

Innovate - Transact - Implement



**17th Annual Report
2016-2017**



Dr. Sriram Kumar (Managing Director of Firstobject Technologies Limited) and Dr. Lakshmi Kameswari (Chief Operating Officer of Firstobject) receiving the FTAPCCI Excellance Award from honourable Union Minister for Urban Development and Parliamentary Affairs Shri. M. Venkaiah Naidu.



CORPORATE INFORMATION

Board of Directors:

Dr. Vivek Hebbar	Chairman
Dr. Sriram Kumar	Managing Director
Rajan V. Pillai	Director
Sailesh Pethe	Director
N. Shiva	Director
Jagadish B	Director
Dr. (Mrs.) V. Leena	Director

Auditors:

JBRK. & Co.
 Chartered Accountants
 118, Maruthi Complex
 5th Floor, Raj Bhavan Road
 Somajiguda
 Hyderabad – 500 082

Company Secretary:

K.Krishna

Registered Address:

Firstobject Technologies Limited
 302, The Bureau Chambers,
 Above State Bank of Patiala,
 Chembur, Mumbai - 400071
 Maharashtra, India.
 Tel: 022 - 25272510/25276077
 Email : info@firstobjectindia.com
 Website: www.firstobjectindia.com

Registrars:

Bigshare Services Pvt. Ltd
 1st Floor, Bharat Tin Works Building,
 Opp. Vasant Oasis Apartments (Next To Keys Hotel),
 Marol Maroshi Road,
 Andheri East, Mumbai 400059.
 Tel : 022 – 62638200
 Fax : 22-6263 8299
 Email : bigshare@bom7.vsnl.net.in

Bankers:

Axis Bank Limited
 Dhanalakshmi Bank Limited
 Indian Overseas Bank Limited

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MESSAGE FROM CHAIRMAN, BOARD OF DIRECTORS, DR.VIVEK HEBBAR

Dear Members,

It gives me great pleasure in welcoming you all to the 17th Annual General Meeting of the Company.

Ladies and Gentlemen, turning to your Company's performance, the Annual Report for the year ended 31st March, 2017 along with the Directors' Report and audited Annual Accounts of the Company have been circulated to you and I request your kind permission to take them as read.

The year that has just gone by and before have been particularly difficult because of significant developments taken place domestically and internationally. On the global front, a new political establishment took over the reins in the USA, with a change in the outlook toward hiring and outsourcing. The year gone by gave us testing times as growth and demand were weak and attrition was high across the globe for software business. Our Company has registered a drop in its traditional low margin IT business over its previous year. In a situation like this, what characteristics must a company display, to survive and thrive? The answer is resilience. And while our results this year are not though ideal, I do believe that they are, nevertheless appreciable in a difficult year, and prove that your company has the resilience to ride out volatility and uncertainty. The company has been striving to come out of the low margin IT software businesses in a phased manner.

We have witnessed some encouraging growth in our education business and will continue to lead and grow in this space with new product introductions, also reaching out to customers in smaller cities and towns through new sales and service points.

Our current and historic success would not have been possible without the unstinted support and cooperation of all stakeholders and on behalf of the Board and on my own behalf I, would like to place on record my deep sense of gratitude to each and every one of you.

We thank all partners and stakeholders of Firstobject Technologies for their valuable support and seek their continued guidance in the pursuit of our mission of 'Promoting Quality Education.'

I would like to take this opportunity to thank Your Company's stakeholders, especially our valued customers, employees and suppliers, Central and State Governments, Regulatory Authorities, investors, bankers and financial institutions for their continued faith and trust.

I thank all my colleagues on the Board for helping me in creating good governance culture across the organization and fulfilling the responsibilities of Board.

I would like to place on record the sincerity, hard work, commitment and dedication of the entire team at Firstobject Technologies.

I seek your continued support in making the Company more sustainable and resilient to external challenges.

Thank you!

Best Regards,

Dr. Vivek Hebbar

Chairman, Board of Directors

NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the Seventeenth Annual General Meeting of the Members of Firstobject Technologies Limited will be held on Saturday the 23rd September, 2017 at 3.00 p.m. at Chembur Gymkhana, Phase II, 2nd Floor, 16th Road, Near Ambedkar Garden, Chembur, Mumbai – 400 071 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2017, Profit & Loss Account for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint Dr. Leena Vivek as Director of the Company, who retires by rotation and being eligible, offers herself for re-appointment.
3. To re-appoint auditors of the Company to hold office from the conclusion of this AGM until the conclusion of the next AGM and to fix their remuneration and to pass the following resolution thereof.

“RESOLVED THAT M/s JBRK. & Co., Chartered Accountants, be and are hereby re-appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this AGM up to the conclusion of the next AGM of the Company and that the Board of Directors of the Company be and are hereby authorized to fix such remuneration based on the recommendation of the Audit Committee.”

For and on behalf of Board of Directors

Regd Office:

302, The Bureau Chambers,
Above State Bank of Patiala,
Chembur, Mumbai – 400071
Maharashtra

Place: Mumbai.

Date: 21st August, 2017

Dr.Vivek Hebbar

Chairman, Board of Directors

NOTES

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the meeting is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ONLY, INSTEAD OF HIMSELF / HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT OF PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE ANNUAL GENERAL MEETING. A BLANK PROXY FORM IS ENCLOSED HEREWITH.**

Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Annual General Meeting.

3. The Register of Members and Share Transfer Books of the Company will remain closed from 18th September, 2017 to 23rd September, 2017 (both days inclusive).
4. Printed Copies of the Balance Sheet, Profit and Loss Account, Director's report, Auditor's report and every other document required by the law to be annexed or attached to the balance sheet for the year ended 31st March, 2017 are enclosed herewith.
5. The copies of the relevant documents can be inspected at Regd. Office of the company on any working day between 11.00 a.m to 1.00 p.m.
6. Members are requested to bring their copies of Annual Report, Notice and Attendance slip duly completed and signed at the Meeting. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at Meeting.
7. Members are requested to send their queries, if any on the operations of the Company, to reach the Company atleast seven days before the Meeting, so that the information can be compiled in advance.
8. Members are requested to notify immediately change of address if any, to the company or to Company's Registrar & Transfer agents - M/s Bigshare Services (P) Ltd., 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Apartments (Next To Keys Hotel), Marol Maroshi Road, Andheri East, Mumbai 400059.

NOTICE TO THE SHAREHOLDERS

9. Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Transfer Agent. In respect of shares held in electronic/demat form, the nomination form may be filed with the respective Depository Participant.
10. Members are informed that in case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
11. Disclosure pursuant to the requirement of Corporate Governance under the Listing Regulations, 2015, with respect to the information about the Director seeking reappointment in the forthcoming Annual General Meeting is given in the Annexure:
12. The Notice of the 17th AGM and instructions for e-voting along with the Annual Report 2016-17 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
13. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with the R&T Agent/Depositories.
14. Members may also note that the notice of the 17th Annual General Meeting and the Annual Report 2016-17 will be available on the Company's website www.firstobjectindia.com. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Members, who require communication in physical form in addition to e-communication or have any other queries, may write to us at info@firstobjectindia.com.
15. In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all resolutions set forth in this Notice. It is hereby clarified that it is not mandatory for a member to vote using the e-voting facility, and a member may avail of the facility at his/her/its discretion, subject to compliance with the instructions prescribed below:

The instructions for members for voting electronically are as under:-

(1) In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "FIRSTOBJECT TECHNOLOGIES LIMITED" from the drop down menu and click on "SUBMIT"
- (iv) 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) - 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 last 8 digits of the demat account/folio number in the PAN field. - In case the folio 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 folio number 100 then enter RA00000100 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

NOTICE TO THE SHAREHOLDERS

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN - "FIRSTOBJECT TECHNOLOGIES LIMITED".
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2017. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
 - * Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - * They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - * After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - * The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - * They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

(2) In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.

(3) General:

- (i) The voting period begins on Wednesday, 20th September 2017 (9.00 a.m. IST) and ends on Friday, 22nd September 2017 (5.00 p.m. IST). During this period shareholder's of the Company, holding shares either in physical form or in dematerialized form may cast their votes electronically. The e-voting module shall be disabled by CDSL for voting thereafter. The cut off date is 17th September, 2017.
- (ii) 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 under help section or write an email to helpdesk.evoting@cdslindia.com.

NOTICE TO THE SHAREHOLDERS

- (iii) Mr. Abhishek Kotulkar, Advocate, Mumbai, has been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (iv) The scrutinizer shall within a period of 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 employment of the Company and make a scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (v) The results of the e-voting along with the scrutinizer's report shall be placed in the Company's website www.firstobjectindia.com and on the website of CDSL within two days of passing of the resolution at the AGM of the Company. The results will also be communicated to the stock exchange where the shares of the Company are listed.

For and on behalf of Board of Directors

Regd Office:

302, The Bureau Chambers,
Above State Bank of Patiala,
Chembur, Mumbai – 400071
Maharashtra

Place: Mumbai.

Date: 21st August, 2017

Dr.Vivek Hebbar
Chairman, Board of Directors

ANNEXURE TO NOTICE

Profile of Director proposed to be reappointed as Director at the ensuing Annual General Meeting.

Name of Director	Dr. (Mrs.) V. Leena
Age	40 Years
Date of Appointment	March 30, 2015
Qualifications\	MBBS
Expertise in specific functional areas	Healthcare Management / Healthcare Services
List of directorships held in other companies	NIL
Chairman/Member of the Committees of the Boards of the other Companies in which he is a Director	NIL

DIRECTORS REPORT

Your Directors are pleased to present their 17th Annual Report together with the Audited Accounts of the Company highlighting the business operations and financial results for the year ended March 31, 2017.

A) FINANCIAL RESULTS:

The financial performance of the Company for the year ended March 31, 2017 is summarized below:

Sr. No.	Particulars	Year ended 31.03.17 (Amt. in Rs)	Year ended 31.03.16 (Amt. in Rs)
1	Net Sales / Interest Earned / Operating Income	152,637,496	147,723,234
2	Total Expenditure	141,408,788	138,870,227
3	Profit/Loss Before Depreciation, Taxes and Extra ordinary Items	11,228,708	8,853,008
4	Depreciation	8,704,567	3,983,230
5	Profit/Loss Before Taxes and Extra ordinary Items	2,524,141	4,869,778
6	Extra Ordinary Items / Capital Loss	-	(611,233)
7	Profit Before Taxes	2,524,141	4,258,545
8	Provision For Taxation:		
	(i) Current Tax	480,975	811,466
	(ii) Deferred Tax	890,995	2,358,977
	(iii) Earlier Years Provisions w/off	-	534,435
9	Net Profit/(Loss) after Tax	1,152,171	553,667
10	Appropriations		
	Interim Dividend	-	-
	Proposed Dividend	-	-
	Corporate Tax on Dividend	-	-
11	Equity Share Capital	104,027,550	104,027,550

B) DIRECTORS:

In accordance with the Provision of companies Act, 1956 and Articles of Association of the Company, the Directors of the company are as under.

Name of the Director	Designation
Dr. Vivek Hebbar	Chairman
Dr. Sriram Kumar	Managing Director
Mr. Rajan V. Pillai	Non Executive Director
Mr. Sailesh Pethe	Non Executive Director
Mr. N. Shiva	Non Executive Director
Dr. (Mrs.) V. Leena	Non Executive Director
Mr. Jagadish B	Non Executive Director

C) AUDITORS:

M/s. JBRK & Co, Chartered Accountants, who were appointed as the Statutory Auditors of the company by the Members at their previous Annual General Meeting (AGM) shall be retiring on the conclusion of the ensuing AGM and are eligible for re-appointment. Members are requested to consider their re-appointment from the conclusion of ensuing Annual General Meeting (AGM) upto the conclusion of the next Annual General Meeting.

D) Information on conservation of Energy, Technology absorption and Foreign Exchange earnings/out goings.

Your company's operations does not involve large scale use of energy. The disclosure of particulars under this head is not applicable as your company operates in the service sector. Although your company is not a large scale energy user, acknowledges, the concept of conservation of energy. Your company has received foreign exchange during the year under review.

DIRECTORS REPORT

E) Particulars of Employees:

No employee of the Company was in receipt of Rs.5 lacs per month or Rs. 60 lacs per annum during the financial year hence, as such no details are furnished pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

F) Listing Fees:

All the compliances including payment of annual listing fees for the year under review have been paid to the Bombay Stock Exchange Limited, where your Company's shares are listed, within the stipulated time.

