

TEAMF1 NETWORKS PRIVATE LIMITED

Balance Sheet

Sl No.	Particulars	Note No.	As at	
			31st March, 2017	31st March, 2016
			Rupees	Rupees
I. EQUITY AND LIABILITIES				
(1) Shareholders' Funds				
	(a) Share Capital	3	105,000	105,000
	(b) Reserves and Surplus	4	63,319,763	45,454,201
			63,424,763	45,559,201
(2) Non-Current Liabilities				
	(a) Long-term Provisions	5	2,120,668	10,308,081
			2,120,668	10,308,081
(3) Current Liabilities				
	(a) Trade Payables			
	i) Total outstanding dues of micro enterprises and small enterprises	28	-	-
	ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		2,318,430	9,096,910
			2,318,430	9,096,910
	(b) Other Current Liabilities	6	1,696,570	3,279,936
	(c) Short-term Provisions	7	744,472	2,146,236
			4,759,472	14,523,082
Total			70,304,903	70,390,364
II. ASSETS				
(1) Non-Current Assets				
	(a) Property, plant and equipment			
	(i) Tangible Assets	8A	8,592,779	8,244,791
	(ii) Intangible Assets	8B	244,000	488,000
			8,836,779	8,732,791
	(b) Deferred tax Assets (net)	9		660,813
	(c) Long-term Loans and Advances	10		13,911,191
				10,946,531
(2) Current Assets				
	(a) Trade Receivables	11	14,929,875	7,817,645
	(b) Cash and Cash Equivalents	12	30,517,576	24,084,413
	(c) Short-term Loans and Advances	13	1,079,343	15,361,772
	(d) Other Current Assets	14	369,326	225,542
			46,896,120	47,489,372
Total			70,304,903	70,390,364

See accompanying notes forming part of the financial statements.

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Rakesh Sharma
Partner



For and on behalf of the Board of Directors

Tushar Sighat
Director

C.M. Gaonkar
Director



Mumbai, dated: 12th May, 2017

Mumbai, dated: 12th May, 2017

TEAMF1 NETWORKS PRIVATE LIMITED

Statement of profit and loss

Sl. No	Particulars	Note No.	For the year ended	For the year ended
			31 st March, 2017	31 st March, 2016
			Rupees	Rupees
1	Revenue from Operations	15	192,939,925	205,868,637
2	Other Income	16	696,591	2,005,755
3	Total Revenue (1+2)		193,636,516	207,874,392
4	Expenses			
	Employee Benefits Expense	17	130,157,566	123,435,335
	Finance Cost	18	144	181,661
	Depreciation and Amortisation Expenses	8	3,585,139	2,122,310
	Other Expenses	19	33,262,142	39,078,903
	Total Expenses		167,004,991	164,818,209
5	Profit before tax (3-4)		26,631,525	43,056,183
6	Tax expense :			
	- Current Tax		6,205,106	12,758,834
	- Deferred Tax		2,560,857	1,532,650
			8,765,963	14,291,484
7	Profit after tax (5-6)		17,865,562	28,764,699

Earnings per share (Face value of Rs. 10/- per share)

Basic	1,701.48	2,739.50
Diluted	1,701.48	2,739.50

(Refer Note 26)

See accompanying notes forming part of the financial statements.

