



# **N2N TECHNOLOGIES LIMITED**

## **30<sup>th</sup> ANNUAL REPORT**

**FY-2014-2015**

<p><b><u>Board of Directors</u></b></p> <p>01. Mr. Rahul Shah (DIN : 01545609) Director</p> <p>02. Mrs. Maya Chandra (DIN : 06720445) Non Executive Independent Director</p> <p>03. Mr. Murtuza ali Soomar (DIN : 05194435) Non Executive Independent Director</p> <p>04. Mr. I Raghunath (DIN : 07053705) Non Executive Independent Director</p>	<p><b><u>Board Committees</u></b></p> <p><b><u>Audit Committee</u></b></p> <ul style="list-style-type: none"> <li>• Mrs. Maya Chandra-Committee Chairman</li> <li>• Mr. Murtaza ali Soomar</li> <li>• Mr. I Raghunath</li> </ul> <p><b><u>Nomination &amp; Remuneration Committee</u></b></p> <ul style="list-style-type: none"> <li>• Mr. I Raghunath – Committee Chairman</li> <li>• Mr. Murtaza Ali Soomar</li> <li>• Mrs. Maya Chandra</li> </ul> <p><b><u>Stakeholders Relationship Committee</u></b></p> <ul style="list-style-type: none"> <li>• Mr. I Raghunath – Committee Chairman</li> <li>• Mr. Murtaza Ali Soomar</li> <li>• Mrs. Maya Chandra</li> </ul>																				
<p><b><u>TABLE OF CONTENTS</u></b></p> <table border="1"> <thead> <tr> <th>Particulars</th><th>Page No</th></tr> </thead> <tbody> <tr> <td>AGM Notice</td><td>1-7</td></tr> <tr> <td>Directors Report &amp; Annexure</td><td>8-25</td></tr> <tr> <td>Auditors Report</td><td>26-30</td></tr> <tr> <td>Balance Sheet</td><td>31</td></tr> <tr> <td>Statement of Profit &amp; Loss Account</td><td>32</td></tr> <tr> <td>Statement of Cash Flow</td><td>33</td></tr> <tr> <td>Notes forming part of the financial statements</td><td>34-46</td></tr> <tr> <td>Consolidated Auditors Report</td><td>48-53</td></tr> <tr> <td>Consolidated Financial Statements</td><td>54-74</td></tr> </tbody> </table> <p><b><u>Corporate Information:</u></b> Name: N2N Technologies Limited CIN: L72900PN1985PLC145004 Scrip Code: 512279 Scrip Name: N2N ISIN: INE043F01011 Listing: BSE Limited</p> <p><b><u>Registrar &amp; Share Transfer Agent:</u></b> Universal Capital Securities Private Limited 21/25 Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai - 400 093 Contact Person: Mr. Devanand Dalvi Tel: 022 2820 7203 Email id: info@unisec.in</p>	Particulars	Page No	AGM Notice	1-7	Directors Report & Annexure	8-25	Auditors Report	26-30	Balance Sheet	31	Statement of Profit & Loss Account	32	Statement of Cash Flow	33	Notes forming part of the financial statements	34-46	Consolidated Auditors Report	48-53	Consolidated Financial Statements	54-74	<p><b><u>Banker</u></b> HDFC Bank Limited</p> <p><b><u>Statutory Auditor:</u></b> M/s. DMKH &amp; Co. Chartered Accountants C-9, Sanajy Apt, SVP Road Borivali (W), Mumbai 400 092</p> <p><b><u>Registered Office:</u></b> N2N Technologies Limited Sun lounge, Ground floor(Right wing) One earth, opp. Magarpatta city, Hadapsar Pune- 411 028 Tel: 020-30525201 Fax: 020-30547400 Website: www.n2ntechno.com</p> <p><b><u>Investors Grievance email id:</u></b> Email id: investors@n2ntechno.com</p>
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**N2N TECHNOLOGIES LIMITED**

**Registered Office: Sun Lounge-Ground floor, One Earth, Opp, Magarpatta city , Pune -411 028  
CIN: L72900PN1985PLC145004**

**AGM NOTICE**

NOTICE is hereby given that the 30<sup>th</sup> Annual General Meeting of the members of **N2N Technologies Limited** will be held on **Tuesday, September 29, 2015 at 1.00 P.M.** at the registered office of the company at Sun lounge, Ground floor (Right wing) ,One Earth, Opp. Magarpatta city, Hadapsar, Pune- 411 028, Maharashtra to transact the inter alia the following business:

**ORDINARY BUSINESS**

- 1.To receive, consider and adopt the Balance Sheet for the year ended March 31, 2015 and the Statement of Profit & Loss Account as on that date together with reports of the Directors and the Auditors thereon and the Consolidated Financial Statements for year ended March 31, 2015 along with the Auditors' Report thereon.
- 2.To appoint director in place of Mr. Rahul Shah (DIN:01545609), who retires by rotation, and being eligible seeks re-appointment
- 3.To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT, pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made there under, M/s DMKH & Co., Chartered Accountants, Mumbai, bearing ICAI Registration No. FRN 116886W, be and are hereby re-appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 32<sup>nd</sup> Annual General Meeting held thereafter (subject to ratification of their appointment at every AGM) on a such terms & remuneration as may be mutually agreed by the Board of Directors of the Company and Auditor."