G) PUBLIC DEPOSITS:

During the year under review, the Company has not accepted any fixed deposits from the public and as on 31st March, 2017, the Company had no unclaimed deposits or interest thereon due to any depositor.

H) CORPORATE SOCIAL RESPONSIBILITY:

Board of Directors, the Management and all of the employees subscribe to the philosophy of compassionate care. We believe and act on an ethos of generosity and compassion, characterized by a willingness to build a society that works for everyone. This is the cornerstone of our CSR Policy.

CORPORATE GOVERNANCE:

Your Company's management has placed Corporate Governance as one of their top most priority. Your Company's philosophy on Corporate Governance envisages attainment of highest level of transparency, accountability and fairness in respect of its operations and achievement of highest internal standards in Corporate Governance and believes that the initiatives on Corporate Governance will assist the management in the efficient conduct of the business and in meeting its responsibilities to all its stakeholders

The Company has been making every endeavor to bring more transparency in the conduct of its business. As per the requirements of the Listing Agreement with the Stock Exchanges, a compliance report on Corporate Governance for the year 2016-17 and a Certificate from the Practicing Company Secretaries of the Company are furnished which form part of this Annual Report.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the requirement of Section 134(5) of the Act, the directors hereby confirm that:

1. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
2. They have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year and of the profit or loss of the Company for the period under review.
3. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities, and
4. They have prepared the accounts for the period ended 31st March 2017 on a going concern basis.

ACKNOWLEDGEMENTS:

Your Directors would like to place on record their appreciation and sincere thanks to all the shareholders, customers, bankers, Central and State Government for the contribution made and support provided to the Company during the year under report. Your Company continues to enjoy the full cooperation of all its employees. The Directors wish to place on record their appreciation for the good performance achieved by them.

For and on behalf of Board of Directors

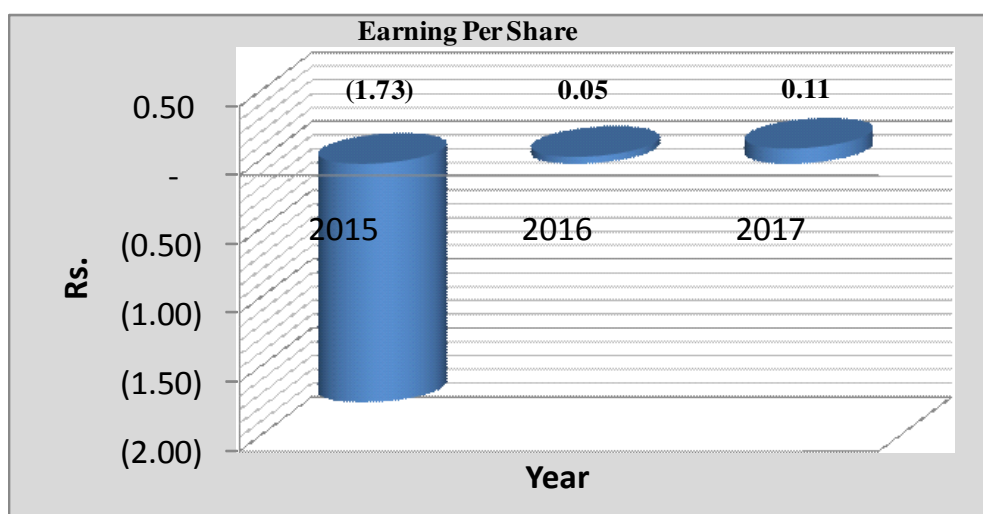
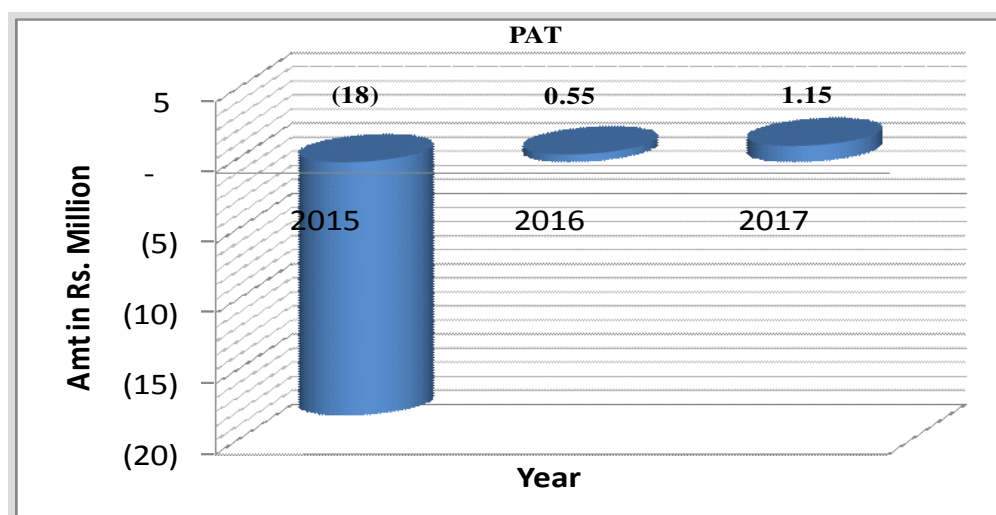
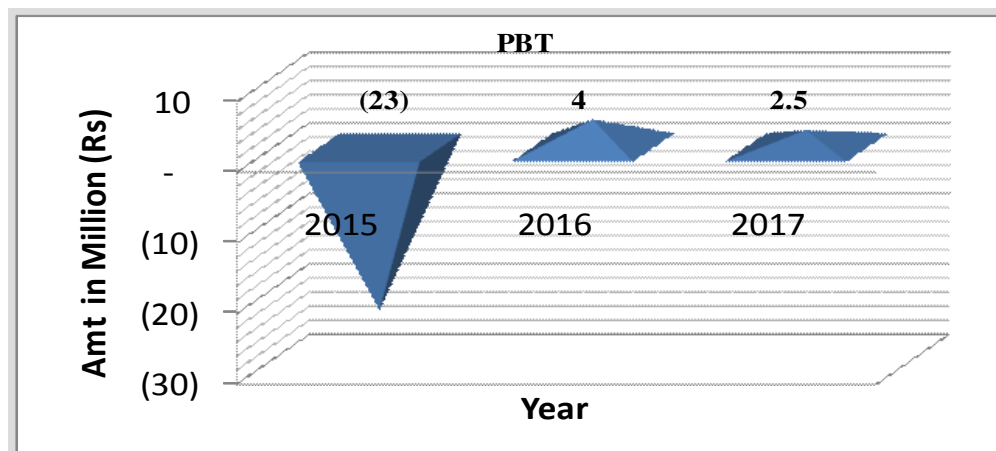
Regd Office:

302, The Bureau Chambers,
Above State Bank of Patiala,
Chembur, Mumbai – 400071
Maharashtra

Place: Mumbai.

Date: 21st August, 2017

Dr.Vivek Hebbar
Chairman, Board of Directors

PERFORMANCE AT A GLANCE
PERFORMANCE AT A GLANCE


MANAGEMENT DISCUSSION & ANALYSIS REPORT

CORPORATE OVERVIEW

Firstobject Technologies Ltd is an IT / ITE's and an E- education company. E-learning was started as a division in the year 2010; it has unveiled more quality products rapidly in the K-10 and beyond segment. FTL is now a major player in the K-10, Legal, Management and Engineering segments. It is slowly bringing more schools into its fold for implementation of its e-learning modules. Firstobject is working towards establishing a fair market share in the e-learning segment. Firstobject aims to provide E-education from Preschool to University level covering the whole spectrum of Academics.

Firstobject currently offering its e-learning modules through DVDs, USB ports, Androids etc customized for the usage by various users like Schools, Institutions, etc.

EDUCATION INDUSTRY

Introduction- Digital India and the Role of eLearning

India holds an important place in the global education industry. The country has more than 1.5 million schools with over 260 million students enrolled and about 751 universities and 35,539 colleges. India has one of the largest higher education systems in the world. However, there is still a lot of potential for further development in the education system.

India's education system — be it primary, secondary or higher levels — is fraught with quality and quantity challenges: There is a shortage of quality teachers, an enabling environment for students and infrastructure, just to point out a few.

These hurdles are not going to go away soon even though there is a surge in the number of students at all levels and an increasing demand for quality education. There is also a corresponding demand from industry for skilled human resource.

But this thirst and demand for quality education and trained personnel will not be easy to quench because it takes time, funds and quality human resource to set up good institutions.

Then there is the rule book: Starting a school or a college in India needs magical levels of energy and perseverance.

The fact that India's current educational infrastructure cannot meet the current and future needs of the country is well known. Despite having more than half the population under 25 years of age, India is expected to face a shortage of 250 million skilled workers by 2022. Additionally, traditional education has failed to metamorphose in order to be relevant for today's rapidly changing requirements. The rate of advancement of technologies and resulting opportunities is much too rapid for traditional programs and curriculum to keep up. Besides, there is a whole world of skills that are not even in the purview of the traditional education system (Arts, hobbies, soft skills, etc). eLearning will play a big role in helping bringing a step change to our education problem.

What is eLearning Exactly?

Broadly, eLearning involves the use of digital media and technology to deliver learning experiences. A learning experience attempts to simulate the real-world classroom learning process. It involves assembling great content, distributing it to facilitate learning, managing the learning process and providing validations (E.g. tests, certifications). eLearning typically reaches learners through one of 4 channels: Traditional Education, Corporates, Government or Direct Consumer. In the past few years, direct consumer learning has emerged as one of the fastest growing channels. On the supply side, the industry has content providers (Authors, Institutions, etc.), service providers (Content creation, Publishing, Marketing, etc.) and technology providers (Authoring tools, Platforms, Learning Management Systems, etc.). Businesses in the eLearning space often straddle more than one bucket to deliver a seamless experience.

But Relevance and Innovation is Key

Several global eLearning players have seen a surge in adoption of their platforms from India in the last few years. In most cases, the number of learners from India is second only to US. However, this is a minuscule percentage of potential learners across the country. The existing global technologies, content and services will just not suffice. Like in other industries, eLearning would need to adapt and innovate to be relevant for India.

In order for this to happen, both the model of disseminating learning as well as content needs to get relevant. Relevance will be determined based on the type of content, teaching methods used and features around the delivery of the content to the learners. The sheer diversity of learning needs across India would necessitate having a broad range of content yet providing the necessary depth.

In order to make the content and teaching methods appeal to learners across the country, e-learning providers should look to source content locally while ensuring the highest quality. One of the key challenges to solve here would be to help local content providers (institutions and individuals) across India make the jump into the e-learning space. This would require both education as well as innovation in terms of tools and platforms. From a delivery point of view, product innovations around customization of content for regions will go a long way in improving adoption and increasing relevance (E.g. support for regional languages). eLearning solutions which fail to be relevant will quickly fade away.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Market Size

The education sector in India is poised to witness major growth in the years to come as India will have world's largest tertiary-age population and second largest graduate talent pipeline globally by the end of 2020.

The education market in India is currently valued at US\$ 100 billion and is expected to nearly double to US\$ 180 billion by 2020. Currently, the school segment is valued at US\$ 52 billion and contributes 52 per cent to the education market in India, higher education contributes 15 per cent of the market size, text-book, e-learning and allied services contribute 28 per cent and vocational education in manufacturing and services contributes 5 per cent. Higher education system in India has undergone rapid expansion. Currently, India's higher education system is the largest in the world enrolling over 70 million students while in less than two decades, India has managed to create additional capacity for over 40 million students. It witnesses spending of over Rs 46,200 crore (US\$ 6.93 billion).

India has become the second largest market for e-learning after the US. The sector is currently pegged at US\$ 2 billion and is expected to reach US\$ 5.7 billion by 2020. Yet, the e-learning industry is still in its infancy in this country. We are just at the beginning of sweeping changes in the education sector to dramatically increase reach, especially in smaller towns and cities, through online learning. Moreover, the aim of the government to raise its current gross enrolment ratio to 30 per cent by 2020 will also boost the growth of the distance education in India.

This opportunity is more real than ever before with the 'Digital India' initiative. According to a recent McKinsey report, the incremental impact of this initiative (if executed well) is 20-30% increase in GDP by the next 10 years. With a robust infrastructure for digital access, eLearning will play a vital role in shaping the skills and education needs of the country.

Investment

The total amount of Foreign Direct Investments (FDI) inflow into the education sector in India stood at US\$ 1.42 billion from April 2000 to March 2017, according to data released by Department of Industrial Policy and Promotion (DIPP).

