issued any debentures. Therefore, the provisions of clause 4(xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xx) The Company has not raised any money by public issues during the year covered by our report. Therefore, the provisions of clause 4(xx) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xxi) As per the information and explanation given to us, no fraud on or by the company has been noticed or reported during the year.

For D.N. Kanabar & Co.  
Chartered Accountants  
(FRN 104698W)

Sd/-  
Deepak Kanabar  
Proprietor  
M. No. 041157

Date : August 29, 2011  
Place : Mumbai

**UNITED INTERACTIVE LIMITED (FORMERLY NEEMTEK ORGANIC PRODUCTS LIMITED)**

**Balance Sheet as at 31st March 2011**

	Sch. No.	31-Mar-11 ₹	31-Mar-10 ₹
<b>I) SOURCES OF FUNDS</b>			
<b>Shareholders Funds</b>			
a) Share Capital	1	18,310,000	18,310,000
b) Reserves & Surplus	2	2,734,401	2,734,401
<b>Loan Funds</b>			
a) Unsecured Loans	3	3,136,702	-
		<b>24,181,103</b>	<b>21,044,401</b>
<b>II) APPLICATION OF FUNDS</b>			
Investments	4	7,814,000	-
<b>Current Assets, Loans &amp; Advances</b>			
a) Cash and Bank Balances	5	1,207,227	3,289,379
b) Loans & Advances	6	162,539	2,462,539
		<u>1,369,766</u>	<u>5,751,918</u>
<b>Less:</b>			
<b>Current Liabilities</b>			
a) Liabilities	7	132,594	377,861
		<u>132,594</u>	<u>377,861</u>
<b>Net Current Assets</b>		1,237,172	5,374,057
Profit & Loss Account (Dr.)		15,129,931	15,670,344
		<b>24,181,103</b>	<b>21,044,401</b>

**Significant Accounting Policies & Notes to Accounts 14**

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

As per our Report of Even Date

For D N Kanabar & Co.  
Chartered Accountants  
(FRN 104698W)

For and on behalf of the Board  
United Interactive Limited

Sd/-  
Deepak Kanabar  
Proprietor  
Mem No.041157  
Place: Mumbai  
Date: August 29, 2011

Sd/-  
Sarayu Somaiya  
Director

Sd/-  
Rasik Somaiya  
Director

**UNITED INTERACTIVE LIMITED (FORMERLY NEEMTEK ORGANIC PRODUCTS LIMITED)****Trading, Profit & Loss Account for the year ended March 31, 2011**

	Sch. No.	31-Mar-11 ₹	31-Mar-10 ₹
<b>INCOME</b>			
Sales		-	9,967,600
Other Income	8	1,188,898	-
Increase/(Decrease) in stock	9	-	(1,779,092)
		<b>1,188,898</b>	<b>8,188,508</b>
<b>EXPENDITURE</b>			
Direct Expenses	10	-	5,872,739
Employees' Remuneration & Benefits	11	92,336	922,813
Operative & Administrative Expenses	12	403,738	3,886,749
		<b>496,074</b>	<b>10,682,301</b>
<b>PROFIT &amp; (LOSS) BEFORE INTEREST, DEPRECIATION AND TAXATION</b>		<b>692,824</b>	<b>(2,493,793)</b>
Interest & Finance Expenses	13	152,411	811,926
<b>PROFIT &amp; (LOSS) BEFORE DEPRECIATION AND TAXATION</b>		<b>540,413</b>	<b>(3,305,719)</b>
Depreciation		-	240,000
<b>PROFIT &amp; (LOSS) FOR THE YEAR BEFORE ORDINARY ITEMS</b>		<b>540,413</b>	<b>(3,545,719)</b>
Loss on sale of Assets		-	4,373,763
<b>PROFIT &amp; (LOSS) BEFORE TAX</b>		<b>540,413</b>	<b>(7,919,482)</b>
Add/(Less) : Prior Period Expenses		-	95,793
		<b>540,413</b>	<b>(7,823,689)</b>
Taxes of earlier years		-	66,970
<b>PROFIT &amp; (LOSS) AFTER TAX</b>		<b>540,413</b>	<b>(7,756,719)</b>
Add/(Less) : Excess/(Deficit) brought forward from previous year		(15,670,344)	(7,913,625)
Balance carried to Balance Sheet		<b>(15,129,931)</b>	<b>(15,670,344)</b>
<b>Nominal Value of Equity Shares</b>		<b>10.00</b>	<b>10.00</b>
<b>Basic &amp; Diluted Earning Per Share</b>		<b>0.30</b>	<b>(4.24)</b>

Significant Accounting Policies & Notes to Accounts 14

The Schedules referred to above form an integral part of the Profit & Loss Account

As per our Report of Even Date

For D N Kanabar & Co.  
Chartered Accountants  
(FRN 104698W)

Sd/-  
Deepak Kanabar  
Proprietor  
Mem No.041157  
Place: Mumbai  
Date: August 29, 2011

For and on behalf of the Board  
United Interactive Limited

Sd/-  
Sarayu Somaiya  
Director

Sd/-  
Rasik Somaiya  
Director

**UNITED INTERACTIVE LIMITED (FORMERLY NEEMTEK ORGANIC PRODUCTS LTD)**

Schedules annexed to and forming part of the Balance Sheet as at March 31, 2011

	31-Mar-11	31-Mar-10
	₹	₹

**SCHEDULE 1 - SHARE CAPITAL****AUTHORISED CAPITAL**

50,000 4% Cumulative Redeemable Non convertible Preference Shares of Rs.100/- each	5,000,000	5,000,000
25,00,000 Equity shares of Rs. 10/- each	<u>25,000,000</u>	<u>25,000,000</u>

**ISSUED, SUBSCRIBED & PAID UP**

18,31,000 Equity Shares of Rs.10/- each } Fully Paid up.	18,310,000	18,310,000
---	------------	------------

	<u>18,310,000</u>	<u>18,310,000</u>
--	-------------------	-------------------

**SCHEDULE 2 - RESERVES & SURPLUS**

Security Premium	2,320,000	2,320,000
General Reserve	414,401	414,401
	<u>2,734,401</u>	<u>2,734,401</u>

**SCHEDULE 3 - UNSECURED LOAN**

Sarayu Somaiya (Director)	3,136,702	-
	<u>3,136,702</u>	<u>-</u>

**SCHEDULE 4 - INVESTMENTS****Unquoted:**

Netesoft India Limited (7,81,400 shares)	7,814,000	-
	<u>7,814,000</u>	<u>-</u>

**SCHEDULE 5 - CASH AND BANK BALANCES**

Cash in Hand	14,550	5,921
Balance with Bank		
In Current Account	1,189,708	3,280,655
In Fixed Deposits	2,969	2,803
	<u>1,207,227</u>	<u>3,289,379</u>

**SCHEDULE 6 - LOANS & ADVANCES****(Unsecured, but Considered Good)**

Sundry Advances		
Advances recoverable in cash or kind or for value to be received	14,539	2,314,539
Sundry Deposits	148,000	148,000
	<u>162,539</u>	<u>2,462,539</u>

**SCHEDULE 7 - CURRENT LIABILITIES****SUNDRY CREDITORS**

For Expenses	114,920	156,271
For Others	17,674	221,590
	<u>132,594</u>	<u>377,861</u>

**UNITED INTERACTIVE LIMITED (FORMERLY NEEMTEK ORGANIC PRODUCTS LTD)**

Schedules annexed to and forming part of Profit and Loss Account for the year ended March 31, 2011

	31-Mar-11 ₹	31-Mar-10 ₹
<b><u>SCHEDULE 8 - OTHER INCOME</u></b>		
Interest on FD	166	-
Dividend	1,172,100	-
Sundry Balances W/off	16,632	-
	<b><u>1,188,898</u></b>	<b><u>-</u></b>
<b><u>SCHEDULE 9 - INCREASE/(DECREASE) IN STOCK</u></b>		
Opening Stock	-	1,779,092
Closing Stock	-	-
	<b><u>-</u></b>	<b><u>(1,779,092)</u></b>
<b><u>SCHEDULE 10 - DIRECT EXPENSES</u></b>		
Purchases	-	5,835,208
Power & Fuel	-	8,699
Freight Charges	-	14,165
Insurance - Factory	-	13,800
Stores & Spares	-	867
	<b><u>-</u></b>	<b><u>5,872,739</u></b>
<b><u>SCHEDULE 11 - PAYMENT TO AND PROVISION FOR EMPLOYEES'</u></b>		
Salaries, Bonus and Ex-Gratia	83,000	843,421
Employees welfare fund contribution	8,172	60,170
Staff Welfare Expenses	1,164	19,222
	<b><u>92,336</u></b>	<b><u>922,813</u></b>
<b><u>SCHEDULE 12 - OPERATIVE &amp; ADMINISTRATIVE EXPENSES</u></b>		
Communication Expenses	6,186	55,791
Rent	-	79,800
Repairs & Maintenance	-	65,675
Travelling & Conveyance	24,947	143,784
Legal & Professiona Charges	30,000	220,500
Auditors Remuneration	176,480	137,875
Trial Run Expenses W/off	-	118,392
Capital work in progress w/off	-	2,751,600
Miscellaneous Expenses	166,125	313,333
	<b><u>403,738</u></b>	<b><u>3,886,749</u></b>
<b><u>SCHEDULE 13 - INTEREST AND FINANCE COST</u></b>		
Interest on Loan	151,891	491,406
Interest on OD	-	301,769
Interest (Others)	520	18,751
	<b><u>152,411</u></b>	<b><u>811,926</u></b>



**UNITED INTERACTIVE LIMITED (FORMERLY NEEMTEK ORGANIC PRODUCTS LIMITED)**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2011**

	31.03.2011 ₹	31.03.2010 ₹
<b><u>CASH FLOW FROM OPERATING ACTIVITIES</u></b>		
<b>Profit / (Loss) Before Tax</b>	<b>540,413</b>	<b>(7,919,482)</b>
<b>Adjustments for</b>		
Interest Expenses	151,891	811,926
Depreciation	-	240,000
Capital Work in Progress W/off	-	2,751,600
Prior Period Expenses	-	95,793
Interest Income	(166)	-
Dividend Income	(1,172,100)	-
<b>Operating Profit before Working Capital Changes</b>	<b>(479,962)</b>	<b>(4,020,163)</b>
(Increase) / Decrease in Debtors	-	16,638,733
(Increase) / Decrease in Stock	-	1,779,092
(Increase) / Decrease in Other current assets	-	34,273
(Increase) / Decrease in loans & advances	2,300,000	3,200,387
Increase / (Decrease) in Current Liabilities	(245,267)	(5,463,920)
Increase / (Decrease) in Provisions	-	(201,150)
<b>Net Cash from Operating Activities (A)</b>	<b>1,574,771</b>	<b>11,967,252</b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
Sale of Fixed Assets	-	2,765,753
Purchase of Investment in shares	(7,814,000)	-
Interest Income	166	-
Dividend Income	1,172,100	-
<b>Net Cash used in Investing Activities (B)</b>	<b>(6,641,734)</b>	<b>2,765,753</b>
<b><u>CASH FLOW FROM FINANCING ACTIVITIES</u></b>		
Repayment of Secured loans	-	(3,504,240)
Repayment of Unsecured loans	-	(7,130,000)
Unsecured loans received	3,136,702	-
Advance	-	(26,000)
Interest Expenses	(151,891)	(811,926)
<b>Net cash used in Financing Activities (C)</b>	<b>2,984,811</b>	<b>(11,472,166)</b>
<b>Net Increase/ (Decrease) in Cash &amp; Cash Equivalents during the year (A+B+C)</b>	<b>(2,082,152)</b>	<b>3,260,839</b>
Cash & Cash Equivalent at the beginning of the year.	3,289,379	28,540
<b>Cash &amp; Cash Equivalent at the end of the year</b>	<b>1,207,227</b>	<b>3,289,379</b>

As per our Report of Even Date

For D N Kanabar & Co.  
Chartered Accountants  
(FRN 104698W)

Sd/-  
Deepak Kanabar  
Proprietor  
Mem No.041157  
Place: Mumbai  
Date: August 29, 2011

For and on behalf of the Board  
United Interactive Limited

Sd/-  
Sarayu Somaiya  
Director

Sd/-  
Rasik Somaiya  
Director

**UNITED INTERACTIVE LIMITED**  
**(formerly Neemtek Organic Products Limited)**

Schedules attached to and forming part of the financial statements for the year ended March 31, 2011

**Schedule 14: Significant Accounting Policies and Notes to Accounts**

**A) Significant Accounting Policies:-**

**1. Background of the Company:**

United Interactive Limited (formerly Neemtek Organic Products Limited) ('the Company'), a public limited company, was engaged in the manufacturing of high quality Neem products. The Company exited the neem business and is presently involved in the Information Technology and Information Technology enabled Services, however, there is no transaction during the year for the same. Further United Interactive Limited acquired 51% stake in Netesoft India Limited during the year, as the Netesoft India Limited is in the same line of business since year 2000.