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants


Rakesh Sharma
Partner



Mumbai, dated : 12th May, 2017

For and on behalf of the Board of Directors


Tushar Sighat
Director

Mumbai, dated : 12th May, 2017


C.M. Gaonkar
Director



TEAMF1 NETWORKS PRIVATE LIMITED

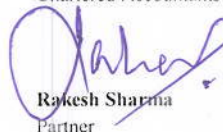
Cash Flow Statement

	For the year ended 31 st March, 2017	For the year ended 31 st March, 2016
	Rupees	Rupees
A. Cash flows from Operating Activities		
Profit before tax	26,631,525	43,056,183
Adjustments for:		
Depreciation/Amortisation	3,585,139	2,122,310
Unrealised Exchange differences	(50,966)	25,884
Loss on disposal of Fixed assets	1,946	30,206
Interest and Finance Charges	144	181,661
Provision for Doubtful debts	2,619,396	101,124
Interest Income - Interest on Income Tax Refund	(95,036)	-
Interest Income - Interest on Fixed deposits with banks	(592,942)	(919,398)
Operating profit before Working Capital Changes	32,099,206	44,597,970
(Increase) / Decrease in Trade Receivables	(9,711,781)	4,254,450
Decrease / (Increase) in Loans and Advances	11,317,769	(15,918,529)
(Decrease) / Increase in Trade Payables	(6,778,480)	3,635,379
Decrease in Other Liabilities and Provisions	(9,629,917)	(2,009,921)
Cash generated from Operations	17,296,797	34,559,349
Direct Taxes Paid	(7,621,575)	(9,895,284)
Net cash generated from Operating Activities	9,675,222	24,664,065
B. Cash flows from Investing Activities		
Purchase of Assets	(3,707,548)	(8,170,138)
Interest received	449,158	702,486
Sale of Assets	16,475	-
Net cash used in investing activities	(3,241,915)	(7,467,652)
C. Cash flows from Financing Activities		
Interest paid	(144)	(181,661)
Net cash used in financing activities	(144)	(181,661)
Net Increase in Cash and Cash equivalents	6,433,163	17,014,752
Cash and cash equivalents at the beginning of the year	24,084,413	7,069,661
Cash and cash equivalents at the end of the year (Refer Note 12)	30,517,576	24,084,413

In terms of our report attached

For Deloitte Haskins & Sells LLP

Chartered Accountants


Rakesh Sharma
Partner



For and on behalf of the Board


Tushar Sighat
Director


C.M. Gaonkar
Director



Mumbai, dated : 12th May, 2017

Mumbai, dated : 12th May, 2017

TEAMF1 NETWORKS PRIVATE LIMITED

Notes forming part of the financial statements.

Note: 1 Background of the Company

TeamF1 Networks Private Limited is in the business of providing services in relation to the Network Security Software.

Note: 2 Significant Accounting Policies

a Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards prescribed under section 133 the Companies Act, 2013 ("the Act") and the relevant provisions of the Act.

b Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and differences between actual results and estimates are recognised in the periods in which the results are known / materialise.

c Property, plant and equipment

i) Tangible assets

Tangible assets are carried at cost of acquisition or construction less accumulated depreciation and impairment loss, if any.

ii) Intangible assets

Intangible assets are stated at cost less accumulated amortisation.

d Depreciation and amortisation

i) Tangible assets

Depreciation is provided on the straight-line method as per the estimated useful life as prescribed in Schedule II to the Companies Act, 2013. Assets costing less than Rs. 5,000 each are fully depreciated in the year of acquisition.

Depreciation on additions and deletions during the year are charged on pro- rata basis.

ii) Intangible assets

Computer software is amortised over a period of five years.

e Impairment of assets

At the end of each accounting period, the Company determines whether a provision should be made for impairment loss on fixed assets by considering the indications that an impairment loss may have occurred in accordance with Accounting Standard 28 on 'Impairment of Assets'. An impairment loss is charged to the Statement of Profit and Loss in the period in which an asset is identified as impaired. The impairment loss recognised in the prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

f Revenue recognition

Revenue from Services is recognized on the basis of the terms of Contract and Project Work Orders, when the services are rendered.

Revenue is recognized when no significant uncertainty as to determination/ realization exists.

Interest income is accounted on accrual basis.



TEAMF1 NETWORKS PRIVATE LIMITED

Notes forming part of the financial statements.

g Employee Benefits

Compensation to employees for services rendered is accounted for in accordance with AS-15 on "Employee Benefits".