The education and training sector in India has witnessed some major investments and developments in the recent past.

Government Initiatives

Some of the other major initiatives taken by the Government of India are:

- The Union Budget 2017-18 has made the following provisions for the education sector:
 - The Budget has pegged an outlay of Rs 79,685.95 crore (US\$ 11.952 billion) for the education sector for financial year 2017-18, up from Rs 72,394 crore (US\$ 10.859 billion) in 2016-17—a 9.9 per cent rise.
 - The Government of India has allocated around Rs 17,000 crore (US\$ 2.55 billion) towards skilling, employment generation, and providing livelihood to millions of youth, in order to boost the Skill India Mission.
- The Government of India has approved an all-time record of over 4,000 post-graduation (PG) medical seats to be added in various medical colleges and hospitals for the academic session 2017-18.
- The Cabinet Committee on Economic Affairs, Government of India, has approved the proposal to open 50 new Kendriya Vidyalayas (KVs) under Civil/Defence sector in the country requiring an investment of Rs 1,160 crore (US\$ 180.11 million).
- The Government of India and the World Bank have signed a US\$ 201.50 million International Development Association (IDA) credit agreement for the Third Technical Education Quality Improvement Programme (TEQIP III), aimed at improving the efficiency, quality and equity of engineering education across several focus states.
- The Ministry of Skill Development and Entrepreneurship has launched the Pradhan Mantri Yuva Yojana, which will provide entrepreneurship education and training to over 700,000 students in 5 years through 3,050 institutes.
- The Cabinet Committee on Economic Affairs has approved opening of one Jawahar Navodaya Vidyalaya (JNV) in each of the 62 uncovered districts with an outlay of Rs 2,871 crore (US\$ 430.6 million), which is expected to benefit over 35,000 students in rural areas and provide direct permanent employment to 2,914 individuals.
- The Catalyst initiative by the Government of India and United States Agency for International Development (USAID) is expected to create awareness about digital payments across 60 million traders and merchants in the country.
- The Ministry of Labour and Employment will set up Model Career Centres (MCC) across the country. Out of the 950 employment exchanges in India, 100 would be developed as model centres with an investment of Rs 350 crore (US\$ 52.5 million). The Union Government also plans to set up 100 driver training institutes across India.
- The Union Cabinet chaired by the Prime Minister Shri Narendra Modi has approved 'Pradhan Mantri Gramin Digital Saksharta Abhiyan' (PMGDISHA) to make 60 million rural households digitally literate. The outlay for this project is Rs 2,351.38 crore (US\$ 353.70 million) to usher in digital literacy in rural India by March, 2019.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

- Prime Minister Mr Narendra Modi launched the Skill India initiative – ‘Kaushal Bharat, Kushal Bharat’. Under this initiative, the government has set itself a target of training 400 million citizens by 2022 that would enable them to find jobs. The initiatives launched include various programmes like: Pradhan Mantri Kaushal Vikas Yojana (PMKVY), National Policy for Skill Development and Entrepreneurship 2015, Skill Loan scheme, and the National Skill Development Mission.
- PMKVY is the flagship program under the Skill India Initiative. The Union Government plans to set up skill development centres across India with an investment of Rs 12,000 crore (US\$ 1.8 billion) to create job opportunities for 10 million individuals by 2020 under PMKVY.
- National Policy for Skill Development and Entrepreneurship 2015 is India’s first integrated program to develop skill and promote entrepreneurship simultaneously. The Union Government plans to provide Rs 7,000 crore (US\$ 1.05 billion) to states to spend on skill development, and thereby accelerate the ambitious task of skilling 500 million Indians by 2022, and encourage creation of an ecosystem of entrepreneurs.
- The National Skill Development Mission has created an elaborate skilling eco-system and imparted training to 7.6 million youth since its launch in 2015 and the government now plans to set up 1,500 Multi Skill Training Institutes across the country.

SERVICES AT FIRSTOBJECT

E-EDUCATION

Leveraging the power of computers and using a blend of Internet, mobile and satellite communication technologies, Firstobject is taking quality and affordable education to reach millions of students across the country and even in the most remote corners of India. Firstobject aims at educating the majority of students across India by conducting e-classes in schools and colleges where computer education was an improbable idea. Right from providing notes to e-tutorial, Firstobject has launched its e-products in a phased manner. Occupying every space from Kindergarten to the Business Schools and beyond, Firstobject aims at supplementing the educational needs of all age groups. Currently centered in India, Firstobject aspires to take its business model and operations to the rest of the world on a mass scale, though currently we execute some outsourced works at our offshore centers.

In E-education, Firstobject is ready to cater to:

- Pre Schooling
- Schooling
- Various Entrance Examinations
- Professional Courses

PRE SCHOOLING



MANAGEMENT DISCUSSION & ANALYSIS REPORT

Preschool has become a crucial concept for both child as well as the parents. The number of preschools in India is growing at the rate of 40% annually. That really shows how important preschools are turning out to be in the context of Indian education system. Parents, especially in urban areas look forward to enroll their children in preschool because of its obvious benefits. Enrolling kids to preschools helps in preparing them for kindergarten and elementary school. From parents' point of view, some of them do not have adequate time for the kids because of work and other pressing commitments and for them, preschools come very handy.

Preschool learning is very important in the initial development of a child's life. For one, kids get their first taste of education. They start learning things through play. At this stage of life, kids are not really expected to study. But the actual learning is imparted with the help of products developed for kids such as games, stories, songs and other activities. Children also get to taste independence factor. Our Products for Preschools contribute significantly in the preliminary education of the child.

At Firstobject, we have utilized the services of teachers who understand the psyche of students and parents. This has not only helped in figuring out the right way of teaching an individual child but also arrive at the correct model for developing the Preschool products. Our Pre School offerings contain Rhymes, games, stories, songs, alphabets and numbers, etc to give the kids the fun and zeal when they learn the first lessons of their lives. A child is made ready to identify different objects, colours and various common things. Children are also made to develop different self-help qualities along with basic etiquette's. Under Pre School we cover the whole gamut of content right from play school to Senoir KG.

SCHOOLING

Firstobject offers E-Educational products mapped to the State Boards and CBSE for Pre School, 1st, 2nd, 3rd, 4th , 5th , 6th , 7th, 8th, 9th & 10th Std. syllabus course on subjects viz. Mathematics (Algebra and Geometry), Science (Physics, Chemistry and Biology) and Social Science (History, Civics, Geography and Economics) are available under the brand names of First Pre School and First e School. Our courseware have been designed and prepared by eminent Academicians. The course content comprises of NCERT Questions, Enhance your Knowledge, Board Questions, Mock test which contains animations, examples, practice questions and much more to supplement the actual process of learning thereby promoting a swift grasp of the subject.

We aspire to be world class tuition and test preparation brand and our commitment and efforts towards our goal remain concerted and consistent.



PROGRESS OF E-LEARNING MODULES AT FIRSTOBJECT:

The Company has developed and launched its E-Learning Modules for A.P State Board, Telangana State Board, Maharashtra State Board and CBSE Syllabus under 10+2 category, Engineering CET (Common Entrance Test), Law CET (Common Entrance Test) and Law Education and Management CET (Common Entrance Test).

The E-Learning modules, meant for A.P State Board, Telangana State Board, Maharashtra State Board and CBSE, are prepared subject-wise for classes under 10+2 stream and each module has been worked out with meticulous planning under the supervision of eminent scholars and academicians. Both under E-learning and E-Tutorial, each subject is covered keeping in mind the average student IQ and each topic has been covered under 3 sub modules in the form of Virtual Class, Tutorials and Notes.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

ENTRANCE EXAMINATION

Firstobject provides tutorials and materials for select subjects for various Entrance examinations like Engineering, Law, Management, Medical, etc in the state level currently and intends to expand at the National level.

Professional Courses:

Firstobject also provides all tutorials and materials for Law currently and in the process of expanding it to Management and Engineering Course Curriculum.

Law

The Law course is a realm where crises in social and financial areas amid the public are fairly marked. A degree in law not only offers straight opportunities for occupation but provides an instrument to fight against inequality and wrong deeds of all types in the country. Earlier, Law students had few options but nowadays they have plenty of them. From being a practicing Lawyer they can become judges in various courts. The prestige is always connected with this profession. Various types of courses and careers are available in this faculty including LLB.

Law is a bunch of categorized rules and regulations under which any society or country is governed. Law is one of the most essential and fundamental topic in any country. The Law regulates the rules that define human rights and obligations. People who break these rules have to suffer the penalties for their activities. The Law describes how the Government shall impose the rules and penalties. Justice is a proper standard that applies to all human behaviors. Thus, Law is the base of the society and a vital weapon of social change.

LLB is a law course of three-year duration. To get admission for this course, the students have to give an entrance test and a personal interview. The course arrangement is divided into 6 semesters. Our course curriculum material act as tutorials for the LAW Degree aspirants.

IT- BPO INDUSTRY:

BPO sector

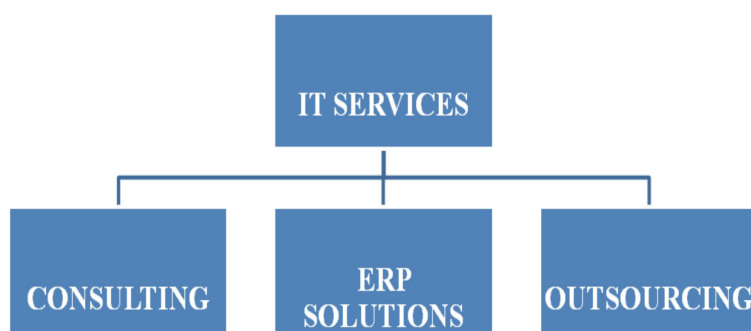
The BPO industry has undergone a rigorous transformation; it has effectively grown to provide strategic partnership for clients today. It has surely left an indelible impact on the Indian BPO industry. The sector has rapidly evolved, in terms of expanding its verticals and geographic markets, attracting new customers, transforming from a technology partner to a strategic partner, thus cementing India's position as the premier global sourcing destination. The fact that the gamut of services has seen a significant change with BPOs managing end-to-end services indicates the growing maturity of the industry.

IT SERVICES AT FIRSTOBJECT:

At Firstobject we offer differentiated IT services using a unique network of global delivery models. The Company is adept in delivering specific business technology solutions. The Company's strength lies in its innate ability to understand the requirements of its clients and to continuously build the competencies and strengthen the domain capabilities to provide integrated Software Solutions, Consulting and outsourcing customized to client's business-specific needs.

The Company focuses on delivering business impact to its clients by maximizing returns on their investments in IT and through Business Process Outsourcing solutions. The Company's unique capabilities allow it to leverage strong partnerships, latest technology innovations and human capital to deliver excellence through its global delivery model.

The Company recognizes the need for scale and capacity in competing for large contracts against top-tier competitors, your Company has been making substantial investments in expanding its front-end capabilities, its human capital base and leveraging its world-class infrastructure facilities.



MANAGEMENT DISCUSSION & ANALYSIS REPORT

● CONSULTING

We work with clients to develop and deliver innovative solutions that can successfully transform an organization's capabilities. We have the breadth of experience, global resources, superior assets and deep knowledge and insights to create new forms of value and to help our clients become high-performance businesses.

We consult our clients from strategy to execution, we also deliver the insight need for better decision making and improved business outcomes to accelerate high performance.

Consulting helps in following ways:

- Driving growth—from new markets, new customer segments and opportunities, marketing transformation and innovation.
- Enhancing cost and cash advantage—through balance sheet efficiency; enhanced working capital; better capital allocation and return on investment; and resetting structural costs for more flexibility.
- Improving operational excellence—by realigning the operating model; reengineering key processes; focusing on lean processes and operational effectiveness; and sourcing operational excellence.
- Restructuring the business at scale—through M&A, divestitures, consortia, industry restructuring, value chain restructuring and business ecosystems.
- Winning the war for talent—by re-skilling the workforce, sourcing new talent, developing change agents and creating a human capital strategy.

From strategy to execution

Economic volatility, increasing globalization, rising complexity and growing interconnectivity have forced businesses to make major changes to their operations in recent years. At the same time, advances in technology such as cloud computing, service-oriented architecture and software-as-a-service are creating more flexible, configured application environments that can deliver tremendous value if used properly. We help organizations to deal with change successfully while developing and operating scalable, efficient and agile business processes to create both immediate and long-term competitive advantage.

The primary focus of our Growth is to drive growth by providing a continuous flow of information and ideas covering market sector. We incorporate our global market analysts, market research consultants, and industry experts' perspectives with proven methodologies to help clients manage risk and achieve their profitability and growth objectives.