**2. Going concern:**

The accumulated losses of the Company as at 31st March, 2011 have exceeded 50% of the net worth of the Company as at year end.

Further, the company has carried out investment activity during year and has earned dividend on such investment

On the basis of the above, the management is confident that the Company will be able to generate sufficient cash flows in order to meet its obligation as and when they fall due for payment in foreseeable future.

Accordingly, these financial statements have been prepared on Going Concern Basis.

**3. Statement of significant accounting policies:**

**3.1 Accounting Concepts:**

The financial statements are prepared and presented in accordance with Generally Accepted Accounting Principles (GAAP) in India and comply in all material aspects with the Accounting Standards (AS) notified under the Companies (Accounting Standard) Rules, 2006 (as amended), other pronouncement of the Institute of Chartered Accountant of India, the relevant provisions of the Companies Act, 1956, and guidelines issued by Securities and Exchange Board of India.

**3.2 Use of estimates:**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known / materialized.

**3.3 Fixed assets:**

Fixed Assets are stated at cost, less accumulated depreciation/amortization. Cost includes taxes, duties, freight and other incidental expenses related to acquisition.

**3.4 Borrowing Cost:**

Interest and other costs in connection with the borrowing of the funds to the extent related/attributed to the acquisition/construction of qualifying fixed asset are capitalized up to the date when such fixed assets are ready for the intended use and all other borrowing costs are charged to profit and loss account.

**UNITED INTERACTIVE LIMITED**  
**(formerly Neemtek Organic Products Limited)**

Schedules attached to and forming part of the financial statements for the year ended March 31, 2011

**3.5 Depreciation / amortization:**

The company has provided depreciation on WDV basis as per the Schedule XIV of the Companies Act, 1956. Depreciation in respect of assets acquired during the year has been provided on pro-rata basis, according to the period each asset is put to use during the year.

**3.6 Investments:**

Long Term Investments are stated at cost. Provision for diminution in the value of long term investment is made only if; such a decline in the opinion of the management is other than temporary.

**3.7 Impairment:**

Carrying amount of assets is reviewed at the Balance Sheet date if there is indication of impairment based on the internal and external factors.

The assets are treated as impaired when the carrying amount of asset exceeds its recoverable amount. An impairment loss, if any, is charged to the Profit and Loss Account in the year in which the assets is identified as impaired. Reversal of impairment loss recognized in prior years is recorded when there is an indication that impairment loss recognized for the assets no longer exists or has decreased.

**3.8 Inventories:**

Inventories are valued at lower of cost and net realizable value. Cost of inventories comprises all costs of purchase, cost of conversion and cost incurred in bringing inventories to its present location and condition. The company does not have inventories at the end of the year.

**3.9 Revenue recognition:**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Dividend income is accounted on receipt basis and other income on accrual basis.

**3.10 Tax expense:**

Tax expense comprises of current, deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act.

Deferred taxes provision has not been recognized, as there is no virtual certainty that there would be future taxable profits to realize the assets. The same shall be recognized as and when the situation justifies.

**3.11 Earnings per share:**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted proportionately from the events of share split.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**UNITED INTERACTIVE LIMITED**  
**(formerly Neemtek Organic Products Limited)**

Schedules attached to and forming part of the financial statements for the year ended March 31, 2011

**3.12 Provisions:**

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions 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.

**3.13 Cash and Cash equivalents:**

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand.

**B) Notes to Accounts:-**

1 Accounting policies not specifically referred are consistent with earlier years and in consonance with generally accepted accounting principles.

**2 Retirement and Other Employee Benefits:**

Contribution to the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and the Employees Pension Scheme, 1995 are made at a predetermined rate.

The Company at present does not have any other retirement benefit scheme for its employees.

**3 Taxation:**

Since the company does not have any taxable income during the year, no tax provision is required to be made. Further, no provision is made for Minimum Alternate Tax for the year ended March 31, 2011, in lieu of Explanation (vii) to sub-section (2) section 115JB of the Income Tax Act, 1961.

In view of the accumulated losses and discontinuation of operations, neither Deferred Tax Assets on carry forward loss and unabsorbed depreciation has been recognized, nor any deferred tax liability, as there is no virtual certainty that there would be future taxable profits to realize the above assets.

**4. Contingent liabilities not provided for:**

The claims against the Company comprises of:

The Company had transferred its manufacturing unit situated at Vellore in previous year and had not charged applicable VAT on transfer of inventory. The monetary effect thereof is unascertainable. Further, it had also transferred VAT liability amounting to ₹ 2,86,442. However, in case the transferee fails to meet this obligation, the Company shall be liable to pay the same to the Department of Sales Tax.

**5 Dues to Micro, Small and Medium enterprises:**

The Company doesn't have any transaction with the Micro, Small and Medium Enterprises, hence, disclosure requirements in this regard as per Schedule VI of the Companies Act, 1956 is not applicable.

**UNITED INTERACTIVE LIMITED**  
**(formerly Neemtek Organic Products Limited)**

Schedules attached to and forming part of the financial statements for the year ended March 31, 2011

**6 Segment Information:**

The Company does not have reportable Segments. Therefore, compliance to the AS-17 segment Reporting does not arise.

**7 Related Parties:**

Related Parties with whom transaction has taken place during the year:

Key Management Personnel:

Sarayu Somaiya, Director

Nature of Transaction	Volume of Transaction (Amount in Rupees)	Outstanding Balance as on 31 <sup>st</sup> March 2011 (Unsecured loan)
Loan Taken	31,36,702 (Nil)	31,36,702 (Nil)

Note: Previous year figures are given in brackets.

8. Balances of Loans and Advances, Sundry Creditors have been taken at value stated in the books of accounts and the reconciliation is in progress. Necessary adjustments shall be carried out wherever applicable.

9. The Earning per share has been calculated as specified in Accounting Standard 20 on 'Earning Per Share' issued by ICAI, the related disclosures are as under:

		<i>Rupees</i>	
		For year ended March 31, 2011	For year ended March 31, 2010
a)	Profit / (loss) after tax & Prior Period Items	5,40,413	(77,56,719)
b)	Calculation of weighted average number of equity share of Rs. 10 each		
	Weighted average number of equity shares outstanding during the year for calculation of basic earnings per share	18,31,000	18,31,000
c)	Basic and Diluted Earning Per Share	0.30	(4.24)

**10. Licensed Capacity, Installed Capacity and Actual Production:**

Class of Goods	Unit	Licensed Capacity (Per Shift)		Installed Capacity (Per Shift)		Actual Production	
		For year ended March 31, 2011	For year ended March 31, 2010	For year ended March 31, 2011	For year ended March 31, 2010	For year ended March 31, 2011	For year ended March 31, 2010
		Aza Tech	Kgs.	Nil	5,000	Nil	5,000

**UNITED INTERACTIVE LIMITED**  
**(formerly Neemtek Organic Products Limited)**

Schedules attached to and forming part of the financial statements for the year ended March 31, 2011

**11. Sales:**

Particulars	Units	Quantity		Value (Rupees)	
		For year ended March 31, 2011	For year ended March 31, 2010	For year ended March 31, 2011	For year ended March 31, 2010
Raw Material / Finished Products	Kgs.	Nil	1,63,793	Nil	99,67,600

**12. Consumption of Raw and Packing Materials:**

Particulars	Units	Quantity		Value (Rupees)	
		For year ended March 31, 2011	For year ended March 31, 2010	For year ended March 31, 2011	For year ended March 31, 2010
Neem Oil	Kgs	Nil	38,410	Nil	43,96,972
Hexane	Kgs	Nil	3,578	Nil	2,46,144
Diesel	Ltr	Nil	480	Nil	17,134
<b>Total</b>		<b>Nil</b>	<b>42,468</b>	<b>Nil</b>	<b>46,60,250</b>

**13. Additional Information:**

**1) Auditors Remuneration**

	2011 (₹)	2010 (₹)
Statutory Audit Fees	1,00,000	1,00,000
Tax Audit Fees	-	25,000
Other Services	60,000	-
Service Tax	16,480	12,875
<b>Total</b>	<b>1,76,480</b>	<b>137,875</b>

**2) Employees Benefits**

On account of defined Contribution Plan, the Company has charged the following amounts in the Profit & Loss A/c.

Particulars	2011 (₹)	2010 (₹)
Provident Fund	8,172	41,382

**UNITED INTERACTIVE LIMITED**  
**(formerly Neemtek Organic Products Limited)**

Schedules attached to and forming part of the financial statements for the year ended March 31, 2011

14. Figures have been rounded off to nearest rupee.
15. Previous year's figures have been regrouped / re-classified wherever necessary to conform to this year's classification.

As per our report of even date

Signature to Schedules 1 to 14

For D. N. Kanabar & Co.  
Chartered Accountants  
(FRN 104698W)

For and on behalf of the Board of Directors  
United Interactive Limited

Sd/-  
Deepak Kanabar  
Proprietor  
Membership No. 041157

Sd/-  
Sarayu Somaiya  
Director

Sd/-  
Rasik Somaiya  
Director

Date : August 29, 2011  
Place : Mumbai

Additional information pursuant to provisions of Part IV of Schedule VI to the companies Act,1956

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

**I Registration Details**

Registration No.	030920	State Code	11
Balance Sheet Date	31.03.2011		

**II Capital Raised during the year (Amount ₹)**

Public Issue	NIL	Rights Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

**III Position of Mobilisation and Deployment of Funds (Amount ₹)**

<b>Total Liabilities</b>	<b>24,181,103</b>	<b>Total Assets</b>	<b>24,181,103</b>
--------------------------	-------------------	---------------------	-------------------

**Sources of Funds**

Paid Up Capital	18,310,000	Reserves & Surplus	2,734,401
Secured Loans	-	Unsecured Loans	3,136,702
Deferred Tax Liability	-		

**Application of Funds**

Net Fixed Assets	-	Investments	7,814,000
Net Current Assets	1,237,172	Deferred Tax Asset	-
Accumulated Losses	15,129,931	Misc.Expenditure	-

**IV Performance of Company (Amount ₹)**

Turnover	1,188,898	Total Expenditure	648,485
Profit Before Tax	540,413	Profit After Tax	540,413
Earning Per Share	0.30	Interim Dividend Rate	NIL

**V Generic Names of Principal Products of the Company**

Item Code No.(ITC CODE)	
Product Description	IT and ITES

As per our Report annexed

For D N Kanabar & Co.  
Chartered Accountants  
(FRN 104698W)

Sd/-  
Deepak Kanabar  
Proprietor  
Mem No.041157  
Place: Mumbai  
Date: August 29, 2011

For and on behalf of the Board  
United Interactive Limited

Sd/- Sarayu Somaiya  
Director  
Sd/- Rasik Somaiya  
Director



## AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF UNITED INTERACTIVE LIMITED  
(FORMERLY NEEMTEK ORGANIC PRODUCTS LIMITED)

- 1) We have audited the attached Consolidated Balance Sheet of UNITED INTERACTIVE LIMITED and its subsidiary (the company and its subsidiary constitute "the Group") as at 31<sup>st</sup> March, 2011 and the Consolidated Profit & Loss Account and the Consolidated Cash Flow Statement of the Group for the year ended on that date both annexed thereto. These financial statements are the responsibility of the Company's Management and have been prepared on the basis of the separate financial statements. Our responsibility is to express opinion on these Consolidated Financial Statements based on our audit.
- 2) We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3) We report that the Consolidated Financial Statement have been prepared by the Company in accordance with the requirements of Accounting Standard 21 (Consolidated Financial Statements), as notified under the Companies (Accounting Standards) Rules, 2006.
- 4) Based on our audit and on consideration of the separate audit report on individual financial statements of the Company, its aforesaid subsidiary, and to the best of our information and according to the explanation given to us, in our opinion, the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:
  - a) in the case of the Consolidated Balance Sheet, of the state of the affairs of the Group as at 31<sup>st</sup> March, 2011;
  - b) in the case of the Consolidated Profit & Loss Account, of the Profit of the Group for the year ended on that date and
  - c) In case of the Consolidated Cash Flow statement, of the cash flows of the Group for the year ended on that date.

