

“138, Deshbandhu Apartments, Kalkaji, New Delhi-110019”

INDEPENDENT AUDITOR’S REPORT

To NEWGEN COMPUTER TECHNOLOGIES LIMITED Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Newgen Computer Technologies Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profit, its cash flows ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor’s Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report if any.

Information Other than the Financial Statements and Auditor’s Report Thereon

- The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Directors’ report including annexures to the Directors’ Report, Report on



Corporate Governance, but does not include the financial statements and our auditor's report thereon.

- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those



risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of no pending litigations on its financial position in its financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For A Kaistha & Co.
Chartered Accountants
(Firm's Registration No. 000938N)

Atul Kaistha

CA Atul Kaistha

(Proprietor)

(Membership No. 080146)



Annexure B to the Auditors' Report

The annexure a referred to in paragraph 3 and 4 of the our Report of Even date to the members of NEWGEN COMPUTER TECHNOLOGIES LIMITED on the Accounts of the Company for the year ended 31st March ,2019

- (i)** In respect of its fixed assets:
 - (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) All the assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification.
 - (c) The Company holds immovable property in its own name.
- (ii)** There is no Inventory in the company during the year.
- (iii)** The company has not granted any loans, secured or unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- (iv)** In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it. The Company has not granted any loans or made any investment, or provided any guarantee or security to the parties covered under section 185.
- (v)** The company has not accepted any deposits from the public during the year.
- (vi)** No cost records have been prescribed to be maintained by the Central Government under section 148(1) of the Companies Act, 2013 for any of the services rendered by the company.
- (vii)** In our opinion there is no statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, Goods and Services Tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.
- (viii)** Since the company has not taken any loan or borrowing from a financial institution, bank, Government or dues to debenture holders hence the default in repayment of dues to banks, financial institutions, and Government does not arise.
- (ix)** The company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the paragraph of Clause 3(ix) of the order is not applicable to the company.
- (x)** According to the information and explanation given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.



- (xi) The Company has not paid any managerial remuneration so the provisions of Section 197 read with Schedule V of the Act are not applicable on the Company. Accordingly, the paragraph 3(xi) of the Order is not applicable to the Company.
- (xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it; the paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required by the applicable Accounting Standard.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the paragraph 3(xvi) of the Order is not applicable to the Company.

For A Kaistha & Co
Chartered Accountants
(Firm's Registration No. 000938N)

Atul Kaistha

CA Atul Kaistha
(Proprietor)
(Membership No. 080146)



Place: Delhi
Date: 10.05.2019

Newgen Computer Technologies Limited

Notes to the financial statements for the period 1st April 2018 to 31st March, 2019

1. Background

Newgen Computers Technologies Limited (hereinafter referred to as 'Newgen Computers' or the 'Company') is to develop, install and maintain, export, import, purchase sell or purchase and otherwise deal in computer hardware, peripherals, software and other related equipment and otherwise as dealers, and representative for all types of computer hardware, peripherals, software and other related equipments.

2. Significant accounting policies

a) Basis of Preparation

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company, with effect from 1 April 2016, has adopted Indian Accounting Standards (the 'Ind AS') notified under the Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) (Amended) Rules, 2016. For all periods up to and including the year ended 31st March 2017, the Company prepared its financial statements in accordance with accounting standards as prescribed under Section 133 of the Companies Act, 2013 (the 'Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 (referred to as 'Indian GAAP').