Our ERP implementation and ERP integration methodologies speed time-to-value delivery for a number of reasons, including their incorporation of the right analytics for real-time decision-making. Our ERP implementation solutions also seamlessly integrate applications across various platforms and technologies, to increase the value of IT investments, and enhance productivity and profitability. Our ERP services expertise includes implementation and the integration of diverse and distributed application portfolios - within and across the extended enterprise. We support customers across the entire range of the application life cycle, from implementation to post-implementation support.

● OUTSOURCING SERVICES

Knowledge Process Outsourcing (KPO):

Firstobject Technologies provides middle office and back office support to capital market arms of leading global banks, educational institutions, manufacturing giants and services companies. Our customer-partners are all leaders in their respective industries and are included in top business enterprises. With each of our partners, we manage a number of discrete programs providing specific needs across multiple divisions. Current customer programs include data search programs, research report preparations, price monitoring and competitive analytics, financial contract risk management and data reconciliation services

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Below are some Demand and supply side drivers for KPO Industry

Demand side drivers

Demand side drivers	
Skills/ capabilities	KPO is all about knowledge arbitrage. India, the dominant KPO destination, is facing a shortage of skilled professionals. Financial institutions should explore countries with an adequate pool of skilled finance resources.
Language	Countries that possess the depth and quality of KPO skill sets and non-English linguistic capabilities, are well positioned to commence KPO offerings.
Business continuity	High systems and applications availability are a critical requirement of the financial services industry. KPO providers may need geographical spread to provide adequate business continuity.
Responsiveness	KPO providers having near-shoring and on-shoring capabilities for their clients are deemed more responsive. Competitive pressures are expected to drive KPO providers to set-up delivery centers closer to client-locations.
Risks	Financial institutions are normally wary of using one provider for all services unless part of an internal captive operation. The nature of KPO work lends itself to a multi-sourcing strategy, using multiple vendors to deliver specific activities.
Regulatory constraints	Clients cannot abdicate their regulatory and legal compliance responsibility. Some regulatory constraints prohibit the transfer of certain work offshore. This is expected to force the leading KPO providers to expand their geographical footprint to become more local to clients, and become more intimate with their clients' regulatory and legal constraints.

Supply side drivers

Supply side drivers	
Skills shortage	The KPO industry appears to be driven by access to the breadth and depth of talent. The demand-supply gap for qualified resources in India, currently the dominant KPO destination, is expected to force KPO providers to find new delivery locations with depth and quality of talent required for KPO activities.
Risk diversification (hedging)	Service providers cannot provide services solely from one single location or country. In order to maintain business continuity during adverse circumstances, KPO providers have to diversify globally to reduce their risk exposure.
Language	KPO providers are expected to expand to non-English speaking locations globally, to support non-English speaking clients.
Global delivery model	KPO providers having near-shoring and on-shoring capabilities are deemed more responsive. Competitive pressures are expected to drive KPO providers to set-up delivery centers closer to the client-locations.
Regulatory requirements	Some regulatory requirements prohibit the transfer of certain work overseas. In order to tap into this extra business, KPO providers are expected to set up new global delivery centers.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

THREATS & RISKS

Part i: External Risks relating to the Business of the Company:

1. Changes in Government policies could adversely affect the Company's business, results of operations and financial condition.
2. A decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy, which could have an adverse impact on the Company. A rapid decrease in reserves would also create a risk of higher interest rates and a consequent slowdown in growth.
3. If inflation were to rise in India, the Company might not be able to increase the prices of its services and products in order to pass costs on to its customers and the Company's profits might decline.
4. A significant change in the Central and State Governments' economic liberalization and deregulation policies could disrupt the Company's business.
5. If regional hostilities, terrorist attacks or social unrest in India increase, the Company's business could be adversely affected and the price of the Shares could decrease.
6. A slowdown in economic growth in India could cause the Company's business to suffer
7. Natural calamities could have a negative impact on the Indian economy and could cause the Company's business to suffer and the price of the Shares to decrease.

Part ii : Risks Associated with the Expansion of the Company's Business

1. The Company faces risks and uncertainties associated with the implementation of its expansion projects.
 The Company plans to expand its brand and product portfolios and its service and distribution networks in India and abroad in the near future, both organically and inorganically via strategic acquisitions. In taking these and any other such expansion initiatives, the Company faces risks and uncertainties, including that:
 - Funding anticipated to be deployed towards the cost of the project will not become available in a timely manner or at all.
 - Strategic acquisitions may not initially return profits or may incur losses in the future.
2. The company has various education modules, to sell them company requires specialized marketing force which also needs huge expenditure, paucity of funds may delay aggressive marketing of its e-learning products.
3. IT/ITES services have become very competitive and margins are under pressure due to varied kind of assignments.
4. E-learning offerings are subject to syllabus changes from time to time.

Risks and Risk Mitigation

The ITES Industry thrives under a dynamically changing and highly competitive business environment. The Company too faces several business risks, of which some prominent ones are discussed hereunder alongside the risk mitigation approach followed by the Company:

Concentration risks

The Company has taken significant steps to ensure that it does not become too dependent on few clients or any particular geography.

Considerable efforts are being made to generate business from new geographies.

Investment portfolio related risks

In order to deal with surplus cash, the Company, as a policy, does not prefer to invest in high risk assets such as equities and low liquidity assets like real estate etc. The primary area of risk for the Company's market exposures are related to its investment in securities. To mitigate risk, surplus funds if any are invested in appropriate avenues upon a review by the investment committee. All investment decisions are driven by certain guiding principles like, safety of investments, liquidity and returns.

MANAGEMENT DISCUSSION & ANALYSIS REPORT**Employee-related risks**

Attrition: Human Resource functions and initiatives of the Company are driven by a strong set of values and policies. The Company has maintained a competitive, healthy and harmonious work environment at all levels. The Company has taken new initiatives to strengthen its recruitment processes, values and vision programmes, leadership and performance management programmes to retain the best talent.

Constraints in availability of skilled resources

The Company offers competitive salary constantly benchmarked to the market, world class infrastructure, excellent work culture, high class training and career development and long term growth prospect, to remain an employer of choice. The Company's development centers are in cities which have good availability of skilled manpower.

Competition-related risk

Indian IT services market remains a very competitive space. The Company is facing competition from large Indian IT vendors and global vendors which are increasing their India presence by setting up offshore delivery centres.

The Company is managed by locally recruited professionals and talents across all geographies. They have established strong interaction with various analyst firms worldwide through participation in IT conferences and industry specific events attended by CIO's and executives of major corporations. Sales & marketing and delivery infrastructure of the Company is world class. This helps the Company to maintain its competitive edge over other players.

Exchange rate risk: Hedge Accounting

The company has policies and measures in place to mitigate Exchange rate risk.

Geo-political risks

The ability of Indian ITES services companies to secure offshore projects from client organisations abroad is often subject to threat perceptions as regards the Indian subcontinent. Current civil situations in neighboring countries of India may have negative implications for the operations of the Company. To mitigate these risks and to ensure continued delivery of services to clients irrespective of any geo-political disturbances, the Company has been taking appropriate measures in respect of disaster recovery and business continuity, at different locations.

CORPORATE GOVERNANCE

1. Company's Philosophy on Code of Corporate Governance

Firstobject Technologies Limited (Firstobject) philosophy on Corporate Governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operations, and in all its interactions with its Shareholders, Employees, and the Government. Firstobject believes that all its operations and actions must serve the underlying goal of enhancing overall Shareholder value, over a sustained period of time.

2. Board of Directors

The Board of Directors consists of 7 Directors.

Composition and category of Directors is as follows:

Category	Name of Director
Chairman	Dr. Vivek Hebbar
Managing Director	Dr. Sriram Kumar
Non-Executive Director	Rajan V. Pillai
Non-Executive Director	Sailesh Pethe
Non-Executive Director	N. Shiva
Non-Executive Director	Dr. (Mrs.) V. Leena
Non-Executive Director	Mr. Jagadish B

During the year under review, the Board of Directors of the company met 20 times on 12/04/2016, 25/04/2016, 06/05/2016, 30/05/2016, 10/06/2016, 28/06/2016, 14/07/2016, 29/07/2016, 13/08/2016, 30/08/2016, 12/09/2016, 26/09/2016, 10/10/2016, 28/10/2016, 12/11/2016, 01/12/2016, 02/01/2017, 18/01/2017, 14/02/2017 and 13/03/2017 and as against the minimum requirement of 4 meetings. The maximum time gap between any two meetings was not more than four calendar months.

The attendance of each director at the Board Meeting, last Annual General Meeting and Number of other directorship and Chairmanship / Membership of Committee held by each of the director in other companies are as under:

Name of the Director	Attendance Particulars	No. of other directorships and committee member/Chairmanship			
	Board Mtgs.	Last AGM	Other Directorship	Committee Membership	Committee Chairmanship
Dr. Vivek Hebbar	19	Yes	2	1	1
Dr. Sriram Kumar	9	Yes	Nil	Nil	Nil
Sailesh Pethe	18	No	2	3	1
N. Shiva	9	No	Nil	Nil	Nil
Rajan V. Pillai	18	Yes	Nil	3	1
Dr. (Mrs.) V. Leena	7	No	Nil	Nil	Nil
Mr. Jagadish B	8	No	1	Nil	Nil

3. Audit Committee

The Audit Committee of the company for the year 2016-17 has been constituted with Dr. V. Leena, Mr. Sailesh Pethe and Mr. Rajan Pillai.

The committee met 7 times. The constitution of Committee also meets with the requirements under Section 149 of the Companies Act, 2013. The terms of reference of the Audit Committee are as contained in the Clause 49 of the Listing Agreement. Mr. Rajan Pillai is the Chairman of this Committee.

For the year 2017-18, the Audit Committee of the company is reconstituted with Dr. Vivek Hebbar, Mr. Rajan Pillai and Mr. Sailesh Pethe.

4. Remuneration Committee

The Remuneration Committee of the company for the year 2016-17 had been constituted with Mr. Sailesh Pethe, Dr. Vivek Hebbar and Mr. Rajan V. Pillai as members of the committee.

CORPORATE GOVERNANCE

The Remuneration Committee has been constituted to recommend / review the remuneration package of the Directors based on performance and defined criteria. The remuneration policy is directed towards rewarding performance, based on review of achievements on a periodical basis. The remuneration policy is in consonance with the existing Industry practice. Dr. Vivek Hebbar is the chairman of this committee.

For the year 2017-18, the remuneration committee is formed with Dr. V. Leena, Mr. Sailesh Pethe and Mr. Rajan V. Pillai as members of the committee.

Details of remuneration paid to the Directors for the year.

The aggregate value of salary, perquisites, and commission paid for the year ended 31st March 2017, to Directors is as follows:

The Company pays sitting fees to its Directors.

Name of the Director	Sitting Fees (in Rs.)
Dr. Vivek Hebbar	5000
Dr. Sriram Kumar	5000
Sailesh Pethe	5000
Rajan Pillai	5000
N. Shiva	5000
Dr. (Mrs.) V. Leena	5000
Mr. Jagadish B	5000

5. Shareholders' / Investors' Grievance Committee

The Shareholder's / Investors Grievance Committee of the company has been constituted for the Year 2016-17 with Dr. V. Leena, Mr. Sailesh Pethe and Mr. Rajan V. Pillai as members of the committee.

Mr. Sailesh Pethe is the Chairman of the committee.

Mr. J. R. Urrinkala is designated as Compliance Officer of the Company.

For the year 2017-18, the Shareholders' / Investors Grievance Committee is constituted with, Dr. Vivek Hebbar, Mr. Sailesh Pethe and Mr. Rajan V. Pillai as members of the committee.

6. General Body Meetings

a) Location and place of last four Annual General Meetings:

AGM No.	Accounting Yr.	Date	Time	Venue
16th	2015-16	12.08.2016	3.00 p.m	At Hotel Oasis, Mumbai
15th	2014-15	14.08.2015	3.00 p.m	At Hotel Oasis, Mumbai
14th	2013-14	28.08.2014	3.00 p.m	At Hotel Oasis, Mumbai
13th	2012-13	27.09.2013	3.00 p.m	At Hotel Oasis, Mumbai
12th	2011-12	22.12.2012	3.00 p.m	At Hotel Oasis, Mumbai

b) During the financial year, the company has not obtained any resolution by way of postal ballot as per the Companies Act, 2013.

