

eDESK SERVICES LIMITED

ANNUAL REPORT
2014-15

BOARD OF DIRECTORS

Mr. Sanjay Shah
Mr. Sanjay Nimbalkar
Mr. Mahendra Sanghvi

BANKERS

HDFC BANK LIMITED
AXIS BANK LIMITED

AUDITORS

G. C. PATEL & CO.
CHARTERED ACCOUNTANTS

REGISTERED OFFICE

6, LALWANI INDUSTRIAL ESTATE,
14 G.D.AMBEKAR ROAD,
WADALA, MUMBAI 400031.

NOTICE

NOTICE IS HEREBY GIVEN THAT THE ANNUAL GENERAL MEETING FOR THE MEMBERS OF EDESK SERVICES LIMITED WILL BE HELD ON WEDNESDAY, SEPTEMBER 30th , 2015 AT 2.00 P.M. AT THE REGISTERED OFFICE OF THE COMPANY AT 6, LALWANI INDUSTRIAL ESTATE, 14 G.D. AMBEKAR ROAD, WADALA, MUMBAI 400031 TO TRANSACT THE FOLLOWING BUSINESS

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements for the financial year ended March 31, 2015 together with the Director's Report and Auditor's Report.
2. To appoint a Director in place of Mr. Sanjay Nimbalkar (DIN: 03298937) who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
3. To ratify the appointment of M/s G.C Patel & Co., Chartered Accountants as the Statutory Auditor of the Company, pursuant to Section 139 and all applicable provisions of the Companies Act, 2013 from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting.

**By Order of the Board of Directors
eDesk Services Limited**

**Place: Mumbai
Date: 5th September, 2015**

**Sanjay Nimbalkar
Director**

Notes

1. A member entitled to attend and vote at the meeting is entitled to attend or appoint a proxy to attend and vote instead of himself only on poll and proxy need not be a member of the Company. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. Members / Proxies should bring the Attendance slip duly filled in for attending the meeting.
3. The Register of Members and Share Transfer Book will remain closed from Wednesday, September 23, 2015 to Wednesday, September 30, 2015 (both days inclusive).
4. Members are requested to bring their copy of Annual Report to the Meeting.
5. Members seeking further information on the accounts or any other matter contained in the Notice are requested to write to the Company at least 7 days before the meeting so that relevant information can be kept ready at the meeting.

DIRECTORS REPORT

To,
The Members,
eDesk Services Limited

Your Directors present the Annual Report on the working of the Company together with the audited accounts for the year ended March 31, 2015.

FINANCIAL RESULTS

Particulars	for the Year Ended	
	31.03.2015	31.03.2014
	Rupees	Rupees
Gross Profit / (Loss) before interest and depreciation	(3,287)	(1,20,52,912)
Less: Interest	14,049	86,222
Depreciation	63,99,071	51,67,381
Profit / (Loss) before tax	(64,16,407)	(1,73,06,515)
Less: Provision for Taxation	-	-
Profit / (Loss) after tax	(64,16,407)	(1,73,06,515)
Excess/(Short) provision of Income Tax	-	-
Deferred Tax	10,68,496	(74,91,511)
Profit / (Loss) after Tax	(58,14,492)	(93,30,921)

STATE OF AFFAIRS AND DIVIDEND

Your Company had a loss of Rs. 58,14,492/- in FY 14-15 as compared to a loss of Rs. 93,30,921/- in FY 13-14. In view of the Loss for the period, the dividend cannot be recommended.

MEETINGS OF THE BOARD

The Board has met on six occasions: 30th May 2014, 20th June 2014, 30th June 2014, 5th September 2014, 5th December 2014 and 14th February 2015.

DIRECTORS

The Directors have furnished a declaration to the board at the first meeting of the financial year 2014-15 to the effect that they are not disqualified to act as directors under Section 164 of the Companies Act, 2013.

Mr. Sanjay Nimbalkar (DIN: 03298937) and Mr. Sanjay Shah (DIN: 02416723) were appointed in the board meeting held on 20th June, 2014. Mr. Nitin Datanwala (DIN: 00047544) and Mr. Dilip Mehta (DIN: 00991101) resigned with effect from 30th June 2014.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134 (5) of the Companies Act, 2013, the directors, to the best of their knowledge and ability, hereby confirm that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- 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 and loss of the company for that period;
- 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;
- the directors had prepared the annual accounts on a going concern basis; and

(e) the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

FIXED DEPOSITS

Pursuant to Chapter V of the Companies Act, 2013, the Company has not accepted any deposits from the public during the year under review.