Employee Benefits such as salaries, allowances, non-monetary benefits and employee benefits under defined contribution plans such as provident and other funds, which fall due for payment within a period of twelve months after rendering service, are charged as expense to the Statement of Profit and Loss in the period in which the service is rendered.

Employee Benefits under defined benefit plans and other long term employee benefits, such as gratuity and compensated absences which fall due for payment after a period of twelve months from rendering service or after completion of employment are measured by the Projected Unit Credit Method, on the basis of actuarial valuations carried out by third party actuaries at each balance sheet date. The company's obligations recognized in the balance sheet represent the present value of obligations as reduced by the fair value of plan assets, where applicable.

Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

h Foreign currency transactions

Transactions in foreign currencies are recorded at the rates of exchange in force at the time the transactions are effected. At the year end, monetary items denominated in foreign currency are reported using the closing rates of exchange. Exchange difference arising thereon are accounted as income or expenses in the relevant year. Gains / losses on settlement of transactions are recognised as income or expense.

i Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

j Taxes on income

Income taxes are accounted for in accordance with Accounting Standard 22 on Accounting for Taxes on Income. Taxes comprise both current and deferred tax.

Current tax is measured at the amount expected to be paid to /recovered from the taxation authorities, using the applicable tax rates and tax laws.

The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability. They are measured using the substantively enacted tax rates and tax regulations.

The carrying amount of deferred tax assets at each balance sheet date is reduced to the extent that it is no longer reasonably certain that sufficient future taxable income will be available against which the deferred tax asset can be realised.

Tax on distributed profits payable in accordance with the provisions of Section 115-O of the Income-Tax Act, 1961 is, in accordance with the Guidance Note on Accounting for Corporate Dividend Tax, regarded as a tax on distribution on profits and is not considered in determination of the profits of the Company.

k Provisions and contingencies

Provision is recognised in the accounts when there is a present obligation as a result of past event/s and it is probable that an outflow of resources will be required to settle the obligation. Contingent liabilities, if any are disclosed in the notes to the financial statements.



TEAMF1 NETWORKS PRIVATE LIMITED

Notes forming part of the financial statements.

Note 3: Share Capital	As at 31st March, 2017		As at 31st March, 2016	
	Rupees		Rupees	
a <u>Authorised share capital :</u> 50,000 Equity shares of Rs. 10/- each	500,000		500,000	
b <u>Issued, subscribed and paid-up :</u> 10,500 Equity shares of Rs. 10/- each, fully paid-up.	105,000		105,000	
c <u>Rights, preferences and restrictions attached to each class of shares :</u> The Company has only one class of Equity shares having a par value of Rs. 10/- per share. Each holder of Equity shares is entitled to one vote per share and each Equity share carries an equal right to dividend and repayment of capital.				
d <u>Details of Equity shares held by the Holding Company :</u>				
	As at 31st March, 2017		As at 31st March, 2016	
	Number	Rupees	Number	Rupees
D-Link (India) Limited	10,499	104,990	10,499	104,990
e <u>Reconciliation of the number of Shares and amount outstanding :</u>				
	As at 31st March, 2017		As at 31st March, 2016	
	Number	Rupees	Number	Rupees
Opening Balance	10,500	105,000	10,500	105,000
Shares issued during the year	-	-	-	-
Closing Balance	10,500	105,000	10,500	105,000
f <u>Details of shareholders holding more than 5% of the Equity shares in the Company</u>				
	As at 31st March, 2017		As at 31st March, 2016	
	Number	% holding	Number	% holding
<u>Name of the Shareholders</u>				
D-Link (India) Limited	10,499	99.99%	10,499	99.99%



TEAMF1 NETWORKS PRIVATE LIMITED

Notes forming part of the financial statements.