For D. N. Kanabar & Co.  
Chartered Accountants  
(FRN 104698W)

Sd/-  
Deepak Kanabar  
Proprietor  
M. No. 041157

Date : August 29,2011  
Place : Mumbai

**UNITED INTERACTIVE LIMITED (FORMERLY NEEMTEK ORGANIC PRODUCTS LIMITED)**

**Consolidated Balance Sheet as at March 31, 2011**

	Sch. No.	31-Mar-11 ₹
<b>I) SOURCES OF FUNDS</b>		
<b>Shareholders Funds</b>		
a) Share Capital	1	18,310,000
b) Reserves & Surplus	2	107,899,476
<b>Unsecured Loan</b>		
Sarayu Somaiya (Director)		3,136,702
<b>Minority Interest</b>		
		123,084,554
<b>Deferred Tax Liability</b>		
		664,032
		<b>253,094,764</b>
<b>II) APPLICATION OF FUNDS</b>		
<b>Fixed Assets</b>		
a) Gross Block	3	93,529,698
b) Less: Depreciation		<u>16,937,965</u>
c) Net Block		76,591,734
<b>Investments</b>		
	4	120,141,559
<b>Current Assets, Loans &amp; Advances</b>		
a) Sundry Debtors	5	4,938,332
b) Cash & Bank Balances	6	44,876,431
c) Loans & Advances	7	<u>15,897,891</u>
		65,712,654
<b>Less:</b>		
<b>Current Liabilities &amp; Provisions</b>		
a) Liabilities	8	1,767,373
b) Provisions		<u>7,583,809</u>
		9,351,182
<b>Net Current Assets</b>		
		56,361,472
		<b>253,094,764</b>

**Significant Accounting Policies & Notes to Accounts 13**

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

As per our Report of Even Date

For D N Kanabar & Co.  
Chartered Accountants  
(FRN 104698W)  
Sd/-  
Deepak Kanabar  
Proprietor  
Mem No.041157  
Place: Mumbai  
Date: August 29, 2011

For and on behalf of the Board  
United Interactive Limited

Sd/-  
Sarayu Somaiya  
Director

Sd/-  
Rasik Somaiya  
Director

**UNITED INTERACTIVE LIMITED (FORMERLY NEEMTEK ORGANIC PRODUCTS LIMITED)****Consolidated Trading, Profit & Loss Account for the year ended March 31, 2011**

	Sch. No.	31-Mar-11 ₹
<b>INCOME</b>		
Software Dev Charges		57,802,000
Other Income	9	25,154,829
		<b>82,956,828</b>
<b>EXPENDITURE</b>		
Employees Remuneration & Benefits	10	33,405,216
Operative & Administrative Expenses	11	8,059,350
		<b>41,464,566</b>
<b>PROFIT BEFORE INTEREST, DEPRECIATION AND TAXATION</b>		<b>41,492,262</b>
Interest & Finance Cost	12	249,136
<b>PROFIT BEFORE DEPRECIATION AND TAXATION</b>		<b>41,243,126</b>
Depreciation	3	3,905,194
<b>PROFIT BEFORE TAX</b>		<b>37,337,932</b>
Less: Provision for Taxation		9,200,000
Add(Less): Taxes of earlier years		(105,207)
		<b>28,032,725</b>
Deferred Tax		(167,793)
<b>PROFIT AFTER TAX</b>		<b>28,200,518</b>
Minority Interest		12,235,978
<b>NET CONSOLIDATED PROFIT</b>		<b>15,964,540</b>
<b>APPROPRIATIONS</b>		
Interim Dividend paid	2,298,150	
Interim Dividend Distribution Tax paid	390,571	
General Reserve	1,020,000	3,708,721
<b>BALANCE CARRIED FORWARD TO BALANCE SHEET</b>		<b>12,255,819</b>
<b>Nominal Value of Equity Shares</b>		<b>10.00</b>
<b>Basic &amp; Diluted Earning Per Share</b>		<b>8.72</b>

Significant Accounting Policies &amp; Notes to Accounts 13

The Schedules referred to above form an integral part of the Profit &amp; Loss Account

As per our Report of Even Date

For D N Kanabar & Co.  
Chartered Accountants  
(FRN 104698W)Sd/-  
Deepak Kanabar  
Proprietor  
Mem No.041157  
Place: Mumbai  
Date: August 29, 2011For and on behalf of the Board  
United Interactive LimitedSd/-  
Sarayu Somaiya  
DirectorSd/-  
Rasik Somaiya  
Director

**UNITED INTERACTIVE LIMITED (FORMERLY NEEMTEK ORGANIC PRODUCTS LIMITED)**

Consolidated Schedules annexed to and forming part of the Balance Sheet as at 31st March, 2011

31-Mar-11

₹

**SUB SCHEDULE 1 - SHARE CAPITAL**

AUTHORISED CAPITAL

**50,000 4% Cumulative Redeemable Non**

convertible Preference Shares of Rs.100/- each

5,000,000

**25,00,000 Equity shares of Rs. 10/- each**

25,000,000

**30,000,000**

ISSUED, SUBSCRIBED &amp; PAID UP

Issued, Subscribed &amp; Paid-up Capital 18,31,000 Equity Shares of Rs.10/- each Fully Paid up.

18,310,000

**18,310,000****SUB SCHEDULE 2 - RESERVES & SURPLUS**

Capital Reserve

107,559,600

Security Premium

Opening Balance

2,320,000

Add: Additions during year

-

2,320,000

General Reserve

Opening Balance

414,401

Add: Additions during year

1,020,000

1,434,401

Profit &amp; Loss Account

Balance as per last B/S

(15,670,344)

Add: Additions during year

12,255,819

(3,414,525)

**107,899,476****SCHEDULE 4 - INVESTMENTS****Unquoted:**

Indian Market Watch. Com P Ltd

Shares  
No.

150,000

1,500,000

**Quoted:**

Adhunik Metaliks

10,000

1,060,768

Alembic Limited

100,000

4,555,103

BILT

80,000

2,575,382

BEML

5,000

3,342,964

Dhanalaxmi Bank

175,000

21,033,142

Elecon Engineering Co. Ltd.

50,000

4,162,773

Firstsource Solutions

100,000

2,804,759

Firstobject Technologies

75,049

1,682,814

Country Club

50,000

554,877

KEI Industries

50,000

1,591,392

Max India Ltd. (prev 20,000)

50,000

8,885,320

Networth Stock Broking

11

600

Ranbaxy

5,000

2,243,350

Techno Electric &amp; Engineering (Prev 12,848)

12,848

2,772,931

Indosolar

150,000

3,486,564

Kalpataru Power

20,000

3,217,082

Sasken Communication

45,000

8,454,467

Sona Koyo Steering

150,000

3,169,836

Subros Limited

50,000

2,258,158

Compucom Software

200,000

3,877,962

Pantaloon Retail (India) Ltd.

10,000

3,737,424

Pantaloon Retail (India) Ltd.-B-DVR

13,531

3,751,044

Madras Cement

10,000

980,662

Tech Mahindra

2,000

1,279,892

Karnataka Bank

10,000

1,231,455

92,710,723

**Others**

Investment in Property

25,930,836

**120,141,559****Aggregate Market Value - Quoted****32****83,989,789****Aggregate Value - Unquoted****1,500,000**

**UNITED INTERACTIVE LIMITED (FORMERLY NEEMTEK ORGANIC PRODUCTS LIMITED)**

Consolidated Schedules annexed to and forming part of the Balance Sheet as at 31st March, 2011

31-Mar-11  
₹**SCHEDULE 5 - SUNDRY DEBTORS**

(unsecured considered good)

Outstanding over six months:	134,438
Others:	4,803,894
	<u>4,938,332</u>

**SCHEDULE 6 - CASH & BANK BALANCES**

Cash in Hand	126,875
Balances with Scheduled Banks:	
Current A/c's:	7,901,422
Fixed Deposits (inclusive of accrued interest of ₹.52,75,293/-)	36,848,134
	<u>44,876,431</u>

**SCHEDULE 7 - LOANS & ADVANCES**  
**(unsecured, but considered good)**

Sundry Advances	
Advances recoverable in cash or kind or for value to be received	15,505,829
Security Deposits	392,062
	<u>15,897,891</u>

**SCHEDULE 8 - CURRENT LIABILITIES & PROVISIONS****Sundry Creditors**

For Expenses	932,295	
For Others	<u>835,078</u>	1,767,373

**Provisions**

Provision for Taxation		7,583,809
------------------------	--	-----------

9,351,182

**UNITED INTERACTIVE LIMITED (FORMERLY NEEMTEK ORGANIC PRODUCTS LIMITED)**

Consolidated Schedules annexed to and forming part of Profit and Loss Account for the year ended 31st March, 2011

31-Mar-11

₹

**SCHEDULE 9 - OTHER INCOME**

Interest Income *	3,061,752
Dividend Received	1,494,796
Rent received *	1,152,000
Profit on Sale of Investments	19,429,649
Sundry Balances W/off	16,632
* (Tax deducted ₹ 4,14,079/-)	<b>25,154,829</b>

**SCHEDULE 10 - PAYMENT TO AND PROVISION FOR EMPLOYEES'**

Salaries, Bonus & Ex-Gratia	31,809,275
Gratuity Expenses	256,890
Employees Welfare Fund Contribution	910,341
Staff Welfare Expenses	428,710
	<b>33,405,216</b>

**SCHEDULE 11 - OPERATIVE & ADMINISTRATIVE EXPENSES**

Communication Expenses	1,172,675
Expenses - Investment (Flat)	317,466
Director Medical Expenses	42,000
Directors Medical Ins. Premium Expenses	6,451
Director Sitting Fees	70,000
Electricity Expenses	1,376,698
Repairs & Maintenance-P&M Expenses	470,579
Repairs & Maintenance-Office Expenses	823,178
Repairs & Maintenance - Others Expenses	44,729
Forex Fluctuation	52,138
Office Expenses	153,238
Printing & Stationery Expenses	146,120
CMM level III Training Expenses	220,600
Professional Fees	663,000
Travelling Expenses	382,036
Vehicle Maintenance Expenses	489,104
STPI Service Charges	135,000
Property Tax	132,580
Auditor's Remuneration	600,032
Miscellaneous Expenses	761,726
	<b>8,059,350</b>

**SCHEDULE 12 - INTEREST & FINANCE COST**

Interest on Loan	151,891
Bank Interest	93,087
Interest on TDS	4,158
	<b>249,136</b>

**UNITED INTERACTIVE LIMITED (FORMERLY NEEEMTEK ORGANIC PRODUCTS LIMITED)**

Consolidated Schedule Annexed to and forming part of the Balance Sheet as at March 31, 2011

<b>SCHEDULE 3 - FIXED ASSETS</b>										
Name of Asset	Gross Block					Depreciation				Net Block
	1-Apr-10	Additions	Sales/Adj	Total	% of Dep.	1-Apr-10	During the year	Adjustments	Total	31-Mar-11
<b>Land &amp; Building</b>										
Office, MBP *	16,113,120	-	(2,476,800)	13,636,320		835,125	143,606	87,914	890,817	12,745,503
Office (Technology) *	49,708,859	216,000	-	49,924,859		583,448	524,522	-	1,107,970	48,816,889
Leasehold Improvements	3,670,819	-	-	3,670,819	5.00%	566,915	155,195	-	722,110	2,948,709
<b>Plant &amp; Machinery</b>										
Computers	7,960,754	87,739	(583,477)	7,465,016	40.00%	6,012,936	779,130	539,113	6,252,953	1,212,063
Software	2,011,590	917,860	(31,200)	2,898,250	40.00%	934,017	629,294	26,840	1,536,471	1,361,779
Networking Equip	857,527	26,399	(45,490)	838,436	40.00%	660,206	85,199	38,639	706,766	131,670
Office Equipment	1,001,532	392,694	(15,990)	1,378,236	13.91%	330,529	129,196	5,887	453,838	924,398
UPS/Batteries	1,208,215	184,000	(225,888)	1,166,327	40.00%	1,000,656	124,032	194,248	930,440	235,887
Air Conditioners	1,302,480	-	-	1,302,480	13.91%	568,280	102,127	-	670,407	632,073
Electrical Installations	1,998,620	900,000	-	2,898,620	13.91%	833,414	226,047	-	1,059,461	1,839,159
<b>Furniture &amp; Fixtures</b>										
Furniture & Fixtures	3,013,452	286,250	-	3,299,702	18.10%	1,411,783	333,803	-	1,745,586	1,554,116
<b>Vehicle</b>										
Motor Car	1,648,650	5,601,071	(2,199,086)	5,050,635	25.89%	931,268	673,043	743,165	861,146	4,189,489
	<b>90,495,616</b>	<b>8,612,013</b>	<b>(5,577,931)</b>	<b>93,529,698</b>		<b>14,668,577</b>	<b>3,905,194</b>	<b>1,635,806</b>	<b>16,937,965</b>	<b>76,591,734</b>

\* Depreciation on Office Unit represents amortisation over the balance period of lease.