7. Disclosures:

- There were no material transactions between the company and its Directors or management or their relatives that have any potential conflict with interests of the company at large. Transactions with related party are disclosed elsewhere in the Annual Report. None of the transactions have potential conflict with interest of the company at large.
- Details of non-compliance by the company, penalties, strictures imposed on the company by Stock Exchanges or any statutory authority, on any matter related to capital markets, during the last three years – None.

CORPORATE GOVERNANCE

8. Means of communication

The company has promptly reported all information including declaration of Quarterly Financial Results to the Stock Exchange where the stocks of the company are listed. The company also publishes the Audited/ Unaudited financial results in Free Press Journal, English Newspaper and in Regional Newspapers.

9. General Shareholder Information

9.1 Annual General Meeting

September 23rd , 2017 at 3.00 p.m
 At Chembur Gymkhana, Phase II,
 2nd Floor, 16th Road,
 Near Ambedkar Garden,
 Chembur, Mumbai – 400 071

9.2 Financial Calendar:

Quarterly/ Half yearly/ Annual Financial Results:

Date of submission to the Stock Exchange

Tentative

For the quarter ending on 30th June, 2017

Second week of August, 2017

For the quarter/half year ending on 30th September, 2017

Second week of November, 2017

For quarter ending on 31st December, 2016

Second week of February, 2018

For the year ended 31st March, 2017

Second week of May, 2018

9.3 Book Closure date:

18.09.2017 to 23.09.2017

9.4 Dividend :

The company has not paid any Dividend during the financial year 2016-17.

9.5 (a) Listing of Equity Shares

The Bombay Stock Exchange Ltd, Mumbai

9.6 (a) Stock Code

Firstobject 532379

(b) Demat ISIN Numbers in NSDL & CDSL for Equity Shares.

INE 683 B01047

9.7 Stock Market Data at BSE

Month	High Price	Low Price	Close Price	No. of Shares Traded
April 2016	7.71	4.96	6.94	44,484
May 2016	7.35	6.10	6.50	17,215
June 2016	6.62	5.42	6.60	37,829
July 2016	10.65	6.59	10.00	1,05,167
August 2016	10.70	7.10	7.15	16,325
September 2016	9.93	7.01	9.45	57,974
October 2016	12.11	8.20	12.01	1,58,874
November 2016	14.05	8.70	9.18	1,24,915
December 2016	11.93	8.81	11.93	79,415
January 2017	15.50	11.90	15.50	1,45,304
February 2017	17.05	13.60	16.45	2,74,958
March 2017	17.00	13.40	13.60	5,23,042

Note: Price @ Rs.10 Face Value.

Registrar and Transfer Agents:

(Share transfer and communication regarding share certificates, dividends and change of address)

Bigshare Services Pvt Ltd

1st Floor, Bharat Tin Works Building,
 Opp. Vasant Oasis Apartments (Next To Keys Hotel),
 Marol Maroshi Road, Andheri East, Mumbai 400059.

Share Transfer System as per listing agreement and Companies Act, 2013

CORPORATE GOVERNANCE

9.8 Category of Shareholders as on 31st March, 2017.

Category Code	Category of Shareholder	No. of Shareholders	Total No. of Shares	Number of Shares held in Dematerialized Form	Total shareholding as a percentage of total number of shares	
					As a % of (A+B) ¹	As a % of (A+B+C)
(A)	Shareholding of Promoter and Promoter Group²					
1	Indian					
(a)	Individuals/ Hindu Undivided Family	6	2,243,676	2,243,676	21.57	21.57
(b)	Central Government/ State Government(s)	0	0	0	0.00	0.00
(c)	Bodies Corporate	1	4,294,806	4,294,806	41.29	41.29
(d)	Financial Institutions/ Banks	0	0	0	0.00	0.00
(e)	Any Others(Specify)	0	0	0	0.00	0.00
(e-i)						
(e-ii)						
(e-iii)						
	Sub Total(A)(1)	7	6,538,482	6,538,482	62.85	62.85
2	Foreign					
a	Individuals (Non-Residents Individuals/ Foreign Individuals)	0	0	0	0.00	0.00
b	Bodies Corporate	0	0	0	0.00	0.00
c	Institutions	0	0	0	0.00	0.00
d	Any Others(Specify)	0	0	0	0.00	0.00
d-i		0	0	0	0.00	0.00
d-ii		0	0	0	0.00	0.00
	Sub Total(A)(2)	0	0	0	0.00	0.00
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	7	6,538,482	6,538,482	62.85	62.85
(B)	Public shareholding					
1	Institutions					
(a)	Mutual Funds/ UTI	0	0	0	0.00	0.00
(b)	Financial Institutions / Banks	0	0	0	0.00	0.00
(c)	Central Government/ State Government(s)	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0.00	0.00
(f)	Foreign Institutional Investors	0	0	0	0.00	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0.00
(h)	Any Other (specify)	0	0	0	0.00	0.00
(h-i)	Nri Banks	0	0	0	0.00	0.00
(h-ii)		0	0	0	0.00	0.00
	Sub-Total (B)(1)	0	0	0	0.00	0.00
B 2	Non-institutions					
(a)	Bodies Corporate	158	256,352	255,102	2.46	2.46
(b)	Individuals					
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 2 lakh	13,395	2,775,572	2,758,122	26.68	26.68
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakh.	21	781,908	781,908	7.52	7.52
(c)	Any Other (specify)	195	306,368	305,118	2.95	2.95
(c-i)	Clearing Member	13	7,902	7,902	0.08	0.08
(c-ii)	N.R.I – Non Repat	13	36,739	36,739	0.35	0.35
(c-iii)	N.R.I	11	5,375	5,375	0.05	0.05
(c-iv)	OCB'S	0	0	0	0.00	0.00
(c-v)	NBFC's Registered with RBI	2	425	425	0.00	0.00
c-4	Independent Director	0	0	0	0.00	0.00
	Sub-Total (B)(2)	13,613	3,864,273	3,845,573	37.15	37.15
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	14,048	3,864,273	3,845,573	37.15	37.15
	TOTAL (A)+(B)	14,055	10,402,755	10,384,055	100.00	100.00
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0.00	0.00
	GRAND TOTAL (A)+(B)+(C)	14,055	10,402,755	10,384,055	100.00	100.00

CORPORATE GOVERNANCE

9.9. Distribution of Share Holding as on 31st March, 2017.

Range	Total Holders	% Total Holders	Holding in Rs.	% Total Capital
1-5000	12733	93.4738	8,826,240	8.4845
5001-10000	354	2.5987	2,659,980	2.5570
10001-20000	229	1.6811	3,277,660	3.1508
20001-30000	94	0.6901	2,371,400	2.2796
30001-40000	47	0.3450	1,660,720	1.5964
40001-50000	34	0.2496	1,561,990	1.5015
50001-100000	73	0.5359	5,509,140	5.2958
100001-5000000	58	0.4258	78,160,420	75.1343
Total	13622	100	104,027,550	100

9.10 Dematerialisation of Shares: Trading in Equity Shares of the Company is permitted only in dematerialised form. As of 31st March, 2017, 99.82% are in dematerialised form.

9.11 (i) Investor Correspondence

For transfer/ dematerialisation of shares:

payment of dividend on shares, interest and redemption of debentures, and any other query relating to the shares and debentures of the Company.

Bigshare Services Pvt Ltd

1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis Apartments (Next To Keys Hotel),
Marol Maroshi Road, Andheri East, Mumbai 400059.

(ii) Any other query

FirstObject Technologies Ltd

302, The Bureau Chambers,
Above State Bank of Patiala,
Chembur,
Mumbai - 400071
Maharashtra, India.
E-Mail: info@firstobjectindia.com

For and on behalf of Board of Directors

Dr. Vivek Hebbar
Chairman, Board of Directors

Regd Office:

302, The Bureau Chambers,
Above State Bank of Patiala,
Chembur,
Mumbai - 400071
Maharashtra

Place: Mumbai.

Date: 21st August, 2017

SECRETARIAL AUDIT REPORT

Secretarial Audit Report for the financial year ended March 31, 2017

(Pursuant to Section 204(1) of Companies Act 2013 and the Rules made thereunder)

To,

The Members, Firstobject Technologies Limited, Mumbai

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Firstobject Technologies Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
 - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - iv. The provisions of Foreign Exchange Management Act, 1999 and rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings were not applicable to the company under the financial year under report.
 - v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992('SEBI Act'):
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2013;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- vi. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI') were not applicable to the Company under the financial year under report:-
- a. The Securities and Exchange Board of India (Issue of Capital and Disclosure requirements) Regulations, 2009;
 - b. The Securities and Exchange Board of India (Employee Stock Option Scheme and employee Stock Purchase Scheme) Guidelines, 1999;
 - c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
 - e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test check basis, the Company has complied with the following laws applicable specifically to the Company:

- i. Information Technology Act, 2000 and the rules made thereunder
- ii. Special Economic Zones Act, 2005 and the rules made thereunder
- iii. Software Technology Parks of India rules and regulations
- iv. Copy Rights Act

SECRETARIAL AUDIT REPORT

- v. The Patents Act, 1970
- vi. The Trade Marks Act, 1999

I have also examined compliance with the applicable clauses of the following:

1. Secretarial Standards issued by The Institute of Company Secretaries of India (Not notified during the Audit Period and hence not applicable).
2. The Listing Agreements entered into by the Company with BSE Limited

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

I further report that, based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, and also on the review of quarterly compliance reports by respective department heads/ company secretary/ CEO taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes and control mechanism exist in the Company to monitor and ensure compliance with applicable general laws like labour laws, and environmental laws.

I further report, that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I report further that, during the audit period, there were no other events/actions in pursuance of the above referred laws, rules, regulations, guidelines, etc., having a major bearing on the Company's affairs.

MOHD AKRAM

PRACTISING COMPANY SECRETARY
ACS NO. 22589
C P NO. 9411

Place: Mumbai
Date: 30-05-2017

EXTRACT OF ANNUAL RETURN

Form No. MGT-9

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and other details:

1	Corporate Identity Number (CIN) of the company	L72200MH2000PLC239534
2	Registration date	March 03, 2000
3	Name of the company	Firstobject Technologies Limited
4	Category / sub-category of the company	Information Technology and Information Technology Enabling Services
5	Address of the registered office and contact details	302, The Bureau Chambers, Above State Bank of Patiala, Chembur, Mumbai, Maharashtra, India Tel: 022 – 2527 6077 / 2527 2510 Tele. Fax : 022 2527 6077 Email : info@firstobjectindia.com website : www.firstobjectindia.com
6	Listed company (Yes/No)	Yes
7	Name, address and contact details of Registrar and transfer agent	Bigshare Services Pvt Ltd 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Apartments (Next To Keys Hotel), Marol Maroshi Road, Andheri East, Mumbai 400059. Tel : 022 – 62638200 Fax : 022 – 6263 8299 Email : bigshare@bom7.vsnl.net.in

II. Principal business activities of the Company

S.No	Name and description of main products/ services	NIC code of the product/ service	% to total turnover of the Company
1	IT/ITES	620	50.43%
2	E-Education	631	49.57%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Not Applicable