	<u>As at</u> <u>31st March, 2017</u> <u>Rupees</u>	<u>As at</u> <u>31st March, 2016</u> <u>Rupees</u>
Note 4 : Reserves and Surplus		
<u>Surplus in Statement of Profit and Loss</u>		
Opening balance	45,454,201	16,689,502
Add : Profit for the year	17,865,562	28,764,699
Total	<u>63,319,763</u>	<u>45,454,201</u>
Note 5 : Long-term Provisions		
Provision for Employee Benefits		
- Provision for Gratuity	-	2,727,897
- Provision for Leave Encashment	2,120,668	7,580,184
Total	<u>2,120,668</u>	<u>10,308,081</u>
Note 6 : Other Current Liabilities		
Statutory dues	383,883	-
Advances from customers	97,268	1,279,936
Provision for Gratuity	1,215,419	2,000,000
Total	<u>1,696,570</u>	<u>3,279,936</u>
Note 7: Short-term Provisions		
Provision for Income Tax (Net of Advance Tax)	561,394	2,072,899
Provision for Employee Benefits		
- Provision for Leave Encashment	183,078	73,337
Total	<u>744,472</u>	<u>2,146,236</u>



TEAMF1 NETWORKS PRIVATE LIMITED

Notes forming part of the financial statements.

Note 8: Property, plant and equipment

Nature of assets	Gross Block						Depreciation/Amortisation			(Rupees)	
	As at 1st April, 2016	Additions	Deletions/ Adjustments	As at 31st March 2017	As at 31st March 2016	For the Period	Deletions	Upto 31st March 2017	As at 31st March 2017	Net block	
A											
<u>Tangible assets</u>											
Computers	10,454,942 (4,290,549)	3,607,980 (6,263,443)	182,010 (99,050)	13,880,912 (10,454,942)	3,111,775 (1,431,734)	3,121,324 (1,748,885)	163,589 (68,844)	6,069,510 (3,111,775)	7,811,402 (7,343,167)		
Office Equipment	1,042,572 (160,527)	99,568 (882,045)	- (-)	1,142,140 (1,042,572)	168,314 (42,039)	216,674 (126,275)	- (-)	384,988 (168,314)	757,152 (874,258)		
Furniture & Fixtures	31,500 (31,500)	- (-)	- (-)	31,500 (31,500)	4,134 (984)	3,141 (3,150)	- (-)	7,275 (4,134)	24,225 (27,366)		
Total A	11,529,014 (4,482,576)	3,707,548 (7,145,488)	182,010 (99,050)	15,054,552 (11,529,014)	3,284,223 (1,474,757)	3,341,139 (1,878,310)	163,589 (68,844)	6,461,773 (3,284,223)	8,592,779 (8,244,791)		
B											
<u>Intangible assets</u>											
Computer Software	1,220,000 (1,220,000)	- (-)	- (-)	1,220,000 (1,220,000)	732,000 (488,000)	244,000 (244,000)	- (-)	976,000 (732,000)	244,000 (488,000)		
Total B	1,220,000 (1,220,000)	- (-)	- (-)	1,220,000 (1,220,000)	732,000 (488,000)	244,000 (244,000)	- (-)	976,000 (732,000)	244,000 (488,000)		
Grand Total (A+B)	12,749,014 (5,702,576)	3,707,548 (7,145,488)	182,010 (99,050)	16,274,552 (12,749,014)	4,016,223 (1,962,757)	3,585,139 (2,122,310)	163,589 (68,844)	7,437,773 (4,016,223)	8,836,779 (8,732,791)		
Previous year											

Figures in brackets pertain to previous year.

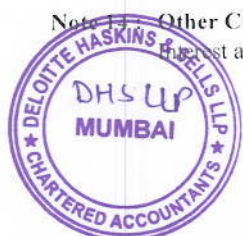
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TEAMF1 NETWORKS PRIVATE LIMITED

Notes forming part of the financial statements.