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2011

	31-Mar-11 ₹
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>	
<b>a. Profit / (Loss) Before Tax</b>	<b>37,337,932</b>
<b>Adjustments for</b>	
Depreciation / Amortisation	3,931,271
Interest Expenses	244,978
Interest Income	(3,061,752)
Dividend Income	(1,494,796)
Rent Income	(1,152,000)
Profit on sale of Investment	(19,429,649)
Loss on sale of Fixed Assets	30,688
<b>b. Operating Profit before Working Capital Changes</b>	<b>16,406,672</b>
<b>Adjustments for</b>	
(Increase) / Decrease in Debtors	(109,057)
(Increase) / Decrease in loans & advances	(15,312)
Increase / (Decrease) in Current Liabilities	(4,837,840)
<b>c. Cash Generated from operation</b>	<b>11,444,464</b>
Less:-	
Direct Taxes Paid	(8,214,079)
<b>Net Cash from Operating Activities (A)</b>	<b>3,230,385</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>	
Purchase of Fixed Assets	(8,612,013)
Purchase Investment in property	(188,438)
Purchase of Investment in shares	(83,722,108)
Sale of Investment in shares	85,499,515
Proceeds from Sale of Fixed Assets	1,522,551
Interest Income	3,061,752
Dividend Income	1,494,796
Rent Income	1,152,000
<b>Net Cash from Investing Activities (B)</b>	<b>208,055</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>	
Unsecured loans received	3,136,702
Interim Dividend paid (including Dividend Tax)	(2,688,721)
Interest Expenses	(244,978)
<b>Net cash from Financing Activities (C)</b>	<b>203,003</b>
<b>Net Increase/ (Decrease) in Cash &amp; Cash Equivalents during the year (A+B+C)</b>	<b>3,641,443</b>
Cash & Cash Equivalent at the beginning of the year	41,234,988
<b>Cash &amp; Cash Equivalent at the end of the year</b>	<b>44,876,431</b>

As per our Report of Even Date

For D N Kanabar & Co.  
Chartered Accountants  
(FRN 104698W)

Sd/-  
Deepak Kanabar  
Proprietor  
Mem No.041157  
Place: Mumbai  
Date: August 29, 2011

For and on behalf of the Board  
United Interactive Limited

Sd/- Sarayu Somaiya  
Director

Sd/- Rasik Somaiya  
Director



**UNITED INTERACTIVE LIMITED**  
**(formerly Neemtek Organic Products Limited)**

Schedules attached to and forming part of the consolidated financial statements for the year ended March 31, 2011

**Schedule 13: Significant Accounting Policies and Notes to Accounts**

**A) Significant Accounting Policies:-**

**1 Accounting Concepts:**

The financial statements are prepared and presented in accordance with Generally Accepted Accounting Principles (GAAP) in India and comply in all material aspects with the Accounting Standards (AS) notified under the Companies (Accounting Standard) Rules, 2006 (as amended), other pronouncement of the Institute of Chartered Accountant of India, the relevant provisions of the Companies Act, 1956, and guidelines issued by Securities and Exchange Board of India.

**2 Use of estimates:**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known / materialized.

**3 Fixed assets / Leased Assets:**

Fixed Assets are stated at cost, less accumulated depreciation. Cost includes taxes, duties, freight and other incidental expenses related to acquisition.

Leased Assets are carried at cost less amortization.

**4 Borrowing Cost:**

Interest and other costs in connection with the borrowing of the funds to the extent related/attributed to the acquisition/construction of qualifying fixed asset are capitalized up to the date when such fixed assets are ready for the intended use and all other borrowing costs are charged to profit and loss account.

**5 Depreciation / amortization:**

The company has provided depreciation on WDV basis as per the Schedule XIV of the Companies Act, 1956. Depreciation in respect of assets acquired during the year has been provided on pro-rata basis, according to the period each asset is put to use during the year.

**6 Impairment:**

Carrying amount of assets is reviewed at the Balance Sheet date if there is indication of impairment based on the internal and external factors.

The assets are treated as impaired when the carrying amount of asset exceeds its recoverable amount. An impairment loss, if any, is charged to the Profit and Loss Account in the year in which the assets is identified as impaired. Reversal of impairment loss recognized in prior years is recorded when there is an indication that impairment loss recognized for the assets no longer exists or has decreased.

**7 Investments:**

i Long Term Investments are stated at cost. Provision for diminution in the value of long term investment is made only if; such a decline in the opinion of the management is other than temporary.

**UNITED INTERACTIVE LIMITED**  
**(formerly Neemtek Organic Products Limited)**

Schedules attached to and forming part of the consolidated financial statements for the year ended March 31, 2011

- ii Investments include shares and securities purchased with the intension of holding them as investments as per Board resolutions.

**8 Inventories:**

Inventories are valued at lower of cost and net realizable vale. Cost of inventories comprises all costs of purchase, cost of conversion and cost incurred in bringing inventories to its present location and condition. The company does not have inventories at the end of the year.

**9 Revenue recognition:**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of Product: Income is recognized when the website / product is delivered in accordance with the terms of the Agreement / MOU.

Dividend income is accounted on receipt basis and other income on accrual basis.

**10 Retirement and Other Employee Benefits:**

The benefits of encashment of leave to the employee, being at the option of the employee, are accounted for as and when claim. Staff benefits arising out of retirement / death, comprising of contribution to provident fund, Superannuation and Gratuity scheme and other benefits are accounted for on the basis of contribution to the scheme and other benefits are accounted for on the basis of contribution to the scheme, or by an independent actuarial valuation as at the year end, as the case may be.

**11 Tax expense:**

- i Tax expense comprises of current, deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act.
- ii Deferred tax is recognized on timing difference, being the difference between the taxable income and accounting income that originates in one period and is capable of reversal in one or more subsequent periods.
- iii Deferred taxes asset on account of carry forward of losses pertaining to parent company has not been recognized, as there is no virtual certainty that there would be future taxable profits to realize the assets. The same shall be recognized as and when the situation justifies.

**12 Foreign Currency Transactions:**

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Outstanding balances at the Balance Sheet date are restated at the exchange rate prevailing at the date of Balance Sheet.

**13 Earnings per share:**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted proportionately from the events of share split.

**UNITED INTERACTIVE LIMITED**  
**(formerly Neemtek Organic Products Limited)**

Schedules attached to and forming part of the consolidated financial statements for the year ended March 31, 2011

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**14 Provisions:**

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions 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.

**15 Cash and Cash equivalents:**

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand.

**B) Notes to Accounts:-**

- 1 Accounting policies not specifically referred are consistent with earlier years and in consonance with generally accepted accounting principles.
- 2 It is the first occasion that consolidated financial statement are presented, hence, comparative figures for the previous period has not been presented.

**3 Principles of Consolidation:**

- (a) The Consolidated Financial Statements (CFS) are prepared in accordance with Accounting Standard on "Consolidated Financial Statements" (AS-21), issued by the Institute of Chartered Accountant of India.

The CFS are prepared using uniform significant accounting policies, in accordance with the generally accepted accounting policies.

- (b) The CFS comprises the Audited Financial Statements of United Interactive Limited, its subsidiary for the year ended 31<sup>st</sup> March, 2011, which is as under:

**Subsidiary:**

<b>Name of the company</b>	<b>Country of Incorporation</b>	<b>United Interactive's Ownership Interest % as on 31.03.2011</b>
Netesoft India Limited	India	51%

- (c) During the current Year, the company has acquired 7,81,400 shares of Netesoft India Limited(Subsidiary) at a cost of Rs.78,14,000.
- (d) For arriving at parent's portion of equity in the subsidiary against the cost of investment, balance sheet as at 31.03.2010 is considered and capital reserves worked out accordingly.

**UNITED INTERACTIVE LIMITED**  
**(formerly Neemtek Organic Products Limited)**

Schedules attached to and forming part of the consolidated financial statements for the year ended March 31, 2011

**4 Contingent Liabilities:**

The claims against the Company comprises of:

1 The Income Tax Department, Mumbai has passed an order u/s 271G r.w.s. 271AA of the Income Tax Act, Levying penalty of Rs. 11,10,970 (Rupees Eleven Lakhs Ten Thousand Nine Hundred Seventy Only) with regards to defaults in complying rule 10 D r.w.s. 92D of the provision of Income Tax Act, 1961, An appeal against the order is pending before appropriate authority.

2 The Company had transferred its manufacturing unit situated at Vellore in previous year and had not charged applicable VAT on transfer of inventory. The monetary effect thereof is unascertainable. Further, it had also transferred VAT liability amounting to Rs.2,86,442. However, in case the transferee fails to meet this obligation, the Company shall be liable to pay the same to the Department of Sales Tax.

**5 Deferred Tax Assets and Liabilities as on 31<sup>st</sup> March, 2011 are as under:**

	<b>As at 31<sup>st</sup> March, 2011</b>
<b>Deferred Tax Assets:</b>	
Expense deductible on payment basis	(50,486)
<b>Deferred Tax Liability:</b>	
Depreciation	7,14,518
	-----
<b>Nat Deferred Tax Liability</b>	<b>6,64,032</b>
	-----

**6 Segment Reporting:**

The Company does not have reportable Segments. Therefore, compliance to the AS-17 segment Reporting does not arise.

**7 Related Party Transaction:**

Related Parties with whom transaction has taken place during the year:

Key Management Personnel:

Smt. Sarayu Somaiya, Director

Shri Rasiklal Somaiya, Director

Shri Hemang Joshi, Director

Nature of Transaction	Volume of Transaction (Amount in Rupees)	Outstanding Balance as on 31 <sup>st</sup> March 2011 (Unsecured loan)
Loan Taken	31,36,702	31,36,702
Loans & Advances	# 1,00,000	## 81,744
Professional Fees	5,00,000	Nil
Director Sitting Fees	70,000	Nil
Directors Remuneration	4,63,080	Nil

# Interest @ 8%

## With interest

**UNITED INTERACTIVE LIMITED**  
**(formerly Neemtek Organic Products Limited)**

Schedules attached to and forming part of the consolidated financial statements for the year ended March 31, 2011

- 8 Balances of Loans and Advances, Sundry Creditors have been taken at value stated in the books of accounts and the reconciliation is in progress. Necessary adjustments shall be carried out wherever applicable.
- 9 The Earning per share has been calculated as specified in Accounting Standard 20 on 'Earning Per Share' issued by ICAI, the related disclosures are as under:

		<i>Rupees</i>
		<b>For year ended March 31, 2011</b>
a)	Profit / (loss) after tax & Prior Period Items	1,59,64,540
b)	Calculation of weighted average number of equity share of Rs. 10 each	
	Weighted average number of equity shares outstanding during the year for calculation of basic earnings per share	18,31,000
c)	Basic and Diluted Earning Per Share	8.72

- 10 The Bank Overdraft is secured against fixed deposit of Rs.2,50,00,000.

**11 Additional Information:**

Employees Benefits

On account of defined Contribution Plan, the Company has charged the following amounts in the Profit & Loss A/c.

<b>Particulars</b>	<b>2011</b>
Gratuity	2,56,890
Provident Fund	9,10,341
Staff Medical Insurance	1,31,572
<b>Total</b>	<b>12,98,803</b>

- 12 Figures have been rounded off to nearest rupee.

- 13 Previous year's figures have been regrouped / re-classified wherever necessary to conform to this year's classification.