FINANCIAL CONTROLS

The Company has updated its internal control system and monitors the same regularly to manage the risks inherent in business and financial processes.

SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders passed by regulators or courts or tribunals which may affect the going concern status of the Company or its operations in the future.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) of Companies (Accounts) Rules, 2014

Your Company has taken due care of conservation of energy by using more natural light and by using energy efficient equipment. Your company has not undertaken any research and development in the past year. There have been no foreign exchange earnings &/or outgo during the previous year.

PARTICULARS OF EMPLOYEES:

Particulars of Employees as required under Section 197 of the Companies Act, 2013 read with the Companies (Particulars of Employees) Rules, 1975, as amended, is not annexed hereto as none of the employees have drawn remuneration exceeding Rs. 5,00,000/- p.m. or Rs. 60,00,000/- p.a.

AUDITORS REPORT

The auditor's report does not contain any qualifications, reservations or adverse remarks. The Auditor's Report is annexed to the financial statements which form a part of this annual report.

EXTRACT OF ANNUAL RETURN

The Extract of annual return as provided under Section 92(3) of the Act, the extract of annual return is given in Annexure I in the prescribed Form MGT-9, which forms part of this report.

ACKNOWLEDGEMENTS:

Your Directors wish to place on record their sincere appreciation and thanks for the valuable co-operation and support received from all the stakeholders of the Company at all levels.

**By Order of the Board of Directors
eDesk Services Limited**

**Place: Mumbai
Date: 30th May, 2015**

**sd/-
Sanjay Nimbalkar
Chairman**

ANNEXURE I - FORM NO. MGT-9**EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2015

Pursuant to Section 92 (3) of Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rule, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U15540MH2004PTC223176
2.	Registration Date	29/09/2004
3.	Name of the Company	EDESK SERVICES LIMITED
4.	Category/Sub-category of the Company	Company limited by shares
5.	Address of the Registered office & contact details	6, Lalwani Industrial Estate, 14 G. D. Ambekar Road, Wadala, Mumbai-400031.
6.	Whether listed company	NO
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(The entire business activities contributing 10% or more of the total turnover of the company shall be stated)

No.	Name and Description of main products /services	NIC Code of the Product/services	% of total turnover of the Company
1	Trading business is in restructuring.		0%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

Sr. No.	Name and address of the Company	CIN/GLN	Holding / Subsidiary /Associate	% of Shares held	Applicable Section
1.	Vaadar Ventures Limited	L65990MH1993PLC074306	Holding	100%	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Edesk Services Limited is a wholly Owned Subsidiary of Vaadar Ventures Limited.

Change in Promoter's Shareholding:

There is no change in the shareholding.

Shareholding of Directors and Key Managerial Personnel

Mr. Sanjay Shah, Director, holds ten shares jointly with Vaarad Ventures Limited.

V) INDEBTEDNESS-

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial				
i) Principal Amount		284360		284360
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total(i +ii +iii)		284360		284360
Change in Indebtedness during the financial year				
*Addition				
* Reduction		(262247)		(262247)
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount		22113		22113
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total(i +ii +iii)		22113		22113

VI.REMUNERATION OF DIRECTORS AND KEY MANAGERIALPERSONNEL-

- A. **Remuneration to Managing Director, Whole-time Directors and/or Manager:** Not Applicable
- B. **Remuneration to other directors:** All the directors have not claimed any sitting fees for their service rendered to the Company.
- C. **Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD:** Not Applicable

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OFFENCES: There were no penalties, punishment or compounding of offences during the year ended March 31, 2015.

G. C. Patel & Co.

102, Summer Villa Chs., 7th Road, Near Hdfc Bank ATM,
Santacruz (East), Mumbai 400055.

To the Members of EDESK SERVICES LIMITED**Report on the financial statements**

We have audited the accompanying financial statements of Edesk Services Limited ('the Company'), which comprise the balance sheet as at 31 March 2015, the statement of profit and loss for the year then ended, the cash flow statement and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

The Company's board of directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance of the company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the act, read with rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the act and the rules made thereunder.

We conducted our audit in accordance with the standards on auditing specified under section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

The audit procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error and the company's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the company's directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31 March 2015 and its financial position for the year ended on that date.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the act, we give in the annexure a statement on the matters specified in the paragraph 3 and 4 of the order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) the balance sheet and the statement of profit and loss dealt with by this Report are in agreement with the books of account;
- d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) on the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
- f) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company does not have any pending litigations;
 - ii. the Company does not have any long term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise; and
 - iii. the company has not declared dividend and there are no dues to IEPF.