	As at 31st March, 2017 Rupees	As at 31st March, 2016 Rupees
Note 9 : Deferred tax Assets (net)		
Deferred Tax Liability		
Depreciation	(1,498,795)	(1,002,014)
	<u>(1,498,795)</u>	<u>(1,002,014)</u>
Less:		
Deferred tax Asset	996,066	130,015
Provision for doubtful debts/ advances	761,688	2,530,484
Disallowances under section 43B of the income tax act	401,854	1,563,185
Provision for gratuity	<u>2,159,608</u>	<u>4,223,684</u>
Deferred tax Asset (net)	<u>660,813</u>	<u>3,221,670</u>
Total		
	<u>660,813</u>	<u>3,221,670</u>
Note 10: Long-term Loans and Advances (Unsecured, considered good)		
Security deposits	4,273,062	4,208,052
Service tax input credit receivable	9,638,129	6,738,479
Total	<u>13,911,191</u>	<u>10,946,531</u>
Note 11: Trade Receivables (Unsecured)		
a) Trade receivables outstanding for a period exceeding six months from the date they were due to payment		
Considered good	342,000	342,000
Considered doubtful	2,720,520	101,124
	<u>3,062,520</u>	<u>443,124</u>
Less: Provision for doubtful trade receivables	(2,720,520)	(101,124)
	<u>342,000</u>	<u>342,000</u>
b) Other Trade receivables		
Considered good	14,587,875	7,475,645
	<u>14,587,875</u>	<u>7,475,645</u>
Total	<u>14,929,875</u>	<u>7,817,645</u>
Note 12: Cash and Cash equivalents		
Cash on Hand	1,012	1,236
Balances with Banks		
-In Current accounts	13,427,222	2,791,106
-In Deposit accounts	17,089,342	21,292,071
Total	<u>30,517,576</u>	<u>24,084,413</u>
Note 13 : Short-term Loans and Advances (Unsecured)		
a) Considered good		
Service tax refund recoverable	-	1,075,905
Prepaid expenses	1,079,343	783,189
Excess remuneration paid to erstwhile Managing Director (Refer note 29)	-	13,300,838
Advances to employees	-	201,840
	<u>1,079,343</u>	<u>15,361,772</u>
b) Considered doubtful:		
Security Deposits	292,110	292,110
Less: Provision	(292,110)	(292,110)
	<u>-</u>	<u>-</u>
Total	<u>1,079,343</u>	<u>15,361,772</u>
Note 14 : Other Current Assets		
Interest accrued on Deposits	369,326	225,542
Total	<u>369,326</u>	<u>225,542</u>



TEAMF1 NETWORKS PRIVATE LIMITED

Notes forming part of the financial statements.

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Rupees	Rupees
Note 15: Revenue from Operations		
Export Services relating to network security software	185,315,125	198,242,637
Domestic Services relating to network security software	7,624,800	7,626,000
Total	192,939,925	205,868,637
Note 16: Other Income		
Interest on fixed deposits with banks	592,942	919,398
Interest on Income Tax Refund	95,036	-
Exchange gain (net)	-	943,797
Provision no longer required reversed	-	142,560
Scrap Sales	8,613	-
Total	696,591	2,005,755
Note 17: Employee Benefits Expense		
Salaries, Wages and Bonus	126,620,933	116,265,952
Contribution to Provident and Other Funds	115,631	4,133,586
Staff Welfare Expenses	3,421,002	3,035,797
Total	130,157,566	123,435,335
Note 18: Finance Cost		
Interest		
- on delayed payments of Income-tax	110	112,722
- on delayed payments of Service-tax	34	68,939
Total	144	181,661
Note 19: Other Expenses		
Power	4,843,234	4,917,399
Consulting and Outsourcing Expenses	158,400	9,317,136
Rent	12,002,473	12,002,473
Rates and Taxes	7,550	15,200
<u>Repairs and Maintenance</u>		
Office Premises	2,443,253	2,237,436
Others	341,370	1,600,601
	2,784,623	3,838,037
Communication Expenses	2,202,340	1,630,851
Commission on Sales	163,000	679,500
Exchange Loss (Net)	362,347	-
Legal and Professional fees	2,415,534	2,814,690
Fixed assets Written off	-	30,206
Bad Debts Written off	101,124	-
Provision for doubtful debts	2,619,396	101,124
Loss on Disposal of Fixed Assets	1,946	-
Travel and Conveyance Expenses	1,935,466	170,252
Miscellaneous expenses	3,664,709	3,562,035
Total	33,262,142	39,078,903