As per our report of even date  
For D. N. Kanabar & Co.  
Chartered Accountants  
(FRN 104698W)

For and on behalf of the Board of Directors  
United Interactive Limited

Sd/-  
Deepak Kanabar  
Proprietor  
Membership No. 041157  
Date : August 29, 2011  
Place : Mumbai

Sd/-  
Sarayu Somaiya  
Directors

Sd/-  
Rasik Somaiya  
Directors

<b>Statement pursuant to Section 212 of the Companies Act, 1956 relating to the company's interest in subsidiary company for the Financial Year 2010-11</b>		
		<b>(Amount ₹)</b>
<b>Sr.No.</b>	<b>Name of the Susidiary Company</b>	<b>Netesoft India Limited</b>
01	Financial Year ending of the subsidiary	31st March 2011
02	Date from which they became subsidiary	28th May 2010
	companies:	
03	a. Number of Shares held by (Holding Co) along with its nominees at the end of the financial year of the susidiary	781,400
	b. Extent of Holding	51%
04	The net aggregate amount of the profits/ (losses) of the subsidiary for the above financial year of the subsidiary so far as they concern the members of the company:	
	a. Dealt with in the accounts of the company	11,852,698
	b. Not dealt with in the accounts of the company	2,253,956
05	The net aggregate amount of the profits/ (losses) of the subsidiary for the previous financial years since it become a subsidiary so far as they concern the members of the company:	
	a. Dealt with in the accounts of the company	Nil
	b. Not dealt with in the accounts of the company	Nil

For and on behalf of the Board  
United Interactive Limited

Place : Mumbai  
Date : August 29, 2011

Sd/-  
Sarayu Somaiya  
Director

Sd/-  
Rasik Somaiya  
Director

**NETESOFT INDIA LIMITED**

**12th**

**ANNUAL REPORT**

**2010-2011**

# **NETESoft INDIA LIMITED**

## **BOARD OF DIRECTORS**

Shri Rasik Somaiya  
Smt Sarayu Somaiya  
Shri. Hemang Joshi

## **BANKERS**

ABN Amro Bank  
Citi Bank  
Bank of India  
HDFC Bank  
Oriental Bank of Commerce  
Axis Bank

## **STATUTORY AUDITORS**

M/s D N Kanabar & Co  
Chartered Accountants  
404 Maker Chambers V  
221 Nariman Point  
Mumbai – 400 021

## **REGISTERED OFFICE**

401, Building No. 2, Sector – 1,  
Millenium Business Park  
Mahape  
Navi Mumbai – 400 710

Tel: 022 27781029/33  
Fax: 022 27781002



**NETESoft INDIA LIMITED.**  
**Regd. Office : 401, Buldg-2, Sector-1,**  
**Millenium Business Park, Mahape,**  
**Navi Mumbai 400 710**

**AGM NOTICE**

**NOTICE** is hereby given that the **TWELVETH ANNUAL GENERAL MEETING** of the Members of the Company will be held at the Registered Office of the Company at 401, Building-2, Sector-1, Millenium Business Park, Mahape, Navi Mumbai 400 710 at **4.00 p.m.** on Wednesday, **August 24, 2011** to transact the following:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended as on that date together with the Auditors' Report and the Directors' Report thereon.
2. To appoint a Director in place of Shri. Rasiklal Somaiya, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration and for this purpose to consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of section 224 and other applicable provisions if any of the Companies Act, 1956, M/s D N Kanabar & Co. Chartered Accountants, (Firm Registration No.: FRN 104698W), be and are hereby appointed as the Auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting, on such remuneration to be fixed by Board of Directors."

By Order of Board of Directors  
For Netesoft India Limited

Sd/-  
Sarayu Somaiya  
Whole Time Director

**Registered Office :**  
401, Building-2, Sector-1,  
Millenium Business Park, Mahape,  
Navi Mumbai 400 710

Date: **August 01, 2011**

**Notes :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
2. The instrument appointing a proxy must be deposited with the Company at its Registered Office not less than 48 hours before the time for holding the meeting.
3. All the documents referred to in the notice are open for inspection at the Registered Office of the Company between 10.00 a.m. and 1.00p.m. on all working days except Sundays prior to the date of the meeting.
4. The Company has already notified closure of members and transfer books from 20 August, 2011 to 24 August, 2011 (both days inclusive) for determining the names of members eligible for final dividend on equity shares, if declared at the meeting.

By Order of Board of Directors  
For Netesoft India Limited

Sd/-  
Sarayu Somaiya  
Whole Time Director

**Registered Office :**  
401, Building-2, Sector-1,  
Millenium Business Park, Mahape,  
Navi Mumbai 400 710  
Date: **August 01, 2011**

**NETESoft INDIA LIMITED**  
**401, Building 2, Sector –1, Millennium Business Park,**  
**Mahape, Navi Mumbai 400 710**

**DIRECTORS' REPORT**

To  
The members of **Netesoft India Limited**

Your Directors have pleasure in presenting the 12<sup>th</sup> Annual Report along with the Audited Accounts for the period ended 31<sup>st</sup> March, 2011.

**Financial Highlights:**

The year under review happened to be mild for the company in terms of performance as compared to last year. The profit before tax is ₹ 367.98 Lacs as against the ₹ 702.81 Lacs during the previous year. After providing for tax, the net profit of your Company is ₹ 276.60 Lacs as against the net profit of ₹ 616.79 Lacs in the previous year.

**Reserves & Surplus:**

The Reserves of the Company at the year end stood at ₹ 2,358.73 Lacs as compared to ₹ 2,109.01 Lacs last year.

**Issues of Equity Shares on Preferential Basis:**

During the year your Company has issued 7,81,400 equity shares on preferential basis to United Interactive Limited, controlling 51% stake of your company.

**Dividend:**

Your Company has already paid interim dividend of 15% for the financial year 2010-2011, Your Directors do not propose to pay any final dividend for the year. The out flow on account of dividend distribution inclusive of dividend distribution tax was ₹ 26,88,721/- (Rupees Twenty Six Lakhs Eighty Eight Thousand Seven Hundred and Twenty One only) as compared to ₹ 35,13,126/- (Rupees Thirty Five Lakhs Thirteen Thousand One Hundred and Twenty Six only) during the previous year.

**Directors:**

Mr. Hemang Joshi was appointed as Additional Director and Mr. M Rushikesh resigned from the post of Director of the Company w-e-f January 21, 2011. Further, Mr. Hemang Joshi was appointed as Whole Time Director w.e.f from January 21, 2011 and Smt. Sarayu Somaiya was appointed as Whole Time Director w.e.f April 1, 2010, for a period of three years, for which approval of the members was accorded in the Extra Ordinary General Meeting of the Company held on March 25, 2011.

Shri. Rasiklal Somaiya, Director retires by rotation and being eligible, offers himself for reappointment in the forthcoming Annual General Meeting. He has also given confirmation to the Company that he is not disqualified in terms of section 274 of the Companies Act, 1956. The Board recommends the reappointment of Shri. Rasiklal Somaiya.

**Auditors:**

The retiring Auditors, M/s. D. N. Kanabar & Co., Chartered Accountants, Mumbai have forwarded a letter confirming their eligibility to act as Auditors under section 224(1) of the Companies Act, 1956 and have expressed their willingness to act as Auditors of the Company, if appointed. Board recommends their appointment as Statutory Auditors of the Company.

**Fixed Deposits:**

The company has not accepted any Fixed Deposits under Section 58A of the Companies Act, 1956 during the period under review.

**Conservation of Energy:**

The nature of operations carried out by the company involves low energy consumption. However, wherever possible, measures to conserve energy have been introduced.

**Technology Absorption and Foreign Exchange Earnings and Outgo :**

Information required to be given pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the report of the Board of Directors) Rules, 1988 does not apply to the company.

Foreign Exchange Earnings	₹	578.02 Lacs
Foreign Exchange Outgo	₹	Nil

**Particulars of Employees :**

There are no employees whose particulars are required to be given under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended.

**Directors Responsibility Statement:**

As required under Sec 217(2AA) of the Companies Act, 1956 it is hereby stated that:

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual accounts on a going concern basis.

**Secretarial Compliance Certificate:**

Pursuant to provisions of sub section (1) of Sec 383A of the Companies Act, 1956, the Company has obtained a "Secretarial Compliance Certificate" from Ramesh Chandra Bagdi & Associates Practising Company Secretaries, which has been annexed herewith to the Directors' Report.

**Appreciation:**

Your Directors take this opportunity to place on record their appreciation for the contribution made by the employees at all levels, who through their commitment, dedication, hard work, co-operation and support have enabled the company to achieve growth during the year.

Your Directors also acknowledge the excellent support received from the Bankers and Auditors for their competent services throughout the year.

For and on behalf of the Board of Directors  
For Netesoft India Limited

Place: Mumbai  
Date : August 01, 2011

Sd/-  
Sarayu Somaiya  
Whole Time Director

Sd/-  
Rasik Somaiya  
Director

**SECRETARIAL COMPLIANCE CERTIFICATE FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2011 IN RESPECT OF NETESOFT INDIA LIMITED**

Registration No of the Company: U72200MH2000PLC123711

Authorized Share Capital: Rs. 5,00,00,000/-

Paid up Share Capital: Rs. 1,53,21,000/-

To

The Members

**NETESOFT INDIA LIMITED**

401, BUILDINGNO.2, SECTOR-1, MILLENIUM BUSINESS PARK,

MAHAPE,

MUMBAI - 400710

Dear Sirs,

We have examined the registers, records, books, and papers of **NETESOFT INDIA LIMITED**, (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31<sup>st</sup> March 2011. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in **"Annexure A"** to this certificate, as per the provisions of the Act and the rules made thereunder and all the entries therein have been duly recorded.
2. The Company has filed form or return, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities during the financial year as provided in **"Annexure B"**.
3. The Company, being a Public Limited Company, comments is not required.
4. The Board of Directors duly met 7 times during the financial year on 23.04.2010, 28.05.2010, 30.06.2010, 30.09.2010, 31.12.2010, 21.01.2011, 24.03.2011 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed. No Resolution was passed by circulation during the financial year.
5. The Company has closed its Register of Members during the financial year. As per the explanations given to us, Notice in newspaper was published, but the same was not available for inspection.
6. The Annual General Meeting for the financial year ended on 31<sup>st</sup> March 2010 was held on 26<sup>th</sup> July 2010 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. Two extra-ordinary general meeting was held during the financial year. First EOGM was held on May 18, 2010 for allotment of 7,81,400 equity shares to United Interactive Limited as per

the provisions of section 81(1A) of the Companies Act, 1956. Second EOGM was held on March 25, 2011 for appointment of Mr. Hemang Joshi and Mrs. Sarayu Somaiya as Wholetime Director of the Company for a period of three years.

8. The Company has not advanced any loans to its Directors and/or persons or firms or companies referred in the section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of section 297 of the Act.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the Company was not required to obtain any approvals from the Board of Directors, Members or Central Government as the case may be.
12. The Company has not issued any duplicate share certificate during the financial year under scrutiny.
13. The Company:
  - i. has delivered all the certificates on transfer of securities however, there was no transmission of securities during the financial year. There was allotment of 7,81,400 equity shares of Rs.10/- each and company has delivered the share certificates to the Allottees in terms of the provisions of the Companies Act, 1956.
  - ii. During the year financial year under review, Company has declared an interim dividend on equity share capital; the said Dividend amount was not transferred to separate bank account, as the Dividend amount was paid with in 5 days from the date of declaration.
  - iii. During the year financial year under review, Company has declared interim dividend on equity share capital; and warrants in relation to same was dispatched within statutory period of 30 days from the date of declaration.
  - iv. During the year financial year under review, Company was not required to transfer any amount to Investor Education and Protection Fund.
  - v. has duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted.
15. The Company has appointed Mr. Hemang Joshi and Mrs. Sarayu Somaiya as Whole-Time Director during the financial year under review. No Manager or Managing Director was appointed during the year under review.
16. The Company has not appointed any sole selling agent during the financial year.

- 17 The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act during the financial year.
- 18 The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
- 19 The Company has allotted 781400 equity shares on preferential basis in Compliance with section 81(1A) of the Companies Act, 1956. Company has not issued debentures or other securities during the financial year.
- 20 The Company has not bought back any shares during the financial year.
- 21 The Company has not redeemed any Preference shares/Debentures during the financial year under review.
- 22 There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
- 23 As per explanations and information given to us, the Company has not invited /accepted any deposits including any unsecured loans falling within the purview of section 58A during the financial year.
- 24 The amounts borrowed by the Company from Directors, Members, Banks and others during the financial year March 31, 2011 are within the borrowing limited as prescribed by provisions of section 293(1) (d) of the Act.
- 25 The Company has not made loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
- 26 The Company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one State to another during the financial year under scrutiny.
- 27 The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the financial year under scrutiny.
- 28 The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
- 29 The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the financial year under scrutiny.
- 30 The Company has not altered its Articles of Association during the financial year under review.



- 31 There was/were no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year, for offences under the Act.
- 32 The Company has not received any money as security from its employees during the financial year.
- 33 The Company has not constituted any Provident Fund pursuant to Section 418 of the Act, during the financial year.

For Ramesh Chandra Bagdi & Associates  
Company Secretaries

Sd/-  
R C Bagdi (Proprietor)  
CP: 2871

Place: Indore  
Date: August 1, 2011

## **“Annexure A”**

### **Registers as maintained by the Company**

#### **Statutory Registers**

1. Register of Members u/s.150
2. Register of Directors, Managing Director, Manager and Secretary u/s.303
3. Register of Directors Shareholdings u/s.307
4. Register of Disclosures u/s.301 (3)
5. Register of Particulars of Contracts in which Directors are interested u/s.301
6. Minutes Books of all the Board Meetings and General Meetings u/s. 193
7. Register of Investments u/s 49

#### **Other Registers**

1. Register of Transfers

## **Annexure B**

Forms and returns as filed by the Company with the Registrar of Companies, Regional Directors, Central Government or other authorities during the financial year ending March 31, 2011 (as per the copies of returns made available by the Company).