For G.C. Patel & Co.
Chartered Accountants
FRN. : 113693W

Place:-Mumbai
Date:- 30.05.15

G. C.Patel
Partner
No.047327

ANNEXURE TO THE AUDITOR'S REPORT

(This is the Annexure referred to in our Report of even date)

The annexure referred to in our Independent Auditors' Report to the members of the company on the financial statements for the year ended 31 March 2015, we report that:

- i) (a) The Company has fixed assets. The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
(b) In our opinion, the fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies have been noticed.
- ii) (a) The Company has inventory. In our opinion, physical verification of inventory has been conducted at reasonable intervals.
(b) In our opinion, the procedures of physical verification of inventory are commensurate with the size and nature of the business.
© In our opinion, the company is maintaining proper records of inventory and no material discrepancies have been noted.
- (iii) The Company has not granted loans to any body corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
(b) There are no other loans granted to the bodies corporate listed in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii)(b) of the Order is not applicable to the Company in respect of repayment of the principal amount.
(c) There are no overdue amounts of more than rupees one lakh in respect of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii)(c) of the Order is not applicable to the Company in respect of repayment of the principal amount.

(iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company. We have not observed any major weakness in the internal control system during the course of the audit.

(v) The Company has not accepted any deposits from the public.

(vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

(vii)(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including income tax, sales tax, service tax, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance, wealth tax, duty of customs, provident fund and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, service tax, value added tax, cess and other material statutory dues were in arrears for more than six months from when they became due.

(vii)(b) According to the information and explanations given to us, there are no material dues of wealth tax, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute.

(vii)© The Company has not declared dividend. Accordingly, paragraph 3(vii)(c) of the Order is not applicable to the Company in respect of transfer of dividend to IEPPF.

(viii) The Company has been in existence for a period of more than five years. Its accumulated losses are more than fifty percent of its net worth. It has incurred cash losses in the current and previous financial year.

(ix) The Company has an unsecured loan. It has not defaulted in payment of dues to the bank.

(x) In our opinion and according to the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.

(xi) The Company did not have any term loans outstanding during the year.

(xii) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

Place:-Mumbai

Date:- 30.05.15

For G.C. Patel & Co.
Chartered Accountants
Firm Registration No. : 113693W

Gnaneshwar C.Patel
Partner
Mem.No.047327

BALANCE SHEET AS AT 31ST MARCH, 2015

		Notes No.	AS AT 31.3.2015	AS AT 31.3.2014
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	2	4,210,000	4,210,000
	(b) Reserves and surplus	3	34,697,079	53,014,486
	(c) Money received against share warrants		-	-
2	Share application money pending allotment		-	-
3	Non-current liabilities			
	(a) Long-term borrowings	4	22,113	284,360
	(b) Deferred tax liabilities (net)		-	-
	(c) Other long-term liabilities		-	-
	(d) Long-term provisions		-	-
4	Current liabilities			
	(a) Short-term borrowings	5	15,131	-
	(b) Trade payables	6	211,865,685	211,862,879
	(c) Other current liabilities	7		305,791
	TOTAL		250,810,008	269,677,516
B	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	8	-	107,327
	(ii) Intangible assets	8	2,760,682	19,884,931
	(iii) Capital work-in-progress	8	45,900,000	45,900,000
	(iv) Intangible assets under development		-	-
	(v) Fixed assets held for sale		-	-
	(b) Non-current investments		-	-
	(c) Deferred tax assets (net)	9	528,225	1,596,721
	(d) Long-term loans and advances	10	423,382	37,458
	(e) Other non-current assets		-	-
2	Current assets			
	(a) Current investments			
	(b) Inventories	11	12,417,726	12,417,726
	(c) Trade receivables	12	188,750,406	188,742,906
	(d) Cash and cash equivalents	13	29,587	15,538
	(e) Short-term loans and advances			-
	(f) Other current assets	14		974,909
	TOTAL		250,810,008	269,677,516
Significant Accounting Policies		1		
<p>In terms of our report attached.</p> <p>For G.C.Patel & Co.</p> <p>Chartered Accountants</p> <p>FRN:113693W</p> <p>G.C.Patel</p> <p>Partner</p> <p>Mem.No.047327</p> <p>Place : Mumbai</p> <p>Date : 30th May,2015</p>				
<p>For and on behalf of the Board of Directors</p> <p>Sanjay Nimbalkar</p> <p>Director</p> <p>Mahendra Sanghvi</p> <p>Director</p> <p>Place : Mumbai</p> <p>Date : 30th May,2015</p>				