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

These financial statements have been prepared under the historical cost convention on the accrual basis, except for certain financial instruments & Provisions which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

b) Current - Non Current classification

All assets and liabilities are classified into current and non-current as per company normal accounting cycle.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- 1) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- 2) it is held primarily for the purpose of being traded;
- 3) it is expected to be realised within 12 months after the reporting date; or
- 4) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

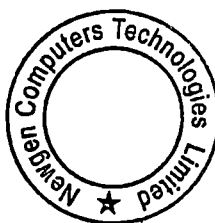
- 1) it is expected to be settled in the company's normal operating cycle;
- 2) it is held primarily for the purpose of being traded;
- 3) it is due to be settled within 12 months after the reporting date; or
- 4) the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity Instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.



c) **Use of estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Examples of such estimates include provisions of future obligation under employee retirement benefit plans, estimated useful life of fixed assets, provision for doubtful debts and loans and advances and provision for income-tax. Actual results could differ from these estimates. Any revisions to estimates are recognised prospectively in current and future periods.

d) **Tangible fixed assets**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Examples of such estimates include provisions of future obligation under employee retirement benefit plans, estimated useful life of fixed assets, provision for doubtful debts and loans and advances and provision for income-tax. Actual results could differ from these estimates. Any revisions to estimates are recognised prospectively in current and future periods.

e) **Depreciation and amortisation**

During the financial year 2014-15, the method of depreciation had been changed from Written down value (WDV) to straight line method (SLM) for all tangible and intangible assets. The policy had been changed to reflect the pattern in which economic benefits of the assets are consumed based on historical and future expected use and therefore results in presentation of financial results in a more appropriate manner.

f) **Revenue recognition**

Rental income from Building given on operating lease is recognised on a straight-line basis over the lease term which is irrespective of pattern in which benefit derived from the use of the leased asset.

g) **Other Income**

Interest income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

h) **Employee Benefits**

No provision of retirement benefits of employees such as leave encashment, gratuity has been made during the year by the company. The same shall be accounted for as and when arises.

i) **Provisions, contingent liabilities and contingent assets**

A provision is recognised when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate can be made of the amount of the obligation. A contingent liability is disclosed where there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. The Company does not recognise assets which are of contingent nature. However, if it has become virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the financial statements of the period in which the change occurs.

j) **Income Tax**

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid/payable to them taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, at the reporting date in the countries where the Company operates and generates taxable income. Current income tax is charged at the end of reporting period to profit & loss. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.



Deferred Tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at reporting date.

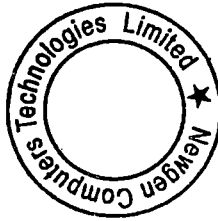
Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

k) Earnings per share

The Company reports basic and diluted earnings / (loss) per equity share in accordance with Indian Accounting Standard (Ind AS-33), "Earnings Per Share". The basic and dilutive earnings / (loss) per share is computed by dividing the net profit / (loss) attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Dilutive earnings per share is computed and disclosed after adjusting the effects of all dilutive potential equity shares, if any, except when the results will be anti-dilutive.

l) Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.



NEWGEN COMPUTER TECHNOLOGIES LIMITED

Balance Sheet as at 31st March 2019

	<u>Note</u>	<u>As at 31 March 2019</u>	<u>As at 31 March 2018</u>
ASSETS			
Non-current assets			
Property, plant and equipment	7	29,57,682	30,31,875
Other non-current assets	8	5,75,103	5,75,103
Total non-current assets		35,32,785	36,06,978
Current assets			
Financial assets			
Cash and cash equivalents	9	20,26,106	14,73,035
Other financial assets	10	73,979	49,480
Other current assets	11	8,92,645	8,94,486
Total current assets		29,92,730	24,17,001
TOTAL ASSETS		65,25,515	60,23,979
EQUITY AND LIABILITIES			
Equity			
Share capital	3	21,00,000	21,00,000
Other equity			
Retained earnings	4	41,52,628	36,90,585
Total equity attributable to the owners of the Company		62,52,628	57,90,585
Current liabilities			
Other current liabilities	5	84,840	84,840
Provisions	6	1,88,047	1,48,554
Total current liabilities		2,72,887	2,33,394
Total Liabilities		2,72,887	2,33,394
TOTAL EQUITY AND LIABILITIES		65,25,515	60,23,979

Summary of significant accounting policies 2

The accompanying notes are an integral part of the Standalone Financial Statements

As per our report of even date

For A Kaistha & Co.