Forms and Returns filed with Registrar of Companies.

Sr. No.	Form No/Return	Filed U/s	Date of Event	Date of Filing	Whether filed within prescribed time Yes/No.	Receipt No.	Delay in filing whether requisite additional fees paid Yes/No/
1.	Form 23AC & 23ACA	220	26.07.2010	11.11.2010	No	P59208066	Yes
2.	Form 20B	159	26.07.2010	28.12.2010	No	P64871726	Yes
3.	Form 66	383A	26.07.2010	27.09.2010	No	P53015475	Yes
4.	Form 23	192	18.05.2010	28.05.2010	Yes	A86075249	No
5.	Form 2	75(1)(a)	28.05.2010	28.05.2010	Yes	A86076999	No
6.	Form 32	303(2)	21.01.2011	17.02.2011	No	B05831789	Yes

## AUDITORS' REPORT

### TO THE MEMBERS OF NETESOFT INDIA LIMITED

- 1) We have audited the attached Balance Sheet of NETESOFT INDIA LIMITED, as at 31<sup>st</sup> March, 2011 and also the Profit & Loss Account of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Management. Our responsibility is to express opinion on these financial statements based on our audit.
- 2) We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion-.
- 3) As required by the Companies (Auditor's Report) Order, 2003. As amended by the Companies (Auditor's Report) Order (Amended), 2004 issued by the Company Law Board under Section 227(4A) of the Companies Act, 1956 and on the basis of such checks as considered appropriate, as per information and explanations furnished to us and the books and records examined by us in the normal course of audit, we enclose in the annexure, a statement on the matters specified in paragraphs 4 and 5 of the said order.
- 4) Further to our comments in the Annexure referred to in paragraph (1) above.
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion, proper books of accounts 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 and Profit and Loss Account referred to in this report are in agreement with the books of account.
  - d) In our opinion the Profit & Loss Account and Balance Sheet comply with the accounting standards referred to in Section 211 (3C) of the Companies Act, 1956

- e) On the basis of written representations received from the directors as on 31.03.2011, and taken on the record by the Board of Directors, none of the Directors of the Company is disqualified as on 31.03.2011 from being appointed as a Director u/s 274 (1) (g) of the Companies Act, 1956.
  
- f) In our opinion and to the best of our knowledge and according to information and explanation given to us, the said accounts read with Significant Accounting Policies and Notes to the Accounts, give information required by the Companies Act, 1956 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 Balance Sheet, of the state of the affairs of the Company as at 31<sup>st</sup> March, 2011, and
  - b) in the case of the Profit & Loss Account, of the Profit for the year ended on that date.
  - c) in the case of Cash Flow Statement, of the Cash Flow Statement for the year ended on that date.

For D.N.Kanabar & Co.  
Chartered Accountants  
(FRN 104698W)

Sd/-  
Deepak Kanabar  
Proprietor  
Membership No.: 041157

Date : August 01, 2011  
Place : Mumbai

## **ANNEXURE TO THE AUDITORS' REPORT**

(Referred to in Paragraph (3) of our report of even date)

- (i) a. The Company is in the process of updating the records showing full particulars including quantitative details and situation of fixed assets.
- b. *As per information and explanation given to us, the Fixed Assets of the Company have not been physically verified by the Management. Therefore, discrepancy, if any, is not ascertainable.*
- c. During the year, certain fixed assets have been disposed off by the Company. The Fixed Assets disposed off do not constitute a substantial part of the fixed assets of the company and, in our opinion, such disposal has not affected the going concern status of the company.

- (ii) As per information and explanation given to us, the Company does not have inventories during the year under review.

Therefore, Clause (a), Clause (b) and (c) are not applicable.

- (iii) a. According to the information and explanation given to us, the company has granted loan to one person as mentioned in the register maintained under section 301 of the Companies Act, 1956. Further, the amount involved in the transaction is rupees one lakh.
- b. According to information and explanation given to us and in our opinion, the rate of interest and other terms and conditions of the loan given by the company are not prejudicial to the interest of the company.
- c. The receipt of the principal amount and interest are also regular.
- d. The According to the information and explanation given to us, there is no overdue amount in respect of the loan given.

As the company has not taken any loans, Clause (e), Clause (f) and Clause (g) are not applicable.

- (iv) In our opinion and according to the information and explanation given to us, internal control procedures are commensurate with the size of the company and the nature of it's business. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in such internal control systems.
- (v) In our opinion and according to explanation given to us there were no contracts or arrangements exceeding rupees five lakhs in any financial year, therefore Clause (a) and Clause (b) are not applicable.
- (vi) As the Company has not accepted any deposit from public within the meaning of the provisions of section 58A and 58AA of the Companies Act, 1956 and rules made there under, provisions of clause 4(vi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (vii) In our opinion and according to information and explanation given to us, the company has an internal audit system commensurate with the size of the company and the nature of it's business.
- (viii) In our opinion and according to information and explanation given, maintenance of cost records has not been prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956.
- (ix) According to information and explanations given to us and the records examined by us, the Company has been generally regular in depositing with appropriate authorities undisputed statutory dues. However, provisions of investor education and protection fund, custom duty, excise duty are not applicable.

- (x) In our opinion and according to information and explanation given, the Company does not have any accumulated losses. The Company has not incurred cash losses during the financial year covered by our audit and immediate preceding financial year.
- (xi) In our opinion and according to information and explanation given to us the company has not defaulted in repayment of dues to Financial Institutions and banks.
- (xii) According to information and explanation given to us, the Company has not granted any loans and / or advances on basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xiv) In our opinion and according to information and explanation given to us, the Company has maintained proper records of transactions and contracts and timely entries have been made therein. Also shares, securities and other securities have been held by the company in its own name.
- (xv) According to information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) In our opinion, and according to information and explanation given to us the company has not availed any term loan, Therefore, the provisions of clause 4(xvi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xvii) According to information and explanations given to us, and on an overall examination of the balance sheet of the company, we report that no funds raised on short term basis have been used for long term investment. No long term funds have been used to finance short term assets except permanent working capital.
- (xviii) According to information and explanations given to us, the company has made preferential allotment of shares. Further, in our opinion the price at which the shares have been allotted are not prejudicial to the interest of the company.
- (xix) According to information and explanation given to us the company has not issued any debentures. Therefore, the provisions of clause 4(xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xx) The Company has not raised any money by public issues during the year covered by our report. Therefore, the provisions of clause 4(xx) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xxi) As per the information and explanation given to us, no fraud on or by the company has been noticed or reported during the year.

For D.N. Kanabar & Co.  
Chartered Accountants  
(FRN 104698W)

Sd/-  
Deepak Kanabar  
Proprietor  
Membership No.: 041157  
Date : August 01, 2011  
Place : Mumbai

# NETESOF INDIA LIMITED

## Balance Sheet as at March 31, 2011

	Sch. No.	31-Mar-11 ₹	31-Mar-10 ₹
<b>I) SOURCES OF FUNDS</b>			
<b>Shareholders Funds</b>			
a) Share Capital	1	15,321,000	7,507,000
b) Reserves & Surplus	2	235,872,560	210,901,176
<b>Deferred Tax Liability</b>		664,032	831,825
		<b>251,857,592</b>	<b>219,240,001</b>
<b>II) APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
a) Gross Block	3	93,529,698	90,495,616
b) Less: Depreciation		<u>16,937,965</u>	<u>14,668,577</u>
c) Net Block		76,591,734	75,827,040
<b>Investments</b>	4	120,141,559	99,938,070
<b>Current Assets, Loans &amp; Advances</b>			
a) Sundry Debtors	5	4,938,332	4,829,275
b) Cash & Bank Balances	6	43,669,204	37,945,609
c) Loans & Advances	7	<u>15,735,352</u>	<u>18,834,569</u>
		64,342,887	61,609,453
<b>Less:</b>			
<b>Current Liabilities &amp; Provisions</b>			
a) Liabilities	8	1,634,779	6,227,352
b) Provisions		<u>7,583,809</u>	<u>11,907,210</u>
		9,218,588	18,134,562
<b>Net Current Assets</b>		55,124,299	43,474,891
		<b>251,857,592</b>	<b>219,240,001</b>

### Significant Accounting Policies & Notes to Accounts 13

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

As per our Report of Even Date

For D N Kanabar & Co.  
Chartered Accountants  
(FRN 104698W)

Sd/-  
Deepak Kanabar  
Proprietor  
Mem No.041157  
Place: Mumbai  
Date: August 01, 2011

For and on behalf of the Board  
Netesoft India Limited

Sd/-  
Sarayu Somaiya  
Whole Time Director

Sd/-  
Rasik Somaiya  
Director

# NETESoft INDIA LIMITED

## Trading, Profit & Loss Account for the year ended March 31, 2011

	Sch. No.	31-Mar-11 ₹	31-Mar-10 ₹
<b>INCOME</b>			
Software Dev Charges		57,802,000	76,272,520
Other Income	9	23,965,931	39,680,450
		<b>81,767,931</b>	<b>115,952,970</b>
<b>EXPENDITURE</b>			
Employees Remuneration & Benefits	10	33,312,880	32,165,777
Operative & Administrative Expenses	11	7,655,612	9,241,330
		<b>40,968,492</b>	<b>41,407,106</b>
<b>PROFIT BEFORE INTEREST, DEPRECIATION AND TAXATION</b>		<b>40,799,439</b>	<b>74,545,864</b>
Interest & Finance Cost	12	96,725	278,203
<b>PROFIT BEFORE DEPRECIATION AND TAXATION</b>		<b>40,702,713</b>	<b>74,267,661</b>
Depreciation	3	3,905,194	3,986,746
<b>PROFIT BEFORE TAX</b>		<b>36,797,519</b>	<b>70,280,915</b>
Provision for Taxation		(9,200,000)	(17,296,000)
Taxes of earlier years		(105,207)	8,588,465
		<b>27,492,312</b>	<b>61,573,379</b>
Deferred Tax		(167,793)	(105,978)
<b>PROFIT AFTER TAX</b>		<b>27,660,105</b>	<b>61,679,357</b>
<b>APPROPRIATIONS</b>			
Interim Dividend paid		2,298,150	3,002,800
Interim Dividend Distribution Tax paid		390,571	510,326
General Reserve		2,000,000	11,013,126
		<b>4,688,721</b>	<b>7,500,000</b>
<b>BALANCE CARRIED FORWARD TO BALANCE SHEET</b>		<b>22,971,384</b>	<b>50,666,231</b>
<b>Nominal Value of Equity Shares</b>		<b>10.00</b>	<b>10.00</b>
<b>Basic &amp; Diluted Earning Per Share</b>		<b>18.05</b>	<b>82.16</b>

Significant Accounting Policies & Notes to Accounts 13

The Schedules referred to above form an integral part of the Profit & Loss Account

As per our Report of Even Date

For D N Kanabar & Co.  
Chartered Accountants  
(FRN 104698W)

Sd/-  
Deepak Kanabar  
Proprietor  
Mem No.041157  
Place: Mumbai  
Date: August 01, 2011

For and on behalf of the Board  
Netesoft India Limited

Sd/- Sarayu Somaiya  
Whole Time Director

Sd/- Rasik Somaiya  
Director



# NETESoft INDIA LIMITED

Schedules annexed to and forming part of the Balance Sheet as at 31st March, 2011