EXTRACT OF ANNUAL RETURN

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

i) Category - wise Share Holding

	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A	Promoters									
(1)	Indian									
a)	Indigial/ HUF	2,243,676	0	2,243,676	21.57	2,243,676	0	2,243,676	21.57	0.00
b)	Central Govt									
c)	State Govt(s)									
d)	Bodies Corp.	4,294,806	0	4,294,806	41.28	4,294,806	0	4,294,806	41.28	0.00
e)	Banks/FI									
f)	Any Other..									
	Sub - total (A) (1) :-	6,538,482	0	6,538,482	62.85	6,538,482	0	6,538,482	62.85	0.00
(2)	Foreign									
a)	NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b)	Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c)	Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d)	Banks/FI0	0	0	0.00	0	0	0	0.00	0.00	0.00
e)	Any Other ...	0	0	0	0.00	0	0	0	0.00	0.00
	Sub - total (A) (2) :-	0	0	0	0.00	0	0	0	0.00	0.00
	Total shareholding of Promoter(A) = (A) (1) + (A) (2)	6,538,482	0	6,538,482	62.85	6,538,482	0	6,538,482	62.85	0.00
B.	Public Shareholding									
1.	Institutions									
a)	Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b)	Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
c)	Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d)	State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g)	FII's	0	0	0	0.00	0	0	0	0.00	0.00
h)	Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i)	Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub - total (B) (1) :-	0	0	0	0.00	0	0	0	0.00	0.00
2.	Non - Institutions									
a)	Bodies Corp.									
i)	Indian	179,579	1,250	180,829	1.74	255,102	1,250	256,352	2.46	0.72
ii)	Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b)	Individuals									
i)	Individual Shareholders holding nominal share capital upto Rs. 1 lakh	2,684,505	17,475	2,701,980	25.97	2,758,122	17,450	2,775,572	26.68	0.71
ii)	Individual shareholders holding nominal share capital in excess of Rs 1 lakh	935,958	0	935,958	9.00	781,908	0	781,908	7.52	-1.48
c)	Others (specify)									
c1)	Clearing Member	1,603	0	1,603	0.02	7,902	0	7,902	0.08	0.06
c2)	N.R.I.	43,903	0	43,903	0.42	42,114	0	42,114	0.40	-0.02
c3)	NBFC's registered with RBI	425	0	425	0.00	0				
	Sub - total (B) (2) :-	3,845,548	18,725	3,864,273	37.15	3,845,573	18,700	3,864,273	37.14	-0.01
	Total Public Shareholding (B) = (B) (1) + (B) (2)	3,845,548	18,725	3,864,273	37.15	3,845,573	18,700	3,864,273	37.14	-0.01
C.	Shares held by Custodian for GDRs & ADRs									
		0	0	0	0.00	0	0	0	0.00	0.00
	Grand Total (A + B + C)	10,384,030	18,725	10,402,755	100	10,384,055	18,700	10,402,755	100	0

EXTRACT OF ANNUAL RETURN

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares pledged/ encumbe red to total shares	No. of Shares	% of total Shares of the company	% of Shares pledged/ encumbe red to total shares	% change in share holding during the year
1	Dr. Vivek Hebbar	174,122	1.67	0	174,122	1.67	0	0
2	First Call India Equity Advisors Pvt. Ltd.	4,294,806	41.28	0	4,294,806	41.28	0	0
3	Sastry VSR	1,113,863	10.71	0	1,113,863	10.71	0	0
4	C.V.S. L. Kameswari	378,000	3.63	0	378,000	3.63	0	0
5	C. Sriram Kumar	522,705	5.02	0	522,705	5.02	0	0
6	P. Ramnath	29,993	0.29	0	29,993	0.29	0	0
7	Sailesh Pethe	24,993	0.24	0	24,993	0.24	0	0
	Total	6,538,482	62.85	0	6,538,482	62.85	0	0

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	6,538,482	62.85	6,538,482	62.85
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment transfer / bonus / sweat)	0	0	6,538,482	62.85

There is no change in the Promoter's shareholding.

(iv) Shareholding pattern of top ten shareholders (other than Director, promoters and Holders of GDRs and ADRs) :

Sl. No.	NAME	For Each of the top 10 shareholder	Shareholding at the beginning of the year		Cumulative shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	RISHIT DINESH MANIAR	At the beginning of the year	0	0	0	0
		Date wise Increase/ Decrease in share holding during the year Specifying the reasons for increase/ decrease (e.g/ allotment/ transfer/ bonus/ sweat equity etc):	100,175	0.9630	100,175	0.963
		At the End of the year (or on the date of separation, if separated during the year)	100,175	0.963	100,175	0.9630
2.	KSHITI RISHIT MANIAR	At the beginning of the year	0	0	0	0
		Date wise Increase/ Decrease in share holding during the year Specifying the reasons for increase/ decrease (e.g/ allotment/ transfer/ bonus/ sweat equity etc):	95,000	0.9312	95,000	0.9312
		At the End of the year (or on the date of separation, if separated during the year)	95,000	0.9312	95,000	0.9312
3.	RELIGARE SECURITIES LIMITED	At the beginning of the year	975	0.01	975	0.01
		Date wise Increase/ Decrease in share holding during the year Specifying the reasons for increase/ decrease (e.g/ allotment/ transfer/ bonus/ sweat equity etc):	72,821	0.6994	73,796	0.7094
		At the End of the year (or on the date of separation, if separated during the year)	73,796	0.7094	73,796	0.7094

EXTRACT OF ANNUAL RETURN

4.	SOM ARORA	At the beginning of the year Date wise Increase/ Decrease in share holding during the year Specifying the reasons for increase/ decrease (e.g/ allotment/ transfer/ bonus/ sweat equity etc): At the End of the year (or on the date of separation, if separated during the year)	53,571 0 53,571	0.5150 0 0.5150	53,571 53,571 53,571	0.5150 0.5150 0.5150
5.	SRINIVAS MARADANI	At the beginning of the year Date wise Increase/ Decrease in share holding during the year Specifying the reasons for increase/ decrease (e.g/ allotment/ transfer/ bonus/ sweat equity etc): At the End of the year (or on the date of separation, if separated during the year)	49,999 0 49,999	0.4806 0 0.4806	49,999 49,999 49,999	0.4806 0.4806 0.4806
6.	APRA L JAIN	At the beginning of the year Date wise Increase/ Decrease in share holding during the year Specifying the reasons for increase/ decrease (e.g/ allotment/ transfer/ bonus/ sweat equity etc): At the End of the year (or on the date of separation, if separated during the year)	44,907 0 44,907	0.4317 0 0.4317	44,907 44,907 44,907	0.4317 0.4317 0.4317
7.	JAVERBHAI MOHANBHAI VAGHASIYA	At the beginning of the year Date wise Increase/ Decrease in share holding during the year Specifying the reasons for increase/ decrease (e.g/ allotment/ transfer/ bonus/ sweat equity etc): At the End of the year (or on the date of separation, if separated during the year)	41,542 -1,097 40,445	0.3993 -0.0105 0.3888	41,542 40,445 40,445	0.3993 0.3888 0.3888
8.	THOTABIKSHAPATHI	At the beginning of the year Date wise Increase/ Decrease in share holding during the year Specifying the reasons for increase/ decrease (e.g/ allotment/ transfer/ bonus/ sweat equity etc): At the End of the year (or on the date of separation, if separated during the year)	12,099 27,900 39,999	0.1163 0.2682 0.3845	12,099 27,900 39,999	0.1163 0.2682 0.3845
9.	APARNA NITEEN YADAV	At the beginning of the year Date wise Increase/ Decrease in share holding during the year Specifying the reasons for increase/ decrease (e.g/ allotment/ transfer/ bonus/ sweat equity etc): At the End of the year (or on the date of separation, if separated during the year)	37,000 0 37,000	0.3557 0 0.3557	37,000 0 37,000	0.3557 0 0.3557
10.	BHAVESH PREMIJI YADAVA	At the beginning of the year Date wise Increase/ Decrease in share holding during the year Specifying the reasons for increase/ decrease (e.g/ allotment/ transfer/ bonus/ sweat equity etc): At the End of the year (or on the date of separation, if separated during the year)	30,115 0 30,115	0.2895 0 0.2895	30,115 0 30,115	0.2895 0 0.2895

EXTRACT OF ANNUAL RETURN

(v) Shareholding of Directors and Key Managerial personnel :

Sl. No.	Name	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Dr. Vivek Hebbar	At the beginning of the year	174,022	1.67	174,022	1.67
		Date wise Increase/ Decrease in share holding during the year Specify the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/sweat equity etc):	0	0	0	0.00
		At the End of the year	174,022	1.67	174,022	1.67
2.	Sriram Kumar	At the beginning of the year	522,705	5.02	522,705	5.02
		Date wise Increase/ Decrease in share holding during the year Specify the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/sweat equity etc):	0	0	0	0.00
		At the End of the year	522,705	5.02	522,705	5.02
3.	Sailesh Pethe	At the beginning of the year	24,993	0.24	24,993	0.24
		Date wise Increase/ Decrease in share holding during the year Specify the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/sweat equity etc):	0	0	0	0.00
		At the End of the year	24,993	0.24	24,993	0.24

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding /accrued but not due for payment (Rs. in INR)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3,750,000	-	-	3,750,000
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	3,750,000	-	-	3,750,000
Change in Indebtedness during the financial year				
* Addition				
* Reduction	3,750,000	-	-	3,750,000
Net Change	3,750,000	-	-	3,750,000
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	-	-	-	-

EXTRACT OF ANNUAL RETURN

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole – time Directors and/ or Manager: (Rs. in INR)

Sl. No.	Particulars of Remuneration	Name of MD: S. KUMAR	Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17 (1) of the Income – tax Act, 1961 (b) Value of perquisites u/s 17 (2) Income – tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income – tax Act, 1961	720,000	720,000
2.	Stock Option	-	-
3.	Sweat Equity		
4.	Commission - as % of profit - others, specify...		
5.	Others, Please Specify	240,000	240,000
	Total (A)	960,000	960,000
	Ceiling as per the act		

B. REMUNERATION TO OTHER DIRECTORS:

The Company pays only sitting fees to its Directors and reimbursement of travel expenses.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/ WTD (Rs. in INR)

Sl. No	Particulars of Remuneration	Key Managerial personnel			
		CEO/COO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income – tax Act, 1961 (b) Value of perquisites u/s 17 (2) Income- tax Act, 1961	480,000	100,000	264,000	844,000
2.	Stock Option				
3.	Sweat Equity				
4.	Commission - as % of profit - others, specify				
5.	Others, please specify				
	Total	480,000	100,000	264,000	844,000

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES –

Not applicable

CORPORATE GOVERNANCE

Certification from Chairman/ CEO and CFO

In terms of Regulation 17(8) read with Part B of the Schedule II of the SEBI (Listing Obligations and Disclosure requirements) Regulation 2015, ("Listing Regulations"), we hereby certify as under:-

- (a) We have reviewed the Balance Sheet, Profit & Loss Account, Cash flow statement & the Director's report for the year ended 31st March 2017 and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March 2017 which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting for the Company and that we have :
 - i. evaluated the effectiveness of the internal control systems of the Company
 - ii. disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee that there have been :
 - i. No significant changes in internal control over financial reporting during the year;
 - ii. No significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. No instances of significant frauds of which we have become aware and the involvement therein, if any, of the management or a n employee having a significant role in the Company's internal control system over financial reporting.

For Firstobject Technologies Ltd

For Firstobject Technologies Ltd

Dr. Vivek Hebbar

U.J.Rao

Chairman, Board of Directors

AVP (F&AD)

Place: Mumbai

Date: 21st August, 2017

CORPORATE GOVERNANCE

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To
The Board of Directors of
M/S FIRSTOBJECT TECHNOLOGIES LIMITED

We have examined the compliance of conditions of Corporate Governance by **Firstobject Technologies Limited** ('the Company'), for the year ended 31st March 2017, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') of the Listing Regulations for the period 1st April 2017 to 31st March 2017.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no Investor Grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholder / Investors Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For JBRK & Co.
Chartered Accountants
Firm Registration No. 005775S

P.S.Ranganath
Partner
M.No: 200839

Place: Hyderabad
Date: 13.05.2017

AUDITORS REPORT

To the members of the **FirstObject Technologies Ltd,**

We have audited the accompanying financial statements of **First Object Technologies Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depends on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditors Report) order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order

1. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

AUDITORS REPORT

- (c) The Balance Sheet, the Statement of Profit and Loss, 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the other matters to be included in Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in our opinion and to the best of our information and according to the explanations given to us.
 - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements, if any.
 - 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.