Chartered Accountants



Firm Registration No.: 000983N

Atul Kaistha
Proprietor
Membership No.: 080146

Place: New Delhi
Date: 10th May, 2019

For and on behalf of the Board of Directors of
NEWGEN COMPUTER TECHNOLOGIES LIMITED

Diwakar Nigam
Managing Director
DIN: 00263222

T.S. Varadarajan
Whole Time Director
DIN: 00263115

Place: New Delhi
Date: 10th May, 2019

Place: New Delhi
Date: 10th May, 2019


NEWGEN COMPUTER TECHNOLOGIES LIMITED
Statement of Profit and Loss for the year ended 31st March 2019

	Note	For the year ended 31 March 2019	For the year ended 31 March 2018
Income			
Revenue from operations		-	-
Other income	12	7,46,998	7,44,356
Total income		7,46,998	7,44,356
Expenses			
Employee benefits expense		-	-
Finance costs		-	-
Depreciation and amortisation expense	13	74,193	74,193
Other expenses	14	36,785	97,500
Total expenses		1,10,978	1,71,693
Profit before tax		6,36,020	5,72,663
Tax expense			
Current tax		1,73,977	1,39,580
Tax expense for earlier years		-	39,372
Income tax expense		1,73,977	1,78,952
Profit for the year		4,62,043	3,93,711
Profit attributable to:			
Owners of the company		4,62,043	3,93,711
Profit for the year		4,62,043	3,93,711
Total comprehensive income attributable to:			
Owners of the company		4,62,043	3,93,711
Total comprehensive income for the year		4,62,043	3,93,711
Earnings per equity share			
Nominal value of share INR 100 (31 March 2019: INR 100)			
Basic earning per share		2.20	1.87
Diluted earning per share		2.20	1.87

Summary of significant accounting policies 2

The accompanying notes are an integral part of the Financial Statements
As per our report of even date attached

For A Kaistha & Co.
Chartered Accountants
Firm Registration No.: 000983N

Atul Kaistha


Atul Kaistha
Proprietor
Membership No.: 080146

Place: New Delhi
Date: 10th May, 2019

For and on behalf of the Board of Directors of
Newgen Computer Technologies Limited

Diwakar Nigam

T.S. Varadarajan


Diwakar Nigam
Managing Director
DIN: 00263222

T.S. Varadarajan
Whole Time Director
DIN: 00263115

Place: New Delhi
Date: 10th May, 2019

Place: New Delhi
Date: 10th May, 2019

NEWGEN COMPUTER TECHNOLOGIES LIMITED
Cash flow statements for the year ended 31 March 2019

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Cash flow from operating activities		
Profit before tax from continuing operations	6,36,020	4,22,300
Profit before tax from discontinuing operations	-	-
Profit before tax	6,36,020	4,22,300
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation/ amortization on continuing operation	74,193	74,193
Interest (income)	(26,998)	(24,356)
Operating profit before working capital changes	6,83,215	4,72,137
Movements in working capital :		
Increase/ (decrease) in other current liabilities	-	54,000
Increase/ (decrease) in short term provisions	39,493	8,974
Decrease / (increase) in loans and advances	1,841	1,954
Decrease / (increase) in current assets	(24,499)	(21,920)
Decrease / (increase) in other non-current assets	-	-
Cash generated from / (used in) operations	7,00,050	5,15,144
Direct taxes paid (net of refunds)	(1,73,977)	-
Net cash flow from/ (used in) operating activities (A)	5,26,073	5,15,145
Cash flows from investing activities		
Interest received	26,998	24,356
Net cash flow from/ (used in) investing activities (B)	26,998	24,356
Cash flows from financing activities		
Net cash flow from/ (used in) in financing activities (C)	-	-
Net increase/(decrease) in cash and cash equivalents (A + B + C)	5,53,071	5,39,501
Effect of exchange differences on cash & cash equivalents held in foreign currency		
Cash and cash equivalents at the beginning of the year	14,73,036	9,33,535
Cash and cash equivalents at the end of the year	20,26,106	14,73,036
Components of cash and cash equivalents		
With banks- on current account	20,26,106	14,73,035
Total cash and cash equivalents	20,26,106	14,73,035