	31-Mar-11 ₹		31-Mar-10 ₹	
<b>SCHEDULE 1 - SHARE CAPITAL</b>				
<b>AUTHORISED CAPITAL</b>				
50,00,000 (Previous 50,00,000) Equity Shares of Rs.10/- each		50,000,000		50,000,000
<b>ISSUED, SUBSCRIBED &amp; PAID UP</b>				
15,32,100 (Prev. 7,50,700) Equity shares of Rs.10/- each fully paid up		15,321,000		7,507,000
		<b>15,321,000</b>		<b>7,507,000</b>
<b>SCHEDULE 2 - RESERVES &amp; SURPLUS</b>				
General Reserve				
Opening Balance	68,576,021		61,076,021	
Add: Additions during year	2,000,000	70,576,021	7,500,000	68,576,021
Profit & Loss Account				
Balance as per last B/S	142,325,155		91,658,924	
Add: Additions during year	22,971,384	165,296,539	50,666,231	142,325,155
		<b>235,872,560</b>		<b>210,901,176</b>
		<b>235,872,560</b>		<b>210,901,176</b>
<b>SCHEDULE 4 - INVESTMENTS</b>				
	<b>Shares</b>			
<b>Unquoted:</b>	<b>No.</b>			
Indian Market Watch. Com P Ltd	150,000		1,500,000	1,500,000
<b>Quoted:</b>				
Adhunik Metaliks	10,000	1,060,768	-	
Ansal Properties & Infrastructure	-	-	3,792,605	
Apollo Sindhoori (Prev 1,30,721)	-	-	3,031,313	
Alembic Limited	100,000	4,555,103	-	
BILT	80,000	2,575,382	-	
Bajaj Finserv (Prev 60,000)	-	-	19,796,077	
BEML	5,000	3,342,964	-	
Dhanalaxmi Bank	175,000	21,033,142	-	
Elecon Engineering Co. Ltd.	50,000	4,162,773	-	
Firstsource Solutions	100,000	2,804,759	-	
Firstobject Technologies	75,049	1,682,814	-	
HDFC Warrant (26.08.2012) (Prev 1110)	-	-	433,159	
Country Club	50,000	554,877	2,003,746	
Kamat Hotel (Prev 60,000)	-	-	4,593,865	
KEI Industries	50,000	1,591,392	3,720,997	
Max India Ltd. (prev 20,000)	50,000	8,885,320	4,068,814	
Networth Stock Broking	11	600	16,552,777	
Ranbaxy	5,000	2,243,350	-	
Ramsarup Industries (Prev 1,70,000)	-	-	14,292,197	
Techno Electric & Engineering (Prev 12,848)	12,848	2,772,931	2,772,931	
Indosolar	150,000	3,486,564	-	
Kalpataru Power	20,000	3,217,082	-	
Sasken Communication	45,000	8,454,467	-	
Sona Koyo Steering	150,000	3,169,836	-	
Subros Limited	50,000	2,258,158	-	
Compucom Software	200,000	3,877,962	-	
Pantaloon Retail (India) Ltd.	10,000	3,737,424	-	
Pantaloon Retail (India) Ltd.-B-DVR	13,531	3,751,044	-	
Madras Cement	10,000	980,662	-	
Tech Mahindra	2,000	1,279,892	-	
Karnataka Bank	10,000	1,231,455	92,710,723	75,058,481
<b>Others</b>				
Investment in Property			25,930,836	23,379,589
			<b>120,141,559</b>	<b>99,938,070</b>
<b>Aggregate Market Value - Quoted</b>	<b>61</b>	<b>83,989,789</b>		<b>72,098,452</b>
<b>Aggregate Value - Unquoted</b>		<b>1,500,000</b>		<b>1,500,000</b>

# NETESOFT INDIA LIMITED

Schedules annexed to and forming part of the Balance Sheet as at 31st March, 2011

	31-Mar-11 ₹	31-Mar-10 ₹
<b>SCHEDULE 5 - SUNDRY DEBTORS</b>		
(unsecured considered good)		
Outstanding over six months:	134,438	-
Others:	4,803,894	4,829,275
	<u>4,938,332</u>	<u>4,829,275</u>
<b>SCHEDULE 6 - CASH &amp; BANK BALANCES</b>		
Cash in Hand	112,325	35,921
Balances with Scheduled Banks:		
Current A/c's:	6,711,714	3,715,852
Fixed Deposits (inclusive of accrued interest of ₹.52,75,293/-)	36,845,165	34,193,835
	<u>43,669,204</u>	<u>37,945,609</u>
<b>SCHEDULE 7 - LOANS &amp; ADVANCES</b>		
<b>(unsecured, but considered good)</b>		
Sundry Advances		
Advances recoverable in cash or kind or for value to be received	15,491,290	18,621,057
Security Deposits	244,062	213,512
	<u>15,735,352</u>	<u>18,834,569</u>
<b>SCHEDULE 8 - CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>Sundry Creditors</b>		
For Expenses	817,375	659,648
For Others	<u>817,404</u>	<u>5,567,704</u>
	1,634,779	6,227,352
<b>Provisions</b>		
Provision for Taxation	7,583,809	11,907,210
	<u>9,218,588</u>	<u>18,134,562</u>

# NETESoft INDIA LIMITED

Schedules annexed to and forming part of Profit and Loss Account for the year ended 31st March, 2011

	31-Mar-11 ₹	31-Mar-10 ₹
<b>SCHEDULE 9 - OTHER INCOME</b>		
Interest Income *	3,061,586	2,975,761
Dividend Received	322,696	223,036
Rent received *	1,152,000	384,000
Profit on Sale of Investments	19,429,649	36,097,653
* (Tax deducted ₹ 4,14,079/-)	<b>23,965,931</b>	<b>39,680,450</b>
<b>SCHEDULE 10 - PAYMENT TO AND PROVISION FOR EMPLOYEES'</b>		
Salaries, Bonus & Ex-Gratia	31,726,275	30,515,844
Gratuity Expenses	256,890	46,677
Employees Welfare Fund Contribution	902,169	998,925
Staff Welfare Expenses	427,546	604,331
	<b>33,312,880</b>	<b>32,165,777</b>
<b>SCHEDULE 11 - OPERATIVE &amp; ADMINISTRATIVE EXPENSES</b>		
Communication Expenses	1,166,489	1,094,397
Expenses - Investment (Flat)	317,466	228,134
Director Medical Expenses	42,000	-
Directors Medical Ins. Premium Expenses	6,451	6,838
Director Sitting Fees	70,000	105,000
Electricity Expenses	1,376,698	1,409,124
Repairs & Maintenance-P&M Expenses	470,579	258,946
Repairs & Maintenance-Office Expenses	823,178	1,105,873
Repairs & Maintenance - Others Expenses	44,729	77,224
Forex Fluctuation	52,138	1,766,128
Office Expenses	153,238	118,398
Printing & Stationery Expenses	144,728	39,499
CMM level III Training Expenses	220,600	72,798
Professional Fees	633,000	1,223,917
Travelling Expenses	357,089	124,205
Vehicle Maintenance Expenses	489,104	299,010
STPI Service Charges	135,000	252,500
Property Tax	132,580	139,936
Auditor's Remuneration	423,552	413,625
Miscellaneous Expenses	596,993	505,777
	<b>7,655,612</b>	<b>9,241,330</b>
<b>SCHEDULE 12 - INTEREST &amp; FINANCE COST</b>		
Bank Interest	93,087	277,789
Interest on TDS	3,638	414
	<b>96,725</b>	<b>278,203</b>

# Netesoft India Limited

## Schedule Annexed to and forming part of the Balance Sheet as at March 31, 2011

SCHEDULE 3 - FIXED ASSETS												
Name of Asset	Gross Block					Depreciation					Net Block	
	1-Apr-10	Additions	Sales/Adj	Total	% of Dep.	1-Apr-10	During the year	Adjustments	Total	31-Mar-11	31-Mar-10	
<b>Land &amp; Building</b>												
Office, MBP *	16,113,120	-	(2,476,800)	13,636,320		835,125	143,606	87,914	890,817	12,745,503	15,277,995	
Office (Technology) *	49,708,859	216,000	-	49,924,859		583,448	524,522	-	1,107,970	48,816,889	49,125,411	
Leasehold Improvements	3,670,819	-	-	3,670,819	5.00%	566,915	155,195	-	722,110	2,948,709	3,103,904	
<b>Plant &amp; Machinery</b>												
Computers	7,960,754	87,739	(583,477)	7,465,016	40.00%	6,012,936	779,130	539,113	6,252,953	1,212,063	1,947,818	
Software	2,011,590	917,860	(31,200)	2,898,250	40.00%	934,017	629,294	26,840	1,536,471	1,361,779	1,077,573	
Networking Equip	857,527	26,399	(45,490)	838,436	40.00%	660,206	85,199	38,639	706,766	131,670	197,321	
Office Equipment	1,001,532	392,694	(15,990)	1,378,236	13.91%	330,529	129,196	5,887	453,638	924,398	671,003	
UPS/Batteries	1,208,215	184,000	(225,888)	1,166,327	40.00%	1,000,656	124,032	194,248	930,440	235,887	207,559	
Air Conditioners	1,302,480	-	-	1,302,480	13.91%	568,280	102,127	-	670,407	632,073	734,200	
Electrical Installations	1,998,620	900,000	-	2,898,620	13.91%	833,414	226,047	-	1,059,461	1,839,159	1,165,206	
<b>Furniture &amp; Fixtures</b>												
Furniture & Fixtures	3,013,452	286,250	-	3,299,702	18.10%	1,411,783	333,803	-	1,745,586	1,554,116	1,601,669	
<b>Vehicle</b>												
Motor Car	1,648,650	5,601,071	(2,199,086)	5,050,635	25.89%	931,268	673,043	743,165	861,146	4,189,489	717,382	
	<b>90,495,616</b>	<b>8,612,013</b>	<b>(5,577,931)</b>	<b>93,529,698</b>		<b>14,668,577</b>	<b>3,905,194</b>	<b>1,635,806</b>	<b>16,937,965</b>	<b>76,591,734</b>	<b>75,827,040</b>	
<b>Previous Year</b>	<b>88,905,857</b>	<b>1,589,759</b>	<b>-</b>	<b>90,495,616</b>		<b>10,681,831</b>	<b>3,986,746</b>	<b>-</b>	<b>14,668,577</b>	<b>75,827,040</b>	<b>78,224,027</b>	

\* Depreciation on Office Unit represents amortisation over the balance period of lease.

# NETESoft INDIA LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2011

	31-Mar-11 ₹	31-Mar-10 ₹
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
a. Profit / (Loss) Before Tax	36,797,519	70,280,915
<b>Adjustments for</b>		
Depreciation / Amortisation	3,931,271	3,986,746
Interest Expenses	93,087	277,789
Interest Income	(3,061,586)	(2,975,761)
Dividend Income	(322,696)	(223,036)
Rent Income	(1,152,000)	(384,000)
Profit on sale of Investment	(19,429,649)	(36,097,653)
Loss on sale of Fixed Assets	30,688	-
b. Operating Profit before Working Capital Changes	16,886,635	34,865,000
<b>Adjustments for</b>		
(Increase) / Decrease in Debtors	(109,057)	3,211,894
(Increase) / Decrease in loans & advances	(2,315,312)	(309,884)
Increase / (Decrease) in Current Liabilities	(4,592,573)	4,163,520
c. Net Cash from Operating Activities	9,869,693	41,930,530
Less:-		
Direct tax paid	(8,214,079)	(13,641,921)
<b>Net Cash from Operating Activities (A)</b>	<b>1,655,614</b>	<b>28,288,609</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(8,612,013)	(1,589,759)
Purchase of Investment in property	(188,438)	(1,289,859)
Purchase of investment	(83,722,108)	(75,058,481)
Sale of Investment in shares	85,499,515	62,461,289
Proceeds from Sale of Fixed Assets	1,522,551	-
Interest Income	3,061,586	2,975,761
Dividend Income	322,696	223,036
Rent Income	1,152,000	384,000
<b>Net Cash used in Investing Activities (B)</b>	<b>(964,211)</b>	<b>(11,894,013)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Issue of Equity Shares	7,814,000	-
Repayment of Secured loans from HDFC Bank	-	(8,913,654)
Interim Dividend paid (including Dividend Tax)	(2,688,721)	(3,513,126)
Dividend of FY 2008-09 paid during the year		(3,513,126)
Interest Expenses	(93,087)	(277,789)
<b>Net cash from/used in Financing Activities (C)</b>	<b>5,032,192</b>	<b>(16,217,695)</b>
<b>Net Increase/ (Decrease) in Cash &amp; Cash Equivalents during the year (A+B+C)</b>	<b>5,723,595</b>	<b>176,901</b>
Cash & Cash Equivalent at the beginning of the year.	37,945,609	37,768,708
<b>Cash &amp; Cash Equivalent at the end of the year</b>	<b>43,669,204</b>	<b>37,945,609</b>

As per our Report of Even Date

For D N Kanabar & Co.  
Chartered Accountants  
(FRN 104698W)

Sd/-  
Deepak Kanabar  
Proprietor  
Mem No.041157  
Place: Mumbai  
Date: August 01, 2011

For and on behalf of the Board  
Netesoft India Limited

Sd/-  
Sarayu Somaiya  
Whole Time Director

Sd/-  
Rasik Somaiya  
Director

## SCHEDULE 13

### **SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS**

#### I. SIGNIFICANT ACCOUNTING POLICIES:

The Financial Statements are prepared under historical cost convention as on accrual basis and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI), referred to in Sec. 211(3C) of the Companies Act, 1956.

##### (a) Uses of Estimates:

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affects the reported amount of assets and liabilities on the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

##### (b) Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of Product:- Income is recognised when the website / product is delivered in accordance with the terms of the Agreement / MOU.

Dividend income is accounted on receipt basis and other income on accrual basis.