TEAMF1 NETWORKS PRIVATE LIMITED

Notes forming part of the financial statements.

Note 20: The Year-end foreign currency exposures that have not been specifically hedged by a derivative instrument or otherwise are given below:

Amount receivable in foreign currency on account of the following:

	As at 31st March, 2017		As at 31st March, 2016	
	In Foreign Currency	In Rupees	In Foreign Currency	In Rupees
Receivables	USD 225,000	14,587,875	USD 29,000	1,921,250

Amount payable in foreign currency on account of the following:

	As at 31st March, 2017		As at 31st March, 2016	
	In Foreign Currency	In Rupees	In Foreign Currency	In Rupees
Payables	USD 1500	97,268	USD 19,317	1,268,277

Note 21: **Payment to Auditors (exclusive of service tax)**
As Auditors - Statutory Audit
For other services - certification etc.

	For the year ended 31st March, 2017 Rupees	For the year ended 31st March, 2016 Rupees
	900,000	900,000
	-	40,000
Total	900,000	940,000



TEAMF1 NETWORKS PRIVATE LIMITED

Notes forming part of the financial statements.

	As at 31st Mar, 2017 Rupees	As at 31st Mar, 2016 Rupees
Note 22: A	The disclosure as required under Accounting Standard 15 on 'Employee Benefits' (AS-15) regarding the Company's defined benefit plan is as follows:	
I.	Reconciliation of opening and closing balances of Defined Benefit obligation (funded gratuity)	
	9,406,419	6,667,751
Defined Benefit obligation at the beginning of the year	3,637,170	3,142,357
Current Service Cost	701,719	518,084
Interest Cost	(5,394,199)	(921,773)
Actuarial (gain) / loss	8,351,109	9,406,419
Defined Benefit obligation at the end of the year		
II.	Reconciliation of opening and closing balances of fair value of plan assets	
	4,678,522	2,424,765
Fair value of plan assets at beginning of the year	450,071	234,746
Expected return on plan assets	6,972	19,011
Actuarial gain/(loss)	2,000,125	2,000,000
Employer contribution	7,135,690	4,678,522
Fair value of plan assets at year end		
III	Reconciliation of fair value of assets and obligations	
	8,351,109	9,406,419
Present value of obligation as at 31st March, 2017	7,135,690	4,678,522
Fair value of plan assets as at 31st March, 2017	1,215,419	4,727,897
Amount recognized in Balance Sheet		
IV	Expense recognized during the year (Under the head employee benefits expense)	
	3,637,170	3,142,357
Current Service Cost	701,719	518,084
Interest Cost	(450,071)	(234,746)
Expected return on plan assets	(5,401,171)	(940,784)
Actuarial (gain) / loss	(1,512,353)	2,484,911
Net Cost		
V	Actuarial assumptions	
	6.89%	7.46%
Discount rate (per annum)	8.00%	8.00%
Expected rate of return on plan assets (per annum)	12.00%	21.00%
Rate of escalation in salary (per annum)	15.00%	15.00%
Employee Attrition Rate		
VI	The assumptions of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment. From the current year the salary escalation have been dropped on account of market / industry conditions. The rate of escalation of 12% is intended to be the reasonable expectation in the future as well.	