STATEMENT OF PROFIT AND LOSS AS AT 31ST MARCH, 2015

	Notes No.	AS AT 31.3.2015	AS AT 31.3.2014
1 Revenue from operations (gross)		-	172,414,050
Less: Excise duty		-	-
Revenue from operations (net)		-	172,414,050
2 Other income	15	30,179	137,213
3 Total revenue (1+2)		30,179	172,551,263
4 Expenses			
(a) Cost of materials consumed			
(b) Purchases of stock-in-trade		-	187,370,504
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	16	-	(9,905,085)
(d) Employee benefits expense	17	-	109,386
(e) Finance costs	18	14,049	86,222
(f) Depreciation and amortisation expense	8	6,399,071	5,167,381
(g) Other expenses	19	33,465	7,029,370
Total expenses		6,446,585	189,857,778
5 Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)		(6,416,407)	(17,306,515)
6 Exceptional items		-	
7 Profit / (Loss) before extraordinary items and tax (5 + 6)		(6,416,407)	(17,306,515)
8 Extraordinary items Excess Depreciation of Previous Year Written Back			
9 Profit / (Loss) before tax (7 + 8)		(6,416,407)	(17,306,515)
10 Tax expense:			
(a) Current tax expense for current year		-	-
(b) MAT credit where applicable		-	-
(c) Current tax expense relating to prior years		-	-
(d) Excess/(Short) Provision of Income Tax Written Back		-	-
(e) Deferred tax	5	(1,068,496)	9,161,922
Total(10)			
11 Profit / (Loss) for the year(9 +10)		(7,484,903)	(8,144,593)
12 Earnings per share (of ` Rs.1- each)			
(a) Basic			
(i) Continuing operations		(1.78)	(1.93)
(b) Diluted			
(i) Continuing operations		(1.78)	(1.93)

Significant Accounting Policies

1

In terms of our report attached.

For G.C.Patel & Co.
Chartered Accountants
FRN:113693W
For and on behalf of the Board of Directors
G.C.Patel
Partner
Mem.No.047327
Place : Mumbai
Date : 30th May,2015

Sanjay Nimbalkar
Director
Mahendra Sanghvi
Director

1. SIGNIFICANT ACCOUNTING POLICIES YEAR ENDED 31st MARCH, 2015**Basis of Preparation of financial statement :-**

The financial statements have been prepared and presented under the historical cost convention on accrual basis of accounting to comply with the Accounting Standards prescribed in the Companies (Accounting Standards) Rule 2006 and with relevant provisions of the Companies Act 2013.

1.1 Method of Accounting

- i. The method of accounting followed by the Company is mercantile / accrual basis
- ii. The rights and liabilities pertaining to prior period operations but arising in the Current year, if material, are shown under 'prior period adjustments' in the profit and Loss Account.

1.2 Revenue Recognition:**Sales**

Income from Product Sales/Services Charges is recognized upon completion of sales and rendering of the services respectively. Sales are inclusive of excise duty but accounted net of sales tax, whenever applicable.

Dividend and Interest

Dividend income from investments is recognized when right to receive to payment is established. Interest income is accounted on its accrual on a time proportion.

1.3 Depreciation:

- i. Depreciation is charged on intangible assets on Straight line method (SLM method) as that is more appropriate at rates provided in the Companies Act, 1956.
- ii. Goodwill is not amortized but is kept at cost value.

1.4 Fixed Assets:

Fixed Assets are stated at cost of acquisition or construction, less accumulated depreciation. All costs relating to the acquisition and installation of fixed assets are capitalized and include financing costs relating to the borrowed funds attributable to construction or acquisition of fixed assets up to the date the assets are put to use.

1.5 Impairment of Assets:

An asset is treated as impaired when the carrying cost of Assets exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

1.6 Inventories:

- i. Raw and packing materials are valued at cost or market value, whichever is lower, computed on FIFO basis. The cost includes the cost of purchase and other expenses directly attributed to their acquisition but excludes duties and taxes, which are subsequently recoverable from the taxing authorities.
- ii. The finished goods inventory is valued on the principle of cost, or market value whichever is lower. It includes material cost, conversion and other costs incurred in bringing the inventories at their present location and condition.
- iii. Work in process is valued at material cost and cost of conversion appropriate at their location in the manufacturing cycle.

1.7 Sundry Debtors:

Sundry debtors are stated after writing off debts considered as bad. Adequate provision is made for doubtful debts, if any. Discounts due yet to be quantified at the customer level are provided for under other provisions.