Significant accounting policies : Note No. 2

The accompanying notes are an integral part of the Standalone Financial Statements
As per our report of even date

For A Kaistha & Co.
Chartered Accountants
Firm Registration No.: 000983N




Atul Kaistha
Proprietor
Membership No.: 080146

Place: New Delhi
Date: 10th May, 2019

For and on behalf of the Board of Directors of
Newgen Computer Technologies Limited



Diwakar Nigam
Managing Director
DIN: 00263222

Place: New Delhi
Date: 10th May, 2019



T.S. Varadarajan
Whole Time Director
DIN: 00263115

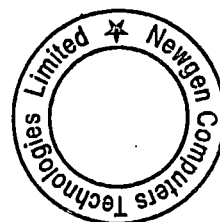
Place: New Delhi
Date: 10th May, 2019

NEWGEN COMPUTER TECHNOLOGIES LIMITED

Notes to the Financial Statement as at 31st March, 2019

	As at March 31, 2019	As at March 31, 2018
3 Share Capital		
Authorised		
Equity Share Capital		
500000 (Previous year 500000) Equity Shares of Rs. 10 each	50,00,000	50,00,000
Issued		
Equity Share Capital		
210000 (Previous year 210000) Equity Shares of Rs. 10 each	21,00,000	21,00,000
Subscribed & fully paid share capital		
Equity Share Capital		
210000 (Previous year 210000) Equity Shares of Rs. 10 each	21,00,000	21,00,000
Total	<u>21,00,000</u>	<u>21,00,000</u>
Details of shares held by shareholders holding more than 5% of the aggregate Shares in the Company		
Equity Shares		
Newgen Software Technologies Limited	210000 (100%)	210000 (100%)
4 Retained earnings		
At the beginning of the year	36,90,585	32,68,286
Add: Profit for the year	<u>4,62,043</u>	<u>4,22,300</u>
Total	<u>41,52,628</u>	<u>36,90,585</u>
5 Other current liabilities		
Expense Payable	84,840	84,840
Due from Related Party	-	-
Total	<u>84,840</u>	<u>84,840</u>

TS



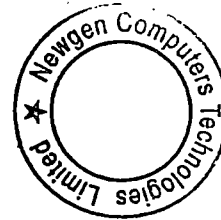
NEWGEN COMPUTER TECHNOLOGIES LIMITED

Notes to the Financial Statement as at 31st March, 2019

	As at March 31, 2019	As at March 31, 2018
6 Short-term provisions		
Others(Income Tax Provisions)	1,88,047	1,48,554
Total	<u><u>1,88,047</u></u>	<u><u>1,48,554</u></u>
8 Other Non Current Assets		
Long term deposits with banks with maturity period more than twelve months	5,75,103	5,75,103
Total	<u><u>5,75,103</u></u>	<u><u>5,75,103</u></u>
9 Cash and cash equivalents		
Balances with banks		
<i>In Current Accounts</i>	20,26,106	14,73,035
Total	<u><u>20,26,106</u></u>	<u><u>14,73,035</u></u>
10 Other financial assets		
Interest Accrued on Fixed Deposit	73,979	49,480
Total	<u><u>73,979</u></u>	<u><u>49,480</u></u>
11 Other current assets		
Advances recoverable in cash or kind	8,20,050	8,20,050
Tax Deducted as source	72,595	74,436
Rent Receivable	-	-
Total	<u><u>8,92,645</u></u>	<u><u>8,94,486</u></u>



TS



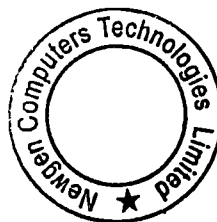
Newgen Computer Technologies Limited
Notes to the financial statements for the year ended 31st March 2019