The amounts of the present value of the obligation, fair value of the plan assets, surplus or deficit in the plan, experience adjustments arising on plan liabilities and plan assets are furnished below

	As at Mar 31, 2017	As at Mar 31, 2016	As at Mar 31, 2015
<u>Experience Adjustment</u>			
a. Due to change in Actuarial assumption	(2,355,620)	263,955	-
b. Experience (Gain)/Loss on obligation	(3,038,579)	(1,185,728)	3,463,506
c. Actuarial gain/(loss) on plan assets	59,673	19,011	(22,721)
Present value of benefit obligation	8,351,109	9,406,419	6,667,751
Fair value of plan assets	7,135,690	4,678,522	2,424,765
Excess of (obligation over plan assets) / obligation over plan assets	1,215,419	4,727,897	4,242,986

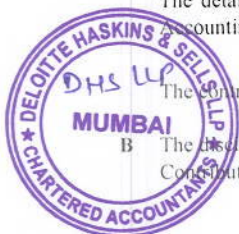
Figures Prior to year end 2015 have not been disclosed since Information is not available with the Company

VII The company operates a funded gratuity plan for qualifying employees which is managed by Life Insurance Corporation of India. Under the plan, the employees entitled to gratuity benefits based on final salary at retirement. The company makes provision in the books based on third party actuarial valuation.

The details of the composition of the plan asset, by category, from the insurers have not been received and hence the disclosures as required by Accounting Standards (AS) – 15 in "Employee benefits" have not been given.

The contributions expected to be made by the Company during the financial year 2017-18 is Rs 1,215,419/-

B The disclosure as required under AS-15 regarding the Company's defined contribution plans is as follows :
Contribution to provident fund Rs. 1,627,984 /- (Previous year Rs.1,627,640/-) (Refer note 17)



TEAMF1 NETWORKS PRIVATE LIMITED

Notes forming part of the financial statements.

Note 23: Lease transactions

Operating leases

The Company has entered into operating lease arrangements for office premises. The leases are cancellable and are for a period of 5 years. The lease agreements provide for an increase in the lease payments by 5% every year.

The lease rentals for the year charged to revenue are Rs. 12,002,473/- (Previous year Rs. 12,002,473/-)

Note 24: Related party disclosures

a) Name of related parties where control exists

D-Link (India) Limited	Holding Company
D-Link Holding Mauritius Inc.	Intermediate Holding Company
D-Link Corporation (Taiwan)	Ultimate Holding Company

b) List of related parties with whom transactions have taken place during the year / previous year and nature of relationship

<u>Name of the related parties</u>	<u>Nature of relationship</u>
D-Link (India) Limited	Holding Company
D-Link International (Singapore)	Fellow Subsidiary
TeamF1 Inc., USA	Entity on which Key Management Person was / Director of Holding Company exercise significant influence

Mr. Vinai Kolli	Key Management Person [Upto 31st July, 2016]
Mrs. Annapurna K Kolli	Spouse of Mr. Vinai Kolli [In Employment Up to 4th February, 2016]

c) Details of transactions with related parties during the year:

Nature of transactions	Holding Company	Entity on which KMP was / Director of Holding Company exercise significant influence	Fellow Subsidiary	Key Management Person / Relative of KMP	(Rupees)
					Total
<u>Sale of Software Services</u> D-Link International (Singapore)			182,931,642 (192,149,953)		182,931,642 (192,149,953)
TeamF1 Inc., USA		2,383,483 (6,092,684)			2,383,483 (6,092,684)
Reimbursement of expenditure		- (277,514)			- (277,514)
<u>Purchase of fixed Assets</u> D-Link (India) Limited	- (178,995)				- (178,995)
TeamF1 Inc., USA		- (132,405)			- (132,405)
<u>Managerial Remuneration</u> Mr. Vinai Kolli				4,338,710 (12,000,000)	4,338,710 (12,000,000)
<u>Salaries</u> Mrs. Annapurna K Kolli - HR Technical				- (383,826)	- (383,826)
<u>As at the year end</u> <u>Amount due to</u> TeamF1 Inc., USA		97,268 (1,268,277)			97,268 (1,268,277)
<u>Amount due from</u> D-Link International (Singapore)			14,587,875 (1,921,250)		14,587,875 (1,921,250)

Figures in brackets pertain to previous year



TEAMF1 NETWORKS PRIVATE LIMITED

Notes forming part of the financial statements.