1.8 Provision for Income Tax:

Provision for taxation is computed as per 'total income' returnable under the Income Tax Act, 1961 after taking into account available deductions and exemptions. Deferred tax is recognized for all timing differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

1.9 Deferred Tax Assets / Liabilities:

Deferred Tax assets or liability for timing difference between the profits per financial statements and the profit offered for income tax, based on tax rates that have been enacted or substantively enacted as at the Balance sheet date. Deferred tax assets are recognized only if there is reasonable certainty that sufficient future taxable income will be available, against which it can be realized. The carrying amount of deferred tax assets is reviewed at each Balance Sheet Date and reduced if sufficient taxable profits are not like to be available to realize all or part of the deferred tax assets.

1.10 Prior Period Expenses/ Income:

All identifiable items of income and expenditure pertaining to prior period are accounts as per "Prior Period Adjustment".

1.11 Going Concern Assumption:

The accounts are prepared on the going concern assumption. Amount payable/receivable in respect of sundry creditors, sundry debtors, loans given, unsecured loan obtained, advances recoverable, bank balance etc. are subject to reconciliation and confirmation.

1.12 Other Accounting Policies

These are consistent with generally accepted accounting practices

Note No. "2":- SHARE CAPITAL

	AS AT 31.3.2015		AS AT 31.3.2014	
	Number of shares	Amount	Number of shares	Amount
(a) Authorised 1,00,00,000 Equity shares of Rs.1 each with voting rights(P.Y.1,00,00,000 Equity Share of Rs.1/- each)	10,000,000	10,000,000	10,000,000	10,000,000
(b) Issued 42,10,000 Equity shares of `Rs.1 each with voting rights (P.Y.42,10,000 Equity Share of Rs.1/-each)	4,210,000	4,210,000	4,210,000	4,210,000
(c) Subscribed and fully paid up 42,10,000 Equity shares of `Rs.1 each with voting rights (P.Y. 42,10,000 Equity Share of Rs.1/-each)	4,210,000	4,210,000	4,210,000	4,210,000
Total		4,210,000		4,210,000

Reconciliation of number of Share outstanding and the amount of share capital

	AS AT 31.3.2015		AS AT 31.3.2014	
	Number of shares	Amount	Number of shares	Amount
Number of Shares at the beginning at Rs.1 each	4,210,000	4,210,000	4,210,000	4,210,000
Add:-Issue during the year at Rs.1 each		-		-
Number of Shares at the end of year of Rs.1 each	4,210,000	4,210,000	4,210,000	4,210,000

Shares in the Company held by each Shareholder holding more than 5 Percent

Name of Shareholder	AS AT 31.3.2015		AS AT 31.3.2014	
	%	Qty	%	Qty
Vaarad Ventures Limited	100.00	4,210,000	100.00	4,210,000

Note No. "3":- RESERVES AND SURPLUS

	AS AT 31.3.2015	AS AT 31.3.2014
Opening Balance of Securities Premium	-	-
Add:- Securities Premium During the year	70,490,000	70,490,000
Closing Balance of Securities Premium	70,490,000	70,490,000
Opening Balance of Profit and loss	(17,475,514)	(9,330,921)
Add/Less:Profit/(loss) during the year	(7,484,903)	(8,144,593)
adjustment due to depreciation	10,832,505	
Closing Balance of Profit and loss	(35,792,921)	(17,475,514)
Total	34,697,079	53,014,486

Note No. "4":-LONG TERM BORROWINGS

	AS AT 31.3.2015	AS AT 31.3.2014
From banks		
Unsecured loan from HDFC Bank	22,113	284,360
Total	22,113	284,360

Note:

1. Loan from HDFC Bank is a Business loan which repayable in 24 Instalments of Rs.22,426/- each with interest payable at monthly rests.
- 2.Unsecured Loan from Related parties and others represents loan from Holding company

Note No. "2":- SHARE CAPITAL

	AS AT 31.3.2014		AS AT 31.3.2013	
	Number of shares	Amount	Number of shares	Amount
(a) Authorised 1,00,00,000 Equity shares of Rs.1 each with voting rights(P.Y.1,00,00,000 Equity Share of Rs.1/- each)	10,000,000	10,000,000	10,000,000	10,000,000
(b) Issued 42,10,000 Equity shares of `Rs.1 each with voting rights (P.Y.42,10,000 Equity Share of Rs.1/-each)	4,210,000	4,210,000	4,210,000	4,210,000
(c) Subscribed and fully paid up 42,10,000 Equity shares of `Rs.1 each with voting rights (P.Y. 42,10,000 Equity Share of Rs.1/-each)	4,210,000	4,210,000	4,210,000	4,210,000
Total		4,210,000		4,210,000

Reconciliation of number of Share outstanding and the amount of share capital

	AS AT 31.3.2014		AS AT 31.3.2013	
	Number of shares	Amount	Number of shares	Amount
Number of Shares at the beginning at Rs.1 each	4,210,000	4,210,000	500,000	500,000
Add:-Issue during the year at Rs.1 each		-	3,710,000	3,710,000
Number of Shares at the end of year of Rs.1 each	4,210,000	4,210,000	4,210,000	4,210,000

Note:

During the year Company allotted 37,10,000 share of Rs.1/- each other than cash at a price of Rs.20/- each as fully paid up to its holding company(Vaaraad Ventures Limited) at a premium of Rs.19/- each towards acquisition of business.