**SPECIAL BUSINESS**

**4.Appointment of Ms. Maya Chandra as an Independent Director of the Company**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Ms. Maya Chandra (DIN:06720445) who was appointed as Additional Independent Director with effect from April 13, 2015 by the Board of Directors, and who holds office upto the date of this Annual General Meeting under section 161 of the Companies Act, 2013, in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years from the date of the AGM ."

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary and think fit to give effect to this resolution."

**5.Appointment of Mr. I Raghunath as an Independent Director of the Company**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. I Raghunath (DIN:07053705) who was appointed as Additional Independent Director with effect from 20<sup>th</sup> February, 2015 by the Board of Directors, and who holds office up to the date of this Annual General Meeting under section 161 of the Companies Act, 2013, in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years from the date of the AGM.”

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary and think fit to give effect to this resolution.”

#### **6.Appointment of Mr. Murtaza Ali Soomar as an Independent Director of the Company**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Murtaza Ali Soomar (DIN:05194435) who was appointed as Additional Independent Director with effect from 20<sup>th</sup> February, 2015 by the Board of Directors, and who holds office up to the date of this Annual General Meeting under section 161 of the Companies Act, 2013, in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years from the date of the AGM.”

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary and think fit to give effect to this resolution.”

By Order of the Board of Directors  
For N2N Technologies Limited

Place: New Delhi  
Date: Sept 3, 2015

Rahul Shah  
Director

**Notes:**

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts relating to the business stated under Item Nos. 4 to 6 is annexed hereto.
2. 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.
3. Pursuant to Section 91 of the Companies Act, 2013, Register of shareholders and Share Transfer Books of the Company will remain closed from **September 23, 2015 to September 29, 2015** (both days inclusive), for the purpose of the Annual General Meeting.
4. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the shareholders at the AGM.
5. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the shareholders at the AGM.
6. Shareholders who hold shares in demat form are requested to direct any change of address, updates of savings bank account details to their Depository Participant(s). Shareholders holding shares in physical form are requested to notify/send any change in their address/mandate/bank account details to the Company's Registrar and Transfer Agent
7. Shareholders are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall.
8. Shareholders who hold shares in dematerialised form are requested to bring their Client ID and DP ID numbers for identification.
9. Corporate shareholders are requested to send to the Company's or its Registrar and Transfer Agent, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
10. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, Companies can serve Annual Reports and other communications through electronic mode to those shareholders who have registered their e-mail address either with the Company or with the Depository. Accordingly, the Notice of the AGM along with the Annual Report 2014-15 is being sent by electronic mode to those shareholders whose e-mail addresses are registered with the Company/Depositories, unless any shareholder has requested for a physical copy of the same. For shareholders who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
11. To support the 'Green Initiative', shareholders who have not registered their e-mail addresses are requested to register the same with their Depository Participant or with the Company's Registrar & Share Transfer Agents
12. Voting through electronic means:

In terms of section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and clause 35B of the listing agreement, the Company is providing facility to exercise votes on the items of business given in the notice through electronic voting system, to shareholders holding shares as on September 22, 2015 being the cut-off date ("Record date" for the purpose of Rule 20(3)(vii) of the said Rules) fixed for determining voting rights of shareholders entitled to participate in the e-voting process through the e-voting platform provided by Central Depository Services (India) Limited (CDSL).

The e-voting rights of the shareholders/beneficiary owners shall be reckoned on the equity shares held by them as on September 22, 2015 (Tuesday).

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on **September 26, 2015 at 9.00 am and ends on September 28, 2015 at 5.00 pm.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **September 22, 2015** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number which is mentioned in address label as sr no affixed on Annual Report, in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details or Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new

password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Note for Non – Individual Shareholders and Custodians**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**In case of members receiving the physical copy:**

- (A) Please follow all steps from sl. no. (i) to sl. no. (xviii) above to cast vote.
- (B) The voting period begins on **September 26, 2015 and ends on September 28, 2015**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **September 22, 2015** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

- The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on September 22, 2015.
- The Company has appointed, **Ms. Jyoti Pandey, Advocate, Bombay High Court**, as the Scrutinizer to scrutinize the e-voting process (including the ballot form received from the shareholders who do not have access to the e-voting process) in a fair and transparent manner.
- The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor or against, if any, forthwith to the Director of the Company.
- The results declared along with the Scrutinizer's Report shall be submitted BSE and on the website of the Company within two days of the passing of the resolutions at the 30<sup>th</sup> AGM of the Company and communicated to BSE where the shares of the Company are listed.