##### (c) Fixed / Leased Assets:

Fixed Assets are carried at cost. Cost represents the direct expenses incurred on acquisition of the assets and the relative share of indirect expenses relating share of indirect expenses relating to acquisition in proportion of the direct cost involved.

Lease Assets are carried at cost less amortization.

##### (d) Depreciation / Amortisation:

Depreciation is provided using Written Down Value at the rates prescribed in Schedule XIV of the Companies Act, 1956. Depreciation in respect of assets acquired during the year has been provided on pro-rata basis, according to the period each assets are put to use during the year.

Amortisation on lease assets is recognised over the period of lease.

##### (e) Investments:

- i Long Term Investments are stated at cost. Provision for diminution in the value of long term investments is made only if, such a decline in the opinion of the management is other than temporary.
- ii Investments include shares and securities purchased with the intension of holding them as investments as per Board resolutions.

## NETESoft INDIA LIMITED

Schedules attached to and forming part of the financial statements for the year ended March 31, 2011

(f) Retirements and Employee Benefits:

The benefit of encashment of leave to the employee, being at the option of the employee, is accounted for as and when claim. Staff benefits arising out of retirement / death, comprising of contribution to provident fund, Superannuation and Gratuity scheme and other benefits are accounted for on the basis of contribution to the scheme, or by an independent actuarial valuation as at the year end, as the case may be.

(g) Taxation Expenses:

- i) Provision for current tax is made for the tax liabilities payable on taxable income after considering tax allowance, deductions and exemptions determined in accordance with the prevailing tax laws and retained in the accounts on the basis of estimated tax liability as per the applicable provisions of the Income Tax Act, 1961.
- ii) Deferred tax is recognized on timing difference, being the difference between the taxable income and accounting income that originates in one period and is capable of reversal in one or more subsequent periods.

(h) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events of share split.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(i) Impairment

Impairment is ascertained at each Balance Sheet date in respect of the Company's fixed assets. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

(j) Provision

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions 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.

(k) Segment Information

The Company's only business is development of websites and hence disclosure of segment wise information is not applicable under AS-17-segment information notified by Companies (Accounting Standards) Rules, 2006.

(l) Foreign Exchange Transactions

Transaction in foreign exchange are recorded at the exchange at the exchange rate prevailing on the date of transaction. Outstanding balances at the Balance Sheet date are restated at the exchange rate prevailing at the date of Balance Sheet.

## NETESoft INDIA LIMITED

Schedules attached to and forming part of the financial statements for the year ended March 31, 2011

- (m) Accounting policies not specifically referred to above are consistent with earlier years and in consonance with generally accepted accounting principles.

### II. NOTES TO ACCOUNTS:

- (a) None of the fixed assets except car and other investments have been insured.
- (b) Balances of Loans and Advances, Sundry Creditors and Sundry Debtors have been taken at values stated in books of accounts and the reconciliation is in progress. Necessary adjustments shall be carried out wherever applicable.
- (c) The Company has not recognized any loss on impairment in respect of assets as required in terms of Accounting Standards 28 on Impairment of assets issued by ICAI, as in the opinion of the management the reduction in value of assets, to the extent required, has already been provided in the books.
- (d) Transaction in foreign currency are recorded at the exchange rate prevailing at the time of the transaction while those remaining unsettled at the year end are translated at the year end rates resulting in exchange difference being recognized as income / expenses (net).
- (e) Pursuant to Accounting Standard (AS 22) relating to 'Accounting for Taxes on Income,' the company has recognized net deferred tax liability to the extent:

Deferred tax liability (net) at the end comprise timing difference on account of:

<b>Particulars</b>	<b>Amount (₹)</b>
Opening Balance	8,31,825
Add/(Less): Adjustment	<u>(1,67,793)</u>
<b>Closing Balance</b>	<b><u>6,64,032</u></b>

Adjustment pertains to earlier periods deferred tax amounts.

- (f) Bank Overdraft

The Bank Overdrafts has been secured against fixed deposits of Rs.2,50,00,000/-

- (g) Contingent Liabilities

The Income Tax Department, Mumbai has passed an order u/s 271G r.w.s. 271AA of the Income Tax Act, levying penalty of Rs.11,10,970/- (Rupees Eleven Lakhs Ten Thousand Nine Hundred Seventy Only) with regards to default in complying rule 10 D r.w.s. 92D of the provision of Income Tax Act, 1961. An appeal against the order is pending before appropriate authority.



## NETESoft INDIA LIMITED

Schedules attached to and forming part of the financial statements for the year ended March 31, 2011

### Additional Information under Schedule VI of the Companies Act, 1956

(a) Managerial Remuneration including sitting fees is paid during the year by the Company

<b>Particulars</b>	<b>2011</b>	<b>2010</b>
Director Remuneration	4,63,080	4,10,640
Director Sitting Fees	70,000	1,05,000
Director Medical Expenses	<u>48,451</u>	<u>6,838</u>
<b>Total</b>	<b><u>5,81,531</u></b>	<b><u>5,22,478</u></b>

(b) Auditors Remuneration

<b>Particulars</b>	<b>2011</b>	<b>2010</b>
Audit Fees	3,50,000	3,50,000
Tax Audit Fees	20,000	20,000
Others	14,000	5,000
Service Tax	<u>39,552</u>	<u>38,625</u>
<b>Total</b>	<b><u>4,23,552</u></b>	<b><u>4,13,625</u></b>

(c) Income / Expenditure in Foreign Exchange

<b>Particulars</b>	<b>2011</b>	<b>2010</b>
Income in Foreign Currency	US \$ 12,67,700	US \$ 16,12,653
Expenditure in Foreign Currency	Nil	US \$ 495

(d) Related Party Discloser as per AS – 18 are as follows:

- Parties, which significantly influence the Company Smt. Sarayu Somaiya
- Parties, which are significantly influence by the Company Nil
- Entities controlled by Directors or their relatives
  1. United Interactive Limited
  2. Ganesh Keshav Securities Pvt. Ltd.
  3. Span Capital Services Pvt. Ltd.
  4. India Technology Investments Pvt. Ltd.
  5. Soft Circuit.Com (India) Pvt. Ltd.
  6. India Internet Investments Pvt. Ltd.
  7. India Market Watch Pvt. Ltd.
  8. Toral Farms Pvt. Ltd.
- Key Managerial Person
  1. Smt. Sarayu Somaiya – Director
  2. Shri Rasiklal Somaiya – Director
  3. Shri Hemang Joshi – Director

## NETESoft INDIA LIMITED

Schedules attached to and forming part of the financial statements for the year ended March 31, 2011

- Transactions with related parties during the year:

Nature of Transaction	Amount (₹)		Year End		Maximum outstanding during the year	
	2011	2010	2011	2010	2011	2010
Loans & Advances	1,00,000/- (Interest @ 8%)	Nil	81,744/- (with interest)	Nil	1,04,405/- (with interest)	Nil
Professional Fees	5,00,000/-	8,50,000/-	Nil	Nil	5,00,000/-	3,15,000/-
Director Sitting Fees	70,000/-	1,05,000/-	Nil	Nil	70,000/-	40,365/-
Directors Remuneration	4,63,080/-	4,10,640/-	Nil	Nil	53,680/-	30,440/-

(e) The Earning per share has been calculated as specified in Accounting Standard 20 on 'Earning Per Share' issued by ICAI, the related disclosures are as under:

Particulars	2011	2010
Profit / (loss) after tax	2,76,60,105	6,16,79,357
Calculation of weighted average number of equity share of Rs. 10 each	15,32,100	7,50,700
Weighted average number of equity shares outstanding during the year for calculation of basic earnings per share		
Basic and Diluted Earning Per Share	18.05	82.16

(f) Employees Benefits

On account of defined Contribution Plan, the Company has charged the following amounts in the Profit & Loss A/c.

Particulars	2011	2010
Gratuity	2,56,890	46,677
Provident Fund	9,02,169	9,98,925
Staff Medical Insurance	1,31,572	1,57,486
<b>Total</b>	<b><u>12,90,631</u></b>	<b><u>12,03,088</u></b>

**NETESoft INDIA LIMITED**

**Schedules attached to and forming part of the financial statements for the year ended March 31, 2011**

(g) Figures have been rounded off to nearest rupee.

(h) Previous year's figures have been regrouped or rearranged wherever necessary.

As per our Report of even date

Signature to Schedules 1 to 13

For D. N. Kanabar & Co.  
Chartered Accountants  
FRN 104698W

For and on behalf of the Board  
Netesoft India Limited

Sd/-  
Deepak Kanabar  
Proprietor  
Mob No.041157

Sd/-  
Sarayu Somaiya  
Whole Time Director

Sd/-  
Rasik Somaiya  
Director

Place : Mumbai  
Date : August 01, 2011

# NETESoft INDIA LIMITED

Additional information pursuant to provisions of Part IV of Schedule VI to the companies Act,1956

## BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

### I Registration Details

Registration No.	123711	State Code	11
Balance Sheet Date	31.03.2011		

### II Capital Raised during the year (Amount ₹)

Public Issue	NIL	Rights Issue	NIL
Bonus Issue	NIL	Private Placement	7,814,000

### III Position of Mobilisation and Deployment of Funds (Amount ₹)

<b>Total Liabilities</b>	<b>251,857,592</b>	<b>Total Assets</b>	<b>251,857,592</b>
--------------------------	--------------------	---------------------	--------------------

#### Sources of Funds

Paid Up Capital	15,321,000	Reserves & Surplus	235,872,560
Secured Loans	-	Unsecured Loans	-
Deferred Tax Liability	664,032		

#### Application of Funds

Net Fixed Assets	76,591,734	Investments	120,141,559
Net Current Assets	55,124,299	Deferred Tax Asset	-
Accumulated Losses	-	Misc.Expenditure	-

### IV Performance of Company (Amount ₹)

Turnover	81,767,931	Total Expenditure	44,970,411
Profit Before Tax	36,797,519	Profit After Tax	27,660,105
Earning Per Share	18.05	Interim Dividend Rate	15%

### V Generic Names of Principal Products of the Company

Item Code No.(ITC CODE)	
Product Description	IT and ITES

As per our Report annexed

For D N Kanabar & Co.  
Chartered Accountants  
(FRN 104698W)

Sd/-  
Deepak Kanabar  
Proprietor  
Mem No.041157  
Place: Mumbai  
Date: August 01, 2011

For and on behalf of the Board  
Netesoft India Limited

Sd/-  
Sarayu Somaiya  
Whole Time Director

Sd/-  
Rasik Somaiya  
Director

**UNITED INTERACTIVE LIMITED**  
**(formerly Neemtek Organic Products Limited)**

Registered Office: No.304 Maker Chambers V, Nariman Point, Mumbai – 400 021.

**ATTENDANCE SLIP**

I hereby record my/our presence at the 28<sup>th</sup> Annual General Meeting of the Company held on Saturday, September 24, 2011 at 11.00 a.m. at Kilachand Conference Room, 2<sup>nd</sup> Floor, IMC Building, IMC Marg, Churchgate, Mumbai – 400 020

Full Name of the shareholder (in Block Letters) \_\_\_\_\_

Father's/Husband's Name \_\_\_\_\_

Folio No. /DP ID / Client ID \_\_\_\_\_

Full Name of Proxy, if applicable \_\_\_\_\_

Signature \_\_\_\_\_

Note: Shareholder / proxy holder wishing to attend the meeting must handover the duly signed attendance slip at the entrance.

-----

**UNITED INTERACTIVE LIMITED**  
**(formerly Neemtek Organic Products Limited)**

Registered Office: No.304 Maker Chambers V, Nariman Point, Mumbai – 400 021

**PROXY FORM**

I/We \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ being member / members of United Interactive Limited hereby appoint(s) \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ of failing him / her \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ as my/our proxy to vote for me/us on my/our behalf at the 28<sup>th</sup> Annual General Meeting of the Company to be held on Saturday, September 24, 2011 at 11.00 a.m. Kilachand Conference Room, 2<sup>nd</sup> Floor, IMC Building, IMC Marg, Churchgate, Mumbai – 400 020

Signed the \_\_\_\_\_ day of \_\_\_\_\_ 2011

Folio No/DP ID/Client ID: \_\_\_\_\_

No. of Shares held: \_\_\_\_\_

Signature: \_\_\_\_\_



Note: The proxy form duly completed must be deposited at the Registered Office of the Company not less than 48 hours before the time of holding of the meeting.

 **UNITED** | INTERACTIVE

(Formerly Neemtek Organic Products Limited)

**United Interactive Limited**  
304, Maker Chambers V,  
Nariman Point, Mumbai - 400 021  
Tel No.2204 0729  
Fax No.2288 4834