Shares in the Company held by each Shareholder holding more than 5 Percent

Name of Shareholder	AS AT 31.3.2014		AS AT 31.3.2013	
	%	Qty	%	Qty
Vaaraad Ventures Limited	100.00	4,210,000	100.00	4,210,000

Note No. "3":- RESERVES AND SURPLUS

	AS AT 31.3.2015	AS AT 31.3.2014
Opening Balance of Securities Premium	-	-
Add:- Securities Premium During the year	70,490,000	70,490,000
Closing Balance of Securities Premium	70,490,000	70,490,000
Opening Balance of Profit and loss	(17,475,514)	(9,330,921)
Add/Less:Profit/(loss) during the year	(7,484,903)	(8,144,593)
adjustment due to depreciation	10,832,505	
Closing Balance of Profit and loss	(35,792,921)	(17,475,514)
Total	34,697,079	53,014,486

Note No. "4":-LONG TERM BORROWINGS

	AS AT 31.3.2015	AS AT 31.3.2014
From banks		
Unsecured loan from HDFC Bank	22,113	284,360
Total	22,113	284,360

Note:

1. Loan from HDFC Bank is a Business loan which repayable in 24 Instalments of Rs.22,426/- each with interest payable at monthly rests.
- 2.Unsecured Loan from Related parties and others represents loan from Holding company

Note no "5": SHORT TERM BORROWING

	AS AT 31.3.2015	AS AT 31.3.2014
From related parties and holding Company	15,131	-
Total	15,131	-

Note No. "6":-TRADE PAYABLE

	AS AT 31.3.2015	AS AT 31.3.2014
Trade payable	211,865,685	211,862,879
Total	211,865,685	211,862,879

Note No. "7":- OTHER CURRENT LIABILITIES

	AS AT 31.3.2015	AS AT 31.3.2014
Withholding and other taxes payable		305,791
Advance from Clients		-
Other Liabilities		
Total	-	305,791

Note no "8": - Fixed Assets

Particulars	Gross block			Depreciation				Net Block	
	AS AT 01.04.2014	Additions/Adjustment during the period	Deductions/Retirement during the period	AS AT 31.3.2015	AS AT 01.04.2014	For the period	Additions/Adjustment during the period	AS AT 31.3.2015	AS AT 31.3.2014
Intangible Assets:-									
Computer Software	25,000,000	-	-	25,000,000	10,136,801	4,166,667	10,696,532	25,000,000	14,863,199
Computer Software 1	6,697,212	-	-	6,697,212	2,226,082	2,232,404	28,646.00	4,487,132	4,471,130
	31,697,212			31,697,212	12,362,883	6,399,071		29,487,132	19,334,329
Goodwill	550,602	-	-	550,602	-	-	-	550,602	550,602
Tangible Assets:-									
Computer	180,523	-	-	180,523	73,196		107,327	180,523	107,327
Capital WIP	45,900,000	-	-	45,900,000	-	-	-	45,900,000	45,900,000
Total (including WIP)	78,328,337	-	-	78,328,337	12,436,079	6,399,071	10,832,505.00	29,667,655	65,892,258
Previous year	94,038,387	-	15,710,050	78,328,337	9,780,354	5,167,381	2,511,656	12,436,079	84,258,033

Note No. "9":-DERRERED TAX LIABILITIES (NET)

	AS AT 31.3.2015	AS AT 31.3.2014
Profit as per Companies Act 2013	-6,416,407	
Depreciation As Per Companies Act	6,399,071	5,167,381
Depreciation As Per Companies Act - Re-calculated to Prior Year	-	-
TOTAL	6,399,071	5,167,381
Depreciation As Per Income Tax Act	1,692,131	-
Depreciation As Per Income Tax Act- Re-calculated to Prior Year	-	-
TOTAL	1,692,131	
Difference	(1,709,467)	-5,167,381
Tax On Difference	(528,225)	(1,596,721)
Excess deferred tax deducted from Last Year	1,670,411	
Actual Deferred Tax for PNL this year	601,915	
Difference from last year	1,068,496	
Closing Balance	(528,225)	(1,596,721)
Opening Balance	(1,596,721)	7,565,201
Transfer To Profit And Loss Account	(1,068,496)	9,161,922

The ones with brackets are net assets.