Place: New Delhi  
Date : Sept 3, 2015

By Order of the Board of Directors  
For N2N Technologies Limited

Rahul Shah  
Director



## **ANNEXURE 'I' TO THE NOTICE: EXPLANATORY STATEMENT**

The following Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 ("Act"), sets out all material facts relating to the special business mentioned in the accompanying Notice dated Sept 3, 2015:

### **Item No 4, 5 & 6: Appointment of Mrs. Maya Chandra, Mr. Murtuza Ali Soomar, & Mr. I Raghunath as an Independent Director of the Company**

Mr. I Raghunath & Mr. Murtuza Ali Soomar was appointed as an Additional Director (Non Executive Independent) of the Company with effect from February 20, 2015 by the Board of Directors under Section 161 of the Companies Act, 2013. Similarly Mrs. Maya Chandra was appointed as such with effect from April 13, 2015. In terms of Section 161(1) of the Act, all of them holds office only up to the date of the forthcoming AGM but is eligible for appointment as a Director. A notice under Section 160(1) of the Act has been received from Members signifying their intention to propose them for appointment as an Independent Director.

As per sec. 152, it is proposed to appoint them as Independent Director of the Company under the Companies Act, 2013 to hold office for 5 (five) consecutive years from the date of the ensuing AGM. Ms. Maya Chandra acts Women Director on the Board of your Company.

Mr. I Raghunath is a Chief Financial Officer and Compliance Officer of the Secure Earth Technologies Limited, has experience in the Management, Finance & Legal , whereas Mr. Murtuza Ali Soomar is presently a director of the Secure Earth Technologies Limited, Zasfa Composite Containers Pvt Ltd, Aagam Infradevelopments Private Limited and Ms. Maya Chandra is a director of the Secure Earth Technologies Limited & Realtime Technosolutions Pvt Ltd

None of the above person holds any shares in your Company.

The candidates have furnished declarations to the Company under Section 149(7) of the Act, confirming that they meet the criteria prescribed for Independent Directors under Section 149(6) of the Act and also consented to act as Director along with declaration that they don't possess any disqualification for appointment as Director.

In the opinion of the Board, these individuals are persons of integrity, possess the relevant expertise and experience, fulfill the conditions specified in the Act and the Rules framed there under and are independent of the management of the Company. Upon the approval of the Members of the Company on the said resolutions, the appointment shall be formalized by way of issuance of the letter of appointment by the Company. Accordingly, the Board recommends the resolution in relation to appointment of each of them as an Independent Director, for the approval by the members of the Company.

Except the candidate being an appointee in the said resolution, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4-6.

By Order of the Board of Directors  
For N2N Technologies Limited

Place: New Delhi  
Date : Sept 3, 2015

Rahul Shah  
Director

## DIRECTOR'S REPORT

### TO THE MEMBERS OF N2N TECHNOLOGIES LIMITED

Your Directors have pleasure to present 30<sup>th</sup> Annual Report and Audited Annual Accounts of your company for the year ended on 31<sup>st</sup> March 2015.

#### FINANCIAL HIGHLIGHTS: STANDALONE BASIS

( Rs.IN LAKHS)		
Particulars	FY 2014-15	FY 2013-14
Total Income	14.18	9.08
Total Expenditure	21.64	54.10
Net Loss	7.46	45.02
Tax	0.30	Nil
Net Loss after tax expense	7.76	45.02

#### PERFORMANCE REVIEW & FUTURE OUTLOOK:

During the current year, your Company has booked total income of Rs.14.18 Lakhs and Loss after tax of Rs.7.76 Lakhs on standalone basis. The source of income is on account of interest received on Investment/advances.

#### SUBSIDIARY:

Your Company has its strategic & Material subsidiary as DSR Infotech Limited (DSR). DSR has recently converted itself into Public limited company and earlier in march entered into a share purchase agreement with Idhasoft limited shareholders for taking control of Idhasoft Ltd by purchasing about 77% stake in such company. During the period under review the subsidiary has purchased 37.08% shares in Idhasoft Ltd. The acquisition once completed, will give DSR a full control on Idhasoft & its subsidiaries operating in USA. Idhasoft group as a whole have rich experience in ERP system implementation as well as software development.

The performance of DSR for the financial year 2014-2015 is as follows:

The total income of the DSR for the year ended March 31, 2015 stood at Rs. 214.50 Lakhs and loss after tax stood at Rs.6.59 Lakhs as compared to a loss after tax of Rs.13.18 Lakhs during the previous year.

Your Directors are expecting further growth in near future on consolidated basis and are confident that the policies, strategies adopted by your company will yield better returns.

#### DIVIDEND & RESERVES:

In view of the inadequate profits, your Directors do not recommend payment of Dividend for the current financial year. The entire profit after tax will be adjusted against loss carried forward to the balance sheet from previous years.

#### SHARE CAPITAL:

As at March 31, 2015, Your companies total paid up share capital stood at Rs.4,40,80,660/- divided into 44,08,066 fully paid up equity shares of Rs.10/- each. During the year under review, the Company has not issued any shares with or without differential voting rights. Also company has neither issued employee stock options nor sweats equity shares and does not have any scheme to fund its employees to purchase the shares of the Company.