7 Property, plant and equipment

Asset description	Gross block						
	As at 1 April 2017	Additions	Deletions/ adjustments	As at 31 March 2018	Additions	Deletions/ adjustments	As at 31 March 2019
Buildings	46,85,871	-	-	46,85,871	-	-	46,85,871
Total	46,85,871	-	-	46,85,871	-	-	46,85,871

Asset description	Depreciation						
	As at 1 April 2017	For the year 2018	On deletions/ adjustments	As at 31 March 2018	Dep/Adjustments for the year*	On deletions/ adjustments#	As at 31 March 2019
Buildings	15,79,803	74,193	-	16,53,996	74,193	-	17,28,189
Total	15,79,803	74,193	-	16,53,996	74,193	-	17,28,189

Asset description	Net block		
	As at 31 March 2018		As at 31 March 2019
Buildings	30,31,875		29,57,682
Total	30,31,875		29,57,682

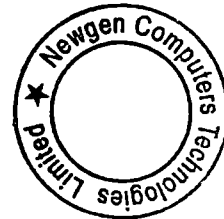


18

NEWGEN COMPUTERS TECHNOLOGIES LIMITED

Notes to the Financial Statement as at 31st March, 2019

	For the year ended March 31, 2019	For the year ended March 31, 2018
12 Other Income		
Rent	7,20,000	7,20,000
Other Income	-	-
Interest Income	26,998	24,356
Total	7,46,998	7,44,356
13 Depreciation and Amortisation expenses		
Depreciation on Tangible assets	74,193	74,193
	74,193	74,193
14 Other Expenses		
Bank Charges	-	-
Audit Fees	29,500	29,500
Municipal Taxes	-	68,000
Insurance	-	-
Total	36,785	97,500



Newgen Computer Technologies Limited
Notes to the Financial Statement as at 31st March 2019

15 Related party transactions

a) Parties where control exists whether or not transactions have taken place during the year:

Nature of relationship	Name of Related party
Holding company	Newgen Software Technologies Limited
Fellow Subsidiary	Newgen Software Technologies Canada, Ltd.
Fellow Subsidiary	Newgen Software Technologies Pte. Ltd.
Fellow Subsidiary	Newgen Software Inc.
Fellow Subsidiary	Newgen Software Technologies (UK) Ltd

b) Transactions with related parties during the year:

Nature of transaction	Name of related party	For the year ended 31st March 2019	For the year ended 31 March 2018
Rental Income	Newgen Software	720,000.00	720,000.00

16 Additional information to the financial statements

a) Contingent liabilities NIL

b) There are no dues payable to Small Scale Industrial Undertaking. This information has been complied in respect of parties to the extent to which they could be identified as Small scale and Ancillary undertaking on the information available with the company.

c) In the opinion of the Board, all assets other than fixed assets and non-current investments do have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

17a Disclosures under Accounting Standards-22

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Earnings per share		
Basic		
Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	462,043	422,300
Weighted average number of equity shares	210,000	210,000
Par value per share	100	100
Earnings per share from continuing operations - Basic	2.20	2.01
Diluted		
The diluted earnings per share has been computed by dividing the		
Net profit / (loss) for the year attributable to the equity	462,043	422,300
Weighted average number of equity shares - for diluted EPS	210,000	210,000
Par value per share	100	100
Earnings per share, from continuing operations, excluding	2.20	2.01



17b As the Company has only rental income it does not consider depreciation as per Income Tax Act, 1961 when providing for Taxation, hence deffered tax is not being provided.

For A Kaistha & Co.
Chartered Accountants
Firm Registration No. 000983N



Atul Kaistha
Proprietor
Membership No. 80146



Place : New Delhi
Date: 10th May, 2019

For and on behalf of the board of directors
Newgen Computer Technologies Limited



Diwakar Nigam
Director
DIN: 00263222

Place : New Delhi
Date: 10th May, 2019

T.S.Varadarajan
Director
DIN: 00263115

Place : New Delhi
Date: 10th May, 2019