Note No. "10":- LONG TERM LOANS AND ADVANCE

	AS AT 31.3.2015	AS AT 31.3.2014
(a) Security deposits	25,000	25,000
Unsecured, considered good		
(b) Advance income tax and TDS	12,458	12,458
(c) Other loans and advances	-	
Unsecured, considered good	385,924	
Total	423,382	37,458

Note No. "11":- INVENTORIES

	AS AT 31.3.2015	AS AT 31.3.2014
(At lower of cost or Net Realisable Value)		
(As Certified and valued by Management)		
(a) Raw Material	-	-
(b) Finished Goods	12,417,726	12,417,726
Total	12,417,726	12,417,726

Note No. "12":- TRADE RECEIVABLES

	AS AT 31.3.2015	AS AT 31.3.2014
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	188,750,406	188,742,906
Unsecured, considered good		
Total	188,750,406	188,742,906

Note No. "13":- CASH & CASH EQUIVALENTS

	AS AT 31.3.2015	AS AT 31.3.2014
(a) Cash on hand	14,795	14,795
(b) Balances with banks		
(i) In current accounts	14,792	743
Total	29,587	15,538

Note No. "14":- OTHER CURRENT ASSETS

	AS AT 31.3.2015	AS AT 31.3.2014
Notice Pay recoverable from employee		467,163
Preliminary Exp.	-	12,266
Vat & other fees		495,480
Total	-	974,909

Note No. "15":- OTHER INCOME

	AS AT 31.3.2015	AS AT 31.3.2014
Misc Income	30,179	134,953
Sundry balance Written Off	-	2,260
Total	30,179	137,213

Note No. "16":- CHANGES IN INVENTORIES DURING THE YEAR

	AS AT 31.3.2015	AS AT 31.3.2014
<u>Inventories at the end of the year:</u>		
Stock-in-trade	12,417,726	12,417,726
<u>Inventories at the beginning of the year:</u>		
Stock-in-trade	-	-
	12,417,726	2,512,641
Total	0	9,905,085

Note No. "17":- EMPLOYEES BENEFIT EXPENSES

	AS AT 31.3.2015	AS AT 31.3.2014
Salary,Wages,Allowance	-	109,386
Staff Welfare	-	-
Total	-	109,386

Note No. "18":- FINANCE COST

	AS AT 31.3.2015	AS AT 31.3.2014
Bank Charges	6,701	2,583
Interest on Loan	7,348	83,639
Interest on TDS		
Loan Processing Fees		
Total	14,049	86,222

Note No. "19":- OTHER EXPENSES

	AS AT 31.3.2015	AS AT 31.3.2014
Fees & Taxes	10,328	3,100
Repairs & Maintenance	-	
Audit Fees	2,809	5,618
Profession Tax	7,500	
Miscellaneous Expenses	-	23
Legal & Professional Charges	562	
Conveyance	-	11,100
Retainership fees	-	72,903
Preliminary Expenses written off	12,266	12,266
Loss on sale of fixed asset	-	6,924,360
Total	33,465	7,029,370

CASH FLOW STATEMENT
CASH FLOW FROM OPERATING ACTIVITIES

	AS AT 31.3.2015	AS AT 31.3.2014
Profit Before Tax	(6,416,407)	(17,306,515)
Adjustments		
Depreciation	6,399,071	5,167,381
Loss on sale of fixed asset	-	6,924,360
Changes in assets and liabilities		
Inventories	-	(9,905,085)
Trade & other Receivables	(7,500)	10,908,179
Trade payable & Provisions	2,809	(747,297)
Other Current Assets	974,909	(233,976)
Short Term Provisions	-	-
Loans and Advances	-	-
Other Current Liabilities	(305,791)	(245,639)
Short term borrowings	15,131	
Deferred Tax	1,068,496	(9,161,922)
Extra ordinary Items		
Prior Years Expenses Written off	-	-
Taxation for the year		
Income tax and Deffered Tax	(1,068,496)	9,161,922
Net Cash Generated from Operating Activities(A)	662,222	(5,438,592)

CASH FLOW FROM INVESTING ACTIVITIES

Purchase of Fixed Assets	-
Capital WIP Tranferred	-
Sale of Fixed Assets	6,274,034
Investment in Subsidiaries	-
Adjustment in Fixed Asset pursuant to Companies Act 2013	
Net Cash Generated from Investing Activities(B)	6,274,034

CASH FLOW FROM FINANCING ACTIVITIES

Proceeds from Loan	-
Long Term Loans & Advances	61,294
Long Term Borrowing	(904,149)
Net Cash Generated from Financing Activities('C)	(842,855)
Net Cash flow (A+B+C)	14,049
Opening balance of Cash & Cash Equivalents	15,538
Closing balance of Cash & Cash Equivalents	29,587
Net Cash & Cash Equivalents for the year	14,049

In terms of our report attached.