For JBRK & Co.
Chartered Accountants
Firm Registration No. 005775S

P.S.Ranganath
Partner
M.No: 200839

Place: Hyderabad
Date: 13.05.2017

AUDITORS REPORT

ANNEXURE TO AUDITORS REPORT

The Annexure referred to in Auditors to the M/s. **FirstObject Technologies Ltd** for the year ended 31st March, 2017. We report that:

- 1.1 The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- 1.2 The Company has phased programme of physical verification of fixed assets, which in our opinion, is reasonable having regard to the size of the company and nature of fixed assets. In accordance with the programme, the fixed assets have been physically verified by the management during the year. No material discrepancies were noticed during the year on such verification.
- 1.3 The Company has not disposed off any fixed assets of its own use, excepting the assets which has technical obsolescence, as such the assets disposed off during the year were not substantial and therefore do not affect the going concern status of the Company.
- 2.0 In our opinion and according to the information and explanations given to us, the company has not granted/ taken any loan secured or unsecured to / from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956/2013.
- 3.0 In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of fixed assets. During the course of our audit, no major weakness has been noticed in the above controls and therefore the reporting of the same does not arise.
- 4.0 In respect of transactions entered in the register maintained in pursuance of section 301 of the companies Act 1956/2013.
 - a) To the best of our knowledge and belief and according to the information and explanations given to us, transactions that need to be entered into the register have been so entered.
 - b) According to the information and explanations given to us, where each of such transactions in excess of Rs.5.lakhs in respect of any party, the transactions have been made at prices which are, prima facie, reasonable having regard to the prevailing market prices at the relevant time
- 5.0 The Company has not accepted public deposits in accordance with the provisions of Section 58AA of the Companies Act, 1956/2013.
- 6.0 In our Opinion, Company has an internal audit system, commensurate with the size of the Company and nature of its business.
- 7.0 The Central Government has not prescribed the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956/2013.
- 8.0 a) According to the records of the company, provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income tax, Wealth tax, and Sales tax as applicable were regularly deposited during the year with the appropriate authorities as applicable.
- b) According to the information and explanations given to us and the books and records examined by us, There are no dues towards sales tax, income tax, customs duty, wealth tax, excise duty and cess, which has not been deposited on account of dispute.
- 9.0 The Company has accumulated losses at the end of the financial year and has not incurred cash loss during the current financial year and immediately preceding financial years.
10. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to banks.
- 11 According to the information and explanations given to us and based on our examinations of records, the company has not granted loans and advances on the basis of security by way of pledge of shares and other securities.
12. The Company is not a chit fund / niche / metal benefit fund or society.

AUDITORS REPORT

13. Based on our examinations of records and the information and explanations given to us, the company does not deal/trade in shares, securities, and other investments.
14. In our opinion and according to the information and explanations given to us, the company has not given guarantees.
15. To the best of our knowledge and belief and according to the information and explanations given to us, the company has not availed any new Term Loan and Overdraft facility during the current year, but continued the previous loans.
16. According to the cash flow statement and other records examined by us and the information and explanations given to us, on an overall examination of the balance sheet of the company, funds raised on short term basis,. Prima facie, have not been used during the year for long term investment and vice versa.
17. According to the information and explanation given to me, the company has not made any preferential allotment of shares to promoters, strategic investors and others covered in the register maintained under section 301 of the act.
18. Company has not issued any debentures during the year.
19. The Company has not made any public issue of shares during the year.
20. To the best our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company was noticed or reported during the year.
21. In our opinion and according to the information and explanation given to us, the nature of the company's business/ activities during the year have been such that clause (ii) of paragraph 4 of the Companies (Auditors Report) order, 2003 are not applicable to the company.

For JBRK & Co.
Chartered Accountants
Firm Registration No. 005775S

P.S.Ranganath
Partner
M.No: 200839

Place: Hyderabad
Date: 13.05.2017

BALANCE SHEET AS ON 31ST MARCH, 2017

Amount (Rs)			
Particulars	Note No	As at 31.03.2017	As at 31.03.2016
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	104,027,550	104,027,550
(b) Reserves and Surplus	3	202,213,490	204,042,984
(2) Non-Current Liabilities			
(a) Long term borrowings	4	0	3,750,000
(b) Deferred tax liabilities (Net)	5	21,049,409	20,158,414
(3) Current Liabilities			
(a) Short-term borrowings	6	4,995,230	4,866,200
(b) Trade payables	7	6,291,832	4,364,334
(c) Short-term provisions	8	480,975	811,466
TOTAL		339,058,485	342,020,947
II. Assets			
(1) Non-current assets			
(a) Fixed assets	9		
(i) Tangible assets		31,090,239	31,683,970
(ii) Intangible assets		83,825,707	83,825,707
(b) Non-current investments	10	17,910,104	17,910,104
(2) Current assets			
(a) Trade receivables	11	166,412,731	167,713,544
(b) Cash and cash equivalents	12	155,484	386,881
(c) Short-term loans and advances	13	39,664,222	40,500,742
TOTAL		339,058,485	342,020,947
Notes forming part of Financial Statements	1		

As per our report of even date attached
For JBRK & Co.,
 Chartered Accountants
 Firm Registration No. 005775S

Sd/-
(P.S.Ranganath)
 Partner
 M.No: 200839

Place : Mumbai
 Date: 13.05.2017

For and on behalf of the Board

sd/-
(Dr.Vivek Hebbar)
 Chairman, Board of Directors

sd/-
(Rajan Pillai)
 Director

Sd/-
(K.Krishna)
 Company Secretary

PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH, 2017

		Amount (Rs)	
Particulars	Note No	As at 31.03.2017	As at 31.03.2016
I. Revenue from operations	14	148,699,491	142,355,256
II. Other Income	15	3,938,005	5,367,978
III. Total Revenue (I + II)		152,637,496	147,723,234
IV. Expenses:			
Employee benefit expense	16	11,852,939	10,898,292
Finance cost	17	583,427	1,247,308
Operating & Other expenses	18	128,972,422	126,724,627
Depreciation and amortization expense	9	8,704,567	3,983,230
Total Expenses		150,113,355	142,853,456
V. Profit before exceptional and extraordinary items and tax (III - IV)		2,524,141	4,869,778
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V - VI)		2,524,141	4,869,778
VIII. Extraordinary Items / Capital Loss		-	(611,233)
IX. Profit before tax (VII - VIII)		2,524,141	4,258,545
X. Tax expense:			
Current Tax		480,975	811,466
Deferred Tax		890,995	2,358,977
Earlier years provisions w/off		-	534,435
XI. Profit/Loss after Tax before Appropriations		1,152,171	553,667
Notes forming part of Financial Statements			
Earnings per share			
Basic and Diluted (On Re 10 per share)		0.111	0.053

As per our report of even date attached

For JBRK & Co.,

Chartered Accountants

Firm Registration No. 005775S

Sd/-

(P.S.Ranganath)

Partner

M.No: 200839

Place : Mumbai

Date: 13.05.2017

For and on behalf of the Board

sd/-

(Dr.Vivek Hebbar)

Chairman, Board of Directors

sd/-

(Rajan Pillai)

Director

Sd/-

(K.Krishna)

Company Secretary

CASHFLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2017

Amount (Rs)		
Particulars	As at 31.03.2017	As at 31.03.2016
Profit before taxes	2,524,141	4,869,778
Add		
Depreciation	8,704,567	3,983,230
Tax Paid	(480,975)	(1,345,901)
Loss on sale of Investments	-	(611,233)
Operating profit before working capital changes	10,747,733	6,895,873
Increase in Current Assets	-	-
(Increase)/Decrease in Receivables	1,300,813	116,599
(Increase)/Decrease in Loans and Advances	836,520	12,937,410
Increase/(Decrease) in Current Liabilities	1,597,008	(5,398,451)
Cash from Operations (A)	14,482,074	14,551,432
Cash flows from Investing Activities	-	-
Trade Investments Sale	-	794,749
Purchase of fixed assets	(11,092,500)	(11,055,919)
Advances for Assets	-	-
(Increase)/Decrease in Goodwill on Amalgamation	-	-
Cash flows from Investing Activities (B)	(11,092,500)	(10,261,170)
Cash flow from Financing Activities		
Increase /(Decrease) in Equity Share Capital	-	-
Increase in Securities Premium	-	-
Increase in Capital Reserve	-	-
Decrease in Revaluation Reserve	-	-
Dividend	-	-
Secured /Unsecured loans	(3,620,970)	(5,050,626)
Cash flow from Financing Activities (C)	(3,620,970)	(5,050,626)
Net increase in cash and cash Equivalent (A+B+C)	(231,396)	(760,364)
Cash and Cash Equivalent as at beginning of the year	386,881	1,147,245
Cash and Cash Equivalent as at end of the year	155,484	386,881

As per our report of even date attached

For JBRK & Co.,

Chartered Accountants

Firm Registration No. 005775S

Sd/-

(P.S.Ranganath)

Partner

M.No: 200839

Place : Mumbai

Date: 13.05.2017

For and on behalf of the Board

sd/-

(Dr.Vivek Hebbar)

Chairman, Board of Directors

sd/-

(Rajan Pillai)

Director

Sd/-

(K.Krishna)

Company Secretary

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017
Note No. 1:
(A) Significant Accounting Policies:
1. Basis of Accounting and Preparation of Financial Statements:

- a. The financial statements have been prepared under the historical cost conversion and in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India and relevant, presentational requirements of the Companies Act, 2013.
- a. Accounting policies not specifically referred to are consistent and in consonance with Generally Accepted Accounting Principles followed by the Company. The company has prepared these financial statements to comply in all material respects with the Companies (Accounts) Rules 2014 and the relevant provisions of the Companies Act, 2013.
- b. The Preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make estimates and losses on going software projects, 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. Such estimates are made for expected contract cost to be incurred to complete software development and the useful life of fixed assets. Actual could differ from these estimates.

5. Fixed Assets and Depreciation :

Fixed Assets are stated at cost after providing the depreciation in the Hardware & Software and other fixed assets. Depreciation has been provided on WDV Basis.

6. Revenue Recognition

The Company derived its revenues primarily from software services, educational software in the form of e-content and software products. Revenue from time and material contract is recognized on the basis of software developed and billed in accordance with the terms of the contract, under the percentage of completion method.

7. Taxation :

Taxation is accounted on the basis of the Liability Method which is generally followed in India. Provision is made for income tax based on computations after considering rebates, relief(s) and exemptions under the Income Tax Act, 1961.

The Provident Fund and Superannuation Schemes are defined contribution plans for which contribution accruing each year as per the scheme is expensed as applicable.

8. Retirement Benefits :

The Company has not provided for gratuity amount. It will be paid and accounted as and when the liability arises. Salaries and all allowances include amount paid to employees.

(B) Notes to Financial Statements:

- i. Figures have been rounded off to the nearest rupee.
- ii. Notes 1 to 18 consists of forming part of Balance Sheet and Profit and Loss account.
- iii. All figures are in Rupees. Paise have been rounded to nearest Rupee.
- iv. Previous year figures are regrouped and rearranged wherever necessary.
- v. In the opinion of the management all current assets including loans and advances would in the normal course of business be realized to the value stated.

9. Quantitative details :

The company is engaged in the business of development of Software and Software Products which includes E-education content. The production and sale of Software is not capable of being expressed in any generic unit. Hence it is not possible to give the quantitative details of such sale and the information required under the relevant provisions of the Companies Act, 2013.

NOTES TO FINANCIAL STATEMENTS

10. Foreign Currency Transactions :

The Company has earned a Foreign Exchange of Rs. 148,699,491 (Previous Year - Rs 142,355,256) during the year. The Company has incurred an expenditure of Rs. 124,552,308 (Previous Year – Rs. 122,003,417)

11. Segments :

The Company is engaged primarily in the business of Software Development IT/ITES, E-education software and accordingly there are no separate reportable segments as per Accounting Standard - AS 17 - Segment Reporting issued by ICAI.

12. Provisions :

Depreciation as per Companies Act	:	Rs. 8,704,567
Depreciation as per Income Tax Act	:	Rs.11,325,911
Timing Difference	:	Rs. 2,621,343
Provision for Deferred Tax	:	Rs. 890,995

13. Earnings per Share :

Basic and Diluted Earnings per share is calculated by dividing the net profit attributable to the ordinary shareholders by the weighted average number of ordinary shares outstanding during the year and shown in the Profit and loss account.

14. Audit Fees for the year is Rs. 125,000 and Previous year Rs. 125,000.

15. 'Related Party' Disclosures as per Accounting Standard 18 :

1. Nature of related party and its relationship: There are no related party transactions during the year.
2. Nature and Volume of transactions carried out with the above related parties in the ordinary course of business for the year ended 31st March 2017.