Note 25: Segment information

(A) Segment information for primary reporting (by business segment)

TeamF1 Networks Private Limited is in the business of providing services in relation to the Network Security Software which is the only reportable segment.

(B) Segment information for secondary segment reporting (by geographical segments)

The Company's operations are mainly confined outside India (v.i.z Singapore and USA) and as such there are no reportable geographical segments.

Note 26: Earnings per share is calculated by dividing the profit attributable to the Equity shareholders by the weighted average number of Equity shares outstanding during the year, as under:

	Year ended 31st March, 2017	Year ended 31st March, 2016
Profit attributable to Equity shareholders (Rupees)	17,865,562	28,764,699
Weighted average number of Equity shares outstanding during the year	10,500	10,500
Basic and diluted earnings per share (Rupees)	1,701.48	2,739.50
Nominal value per share (Rupees)	10.00	10.00



TEAMF1 NETWORKS PRIVATE LIMITED

Notes forming part of the financial statements.

Note 27: Other Disclosures	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Rupees	Rupees
a <u>Expenditure in foreign currency</u>		
Travelling expenses	-	680,946
Professional Fees	124,380	-
b <u>C.I.F. value of goods imported</u>		
Capital goods	2,506,178	1,116,315
c <u>Earnings in foreign exchange</u>		
Export Services	185,315,125	198,242,637

Note 28: The Company has not received any intimation from its vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosures relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act has not been given.

Note 29: The remuneration to Mr. Vinai Kolli (erstwhile Managing Director) for the period from May 29, 2014 to March 31, 2015 was in excess of the limits specified in Schedule V of the Companies Act, 2013 by Rs. 9,053,856/-. The application made by the Company for approval of the excess remuneration paid was rejected on August 21, 2015 by the Central Government.

Similarly, his remuneration for the period from April 1, 2015 to August 31, 2015 was also in excess of the proportionate limits specified in Schedule V by Rs. 4,246,982/- and was also subject to approval by Central Government. The Company had filed a fresh application on March 3, 2016 for waiver of the recovery of excess remuneration for the entire period from May 29, 2014 to March 31, 2016. During the current year, the Company has received approval from the Central Government to pay remuneration of Rs.9,000,000/- for the period from 01/06/2014 to 31/03/2015 and Rs.5,000,000/- for the period 01/04/2015 to 31/08/2015. The Company has accordingly recovered the excess amount aggregating Rs.7,51,667/- from Mr.Vinai Kolli.

Note 30: During the Previous year there had been a change in the sick leave policy of the company whereby unutilised and accumulated sick leave was not allowed to be carried forward. Consequent to this change an amount of Rs. 4,862,107/- representing provision for sick leave as on 31st March 2015 had been reversed in the previous year, and accordingly the provision for sick leave was lower by Rs. 4,862,107/- and the profit for the previous year was higher by the same amount.

Note 31: Details of Specified Bank Notes (SBN's) held and transacted during the period from 8th November 2016 to 30th December 2016:

Particulars	SBNs	Other denomination notes	(Amount in Rs.)
			Total
Closing cash on hand as on 8th November 2016	-	770	770
Add: Permitted receipts	-	2,500	2,500
Less : Paid for permitted transactions	-	(800)	(800)
Closing cash on hand as on 30th December 2016	-	2,470	2,470

Note 32: Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification.

Signatures to Notes 1 to 32



For and on behalf of the Board of Directors


Pushpa Sighat
Director


C.M. Gaonkar
Director



Mumbai, dated : 12th May, 2017