For G.C.Patel & Co.
Chartered Accountants
FRN:113693W

For and on behalf of the Board of Directors

G.C.Patel
Partner
Mem.No.047327

Sanjay Nimbalkar
Director

Mahendra Sanghvi
Director

Place : Mumbai
Date : 30th May,2015

NOTES TO FINANCIAL STATEMENTS AS AT 31ST MARCH, 2015

1 Earning per Share:

	2014-15	2013-14
(a) Net profit after Tax available to Equity Share Holders	(74,84,903)	(81,44,593)
(b) Weighted Average Number of Equity Shares of Rs. 1/- each outstanding during the year	42,10,000	42,10,000
(c) Nominal Value of Equity Shares (Rs.)	1/-	1/-
(d) Basic/ Diluted Earning Per share Rs. (a / b)	(1.78)	(1.93)

2. As Per the best estimate of the management, no provision is required to be made as per Accounting Standard (AS-29) Provisions, Contingent Liabilities and Contingent Assets notified by The Companies (Accounting Standard) Rules, 2006, In respect of present obligation as a result of past event that could lead to probable Outflow of resources, which would be required to settle the obligation.

3. Remuneration to Director

Particulars	Current Year	Previous Year
Salary	Nil	Nil
Contri.to P.F.& Other Funds	Nil	Nil
Reimburement Exp..	Nil	Nil

4. Balances of sundry debtors, Loans & Advances and Current Liabilities are subject to Confirmation and reconciliation, if any.

5. Auditors remuneration:-

Particulars	Current Year	Previous Year
Audit Fees	2500/-	5000/-
Service Tax	309/-	618/-
Co.Law Matter	Nil	Nil
Total	2809/-	5618/-

6. The Company has only one business segment wise as its primary segment and hence disclosure of segment-wise information is not required under Accounting Standard -17 'Segment information' notified pursuant to the companies (Accounting Standard) Rules, 2006(as amended).
7. In the opinion of the Management, the Current Assets, Loans and advances have a value on realization in the ordinary course of business, at least equal to the amount at which they are state in the balance sheet. The provision for all known liabilities is adequate and not in excess of what is required.
8. No borrowing costs have been capitalized during the year.
9. In respect of amounts as mentioned under Section 205C of the Companies Act, 1956, there were no dues required to be credited to the Investor Education and Protection Fund as on March 31, 2014.
10. Previous year's figures have been regrouped, whenever necessary.

EDESK SERVICES LIMITED

Regd Office: 6, Lalwani Industrial Estate, 14 G.D.Ambekar Road, Wadala, Mumbai 400 031.

PROXY FORM

Folio No.: _____

No. of Shares Held: _____

DP ID : _____

DP Name : _____

Client ID : _____

I/We _____ of _____ being a member / members of eDESK SERVICES LIMITED hereby appoint failing him / her _____ of _____ As my / our proxy to vote for me / us & on my / our behalf at the Annual General Meeting of the Company to be held on Monday, September 29, 2014 at 02.00 p.m. or at the adjournment thereof.

Affix I Rupee revenue stamp

Signed this _____ day of _____ 2014

Signature of Shareholder(s), across the

Revenue Stamp, as per Specimen Registered with the Company

Note: The proxy form must be returned so as to reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The proxy need not be shareholders of a Company.

eDESK SERVICES LIMITED

Regd Office: 6A, Lalwani Industrial Estate, 14 G.D.Ambekar Road, Wadala, Mumbai 400 031

ATTENDANCE SLIP

I hereby record my presence at the Annual General Meeting of the Shareholders of the Company held on Monday, September 29, 2014 at 2.00 p.m. at 6, Lalwani Industrial Estate, 14 G.D. Ambekar Road, Wadala, Mumbai 400 031.

Full name of Member (in BLOCK LETTERS) _____

Folio No.: _____

No. of Shares Held: _____

DP ID.: _____

DP Name: _____

Client ID.: _____

Full Name of Proxy (in BLOCK LETTERS): _____

Signature of shareholders/proxy* _____ *

Strike out whichever is not applicable.

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If undelivered please return to: -

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6, Lalwani Industrial Estate,
14 G.D.Ambekar Road,
Wadala, Mumbai 400031.