Sr. No	Particulars	Related Party
1	Salaries & Other Amenities	Nil

NOTES TO FINANCIAL STATEMENTS

NOTES TO BALANCE SHEET

Amount (Rs)

NOTE 2 : SHARE CAPITAL

Particulars	As at 31.03.2017		As at 31.03.2016	
	No. of shares	Rs.	No. of shares	Rs.
(a) Authorized Share Capital				
Equity shares of Rs. 10 each	25,000,000	250,000,000	25,000,000	250,000,000
(b) Issued, Subscribed and fully Paid up				
Equity shares of Rs. 10 each fully paid	10,402,755	104,027,550	10,402,755	104,027,550
Total Equity Share capital	10,402,755	104,027,550	10,402,755	104,027,550

(c) Details of shareholders holding more than 5% of shares

Name of Shareholder	Equity Shares			
	As at 31 March, 2017		As at 31 March, 2016	
	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
Firstcall India Equity Advisors Pvt. Limited	42,94,806	41.29	42,60,065	41.29
Sastry, V.S.R.	11,13,863	10.70	11,13,863	10.70
Sriram Kumar.	5,22,705	5.02	5,22,705	5.02

(d) The reconciliation of the number of shares outstanding is set out below:

Particulars	Equity Shares	
	As at 31.03.2017	As at 31.03.2016
Number of shares as at 01.04.2016	10,402,755	10,402,755
Add: Shares issued during the year	0.00	0.00
Number of shares as at 31.03.2017	10,402,755	10,402,755

(e) Shares allotted during the last 5 years:

Year	No. of Shares	Face Value	Remark
2016-17	NIL	NIL	NIL
2015-16	NIL	NIL	NIL
2014-15	NIL	NIL	NIL
2013-14	NIL	NIL	NIL
2012-13	NIL	NIL	NIL

NOTES TO FINANCIAL STATEMENTS

	Amount (Rs)	
Particulars	As at 31.03.2017	As at 31.03.2016
NOTE 3 : RESERVES & SURPLUS		
(a) Capital Reserve		
Balance as at the beginning of the year	150,934,650	150,934,650
Additions during the year	-	-
Closing Balance	150,934,650	150,934,650
(b) Securities Premium Account		
Balance as at the beginning of the year	156,220,861	156,220,861
Additions during the year	-	-
Deductions during the year	-	-
Closing Balance	156,220,861	156,220,861
(c) Revaluation Reserve Account		
Balance as at the beginning of the year	-	-
Additions during the year	-	-
Less: Written off during the year	-	-
Closing Balance	0	0
(d) Surplus in Statement of Profit & Loss		
Balance as at the beginning of the year	(103,112,527)	(68,509,079)
Profit during the year	(1,152,171)	553,367
Less: Adjustment of Depreciation as per Companies Act, 2013	0	(35,157,115)
Amount Available for appropriation	(101,960,356)	(103,112,527)
Less: Dividend on Equity shares	0	0
Less: Tax on Dividend	0	0
Amount Available after Appropriation	(101,960,356)	(103,112,527)
Less : Capital Loss on disposal/writeoff of Fixed Assets	2,981,665	-
Net Surplus	(104,942,021)	(103,112,527)
Total Reserves & Surplus	202,213,490	204,042,984
NOTE 4 : LONG TERM BORROWINGS		
Secured Loans		
Term Loan (against pari passu charge on all current assets)	0	3,750,000
Net Deferred Tax Asset / Liability	0	3,750,000
NOTE 5 : DEFERRED TAX LIABILITY		
Opening Deferred Tax Liability	20,158,414	17,799,437
Less: Deferred Tax Liability for the Year	-	-
Add: Deferred Tax Asset for the Year	890,995	2,358,977
Net Deferred Tax Asset / Liability	21,049,409	20,158,414
NOTE 6 : SHORT TERM BORROWINGS		
Secured Loans		
Over Draft (against deposit of the Company)		
Unsecured Loans		
Others	4,995,230	4,866,200
Total	4,995,230	4,866,200
NOTE 7 : TRADE PAYABLES		
Trade Payables	6,291,832	4,364,334
Total	6,291,832	4,364,334
NOTE 8 : SHORT TERM PROVISIONS		
Provision for Taxation	480,975	811,466
Proposed Final dividend	-	-
Total	480,975	811,466

NOTES TO FINANCIAL STATEMENTS

NOTE 9: FIXED ASSETS

Amount (Rs)

Particulars	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	Balance as at	Additions	Deletions	Total as at	Up to	For the Year	Deletions	As at	As at	As at
	01.04.2016			3103.2017	01.04.2016			31.03.2017	30.03.2017	31.03.2016
Tangible Assets										
Computers	47,419,811	-	6,002,428	41,417,383	44,087,526	672,199	5,713,266	39,046,459	2,370,924	3,332,285
Electrical Equipment	1,579,571	-	-	1,579,571	1,263,894	96,772	-	1,360,666	218,905	315,677
Air Conditioners	3,272,001	-	-	3,272,001	2,190,008	213,779	-	2,403,787	868,214	1,081,992
Furnitures & Fixtures	4,152,100	-	-	4,152,100	3,306,599	261,365	-	3,567,964	584,136	845,500
Office Equipment	2,023,790	-	-	2,023,790	1,922,601	-	-	1,922,601	101,189	101,189
Software and IPR's	233,138,920	-	87,988,920	145,150,000	223,188,918	-	85,296,417	137,892,501	7,257,499	9,950,002
Knowledge Based Content	55,000,000	-	-	55,000,000	52,250,000	-	-	52,250,000	2,750,000	2,750,000
Software and IPR's	69,283,761	11,092,500	-	80,376,261	55,976,437	7,460,452	-	63,436,889	16,939,372	13,307,324
Total	415,869,954	11,092,500	93,991,348	332,971,106	384,185,983	8,704,567	91,009,683	301,880,867	31,090,239	31,683,970
Intangible Assets:										
Goodwill	83,825,707	0	0	83,825,707	0	0	0	0	83,825,707	83,825,707
Total	83,825,707	0	0	83,825,707	0	0	0	0	83,825,707	83,825,707
Grand Total	499,695,661	11,092,500	93,991,348	416,796,813	384,185,983	8,704,567	91,009,683	301,880,867	114,915,945	115,509,677
Previous Year	488,639,741	11,055,919	0	499,695,660	380,202,754	3,983,230	0	384,185,984	115,509,676	108,436,987

Amount (Rs)

Particulars	As at 31.03.2017	As at 31.03.2016
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NOTE 10: NON - CURRENT INVESTMENTS

Long term Investments (At cost, fully paid-up)

(a) Investment in Equity Instruments:

Five X Finance & Investment Limited (1,709,795 shares)
(Equity shares of Rs.10 each face value)

17,910,104 17,910,104

Total

17,910,104 17,910,104

Aggregate amount of quoted investments

(at an investment value of Rs. 17,910,104/- , Previous year Rs. 17,910,104/-)

17,910,104 17,910,104

NOTE 11: TRADE RECEIVABLES

Sundry Debtors

Debts outstanding for a period exceeding six months

- Unsecured Considered Good

86,549,890 91,525,125

- Unsecured Considered Doubtful

- -

Other Debts

- Unsecured Considered Good

79,862,841 76,188,419

- Unsecured Considered Doubtful

- -

Total

166,412,731 167,713,544

NOTES TO FINANCIAL STATEMENTS

	Amount (Rs)	
Particulars	As at 31.03.2017	As at 31.03.2016
NOTE 12: CASH & BANK BALANCES		
(a) Cash & Cash Equivalents		
Cash on hand (As certified by Director / Management)	4,500	4,500
(b) Other Bank Balances		
With Scheduled Banks	150,984	382,381
With Deposit Accounts		
Total	155,484	386,881
NOTE 13 : SHORT TERM LOANS & ADVANCES		
Short Term Loans and Advances		
(Unsecured- Considered good unless otherwise than stated)		
Advances Recoverable in Cash or in kind or for Value to be received		
Considered Good	39,664,222	40,500,742
Total	39,664,222	40,500,742

NOTES TO FINANCIAL STATEMENTS

NOTES TO STATEMENT OF PROFIT & LOSS

	Amount (Rs)	
Particulars	As at 31.03.2017	As at 31.03.2016
NOTE 14: REVENUE FROM OPERATIONS		
Software Sales	148,699,491	142,355,256
Total	148,699,491	142,355,256
NOTE 15 : OTHER INCOME		
Other Income	3,938,005	5,367,978
Total	3,938,005	5,367,978
NOTE 16 : EMPLOYEE BENEFIT EXPENSES		
Salaries	11,423,179	10,405,610
Contribution to Employee Insurance & Other Funds	36,124	36,013
Staff Welfare	393,636	456,669
Total	11,852,939	10,898,292
NOTE 17 : FINANCE COST		
Bank Interest	583,427	1,247,308
Total	583,427	1,247,308
NOTE 18 : OPERATING & OTHER EXPENSES		
NOTE 18.1 : OPERATING EXPENSES		
Outsourcing - Onsite Expenses	124,552,308	122,003,417
Web Development Charges / Domain	186,586	87,464
Total	124,738,894	122,090,881
NOTE 18.2 : OTHER EXPENSES		
Advertising Charges	48,497	55,489
Bank Charges	2,207	9,695
Books & Periodicals	3,495	13,769
Business Promotion Expenses	175,417	164,050
Communication Expenses	172,950	283,974
Computer Charges	173,443	104,489
Depository Charges	578,529	610,046
Insurance Expenses	87,736	84,940
Power / Fuel / Energy Costs	629,998	635,975
Miscellaneous Expenses	189,790	247,086
Postage & Courier Charges	53,681	78,100
Printing & Stationery Charges	90,614	120,460
Professional Charges	61,200	25,000
Rates and Taxes	671,700	862,418
Repair & Maintenance	428,219	458,142
Travelling Expenses	709,606	722,996
Water Charges	31,445	32,116
Total	4,108,528	4,508,745

NOTES TO FINANCIAL STATEMENTS

Particulars	Amount (Rs)	
	As at 31.03.2017	As at 31.03.2016
NOTE 18.3 : AUDITORS REMUNERATION		
Audit fees	125,000	125,000
Total	125,000	125,000
GRAND TOTAL (18.1 + 18.2 +18.3)	128,972,422	126,724,627

As per our report of even date attached
For JBRK & Co.,
 Chartered Accountants
 Firm Registration No. 005775S

Sd/-
(P.S.Ranganath)
 Partner
 M.No: 200839

Place : Mumbai
 Date: 13.05.2017

For and on behalf of the Board

sd/-
(Dr.Vivek Hebbar)
 Chairman, Board of Directors

sd/-
(Rajan Pillai)
 Director

Sd/-
(K.Krishna)
 Company Secretary



Innovate - Transact - Implement

Regd Office: 302, The Bureau Chambers, Above State Bank of Patiala, Chembur, Mumbai – 400071.

CIN: L7220MH2000PLC239534

ATTENDANCE SLIP

I hereby record my presence at the 17th Annual General Meeting of the Company at Chembur Gymkhana, Phase II, 2nd Floor, 16th Road, Near Ambedkar Garden, Chembur, Mumbai – 400 071 on Saturday on September 23rd, 2017 at 3.00 P.M.

DP Id*	
Client Id*	

Folio No.	
No. of Shares	

Name and Address of Shareholder:

Signature of Shareholder/ Proxy

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of Annual Report to the meeting.

*Applicable for investors holding shares in electronic form.

----- TEAR HERE -----



Innovate - Transact - Implement

Regd Office: 302, The Bureau Chambers, Above State Bank of Patiala, Chembur, Mumbai – 400071.

CIN: L7220MH2000PLC239534

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

I/We, being the member (s) of shares of Firstobject Technologies Limited, hereby appoint:

1. Name: Of
(address) having e-mail id.....or failing him
2. Name: Of
(address) having e-mail id.....or failing him
3. Name: Of
(address) having e-mail id.....or failing him

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 17th Annual General Meeting of the Company, to be held on 23rd day, September, 2017 at 3.00 P.M. at Chembur Gymkhana, Phase II, 2nd Floor, 16th Road, Near Ambedkar Garden, Chembur, Mumbai – 400 071 and at any adjournment thereof in respect of such resolutions as are indicated below:

** I wish my above Proxy to vote in the manner as indicated in the box below:

Name of the member (s):		E-mail Id:	
Registered address:		Folio No/ *Client Id:	
		*DP ID:	

Sl. No.	Resolutions	For	Against
1.	Consider and adopt: Financial statements of the Company for the year ended 31st March, 2017, including the audited Balance Sheet, Profit & Loss Account for the year ended on that date and the reports of the Board of Directors and Auditors thereon.		
2.	Re-appointment of Dr. V. Leena who retires by rotation		
3.	Appointment of Statutory Auditors and fixing their remuneration		

Affix
Revenue
Stamp

Signed this..... day of..... 2017

Signature of shareholder

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Notes:

- (1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- (2) A Proxy need not be a member of the Company.
- (3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- (4) This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- (5) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- (6) In the case of jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.



Dr. Sriram Kumar (Managing Director of Firstobject Technologies Limited) and Dr. Lakshmi Kameswari (Chief Operating Officer of Firstobject) in a Group Photo with honourable Union Minister for Urban Development and Parliamentary Affairs Shri. M. Venkaiah Naidu.



FIRSTOBJECT TECHNOLOGIES LTD.

302, The Bureau Chambers, Above State Bank of Patiala,
Chembur, Mumbai - 400 071. Maharashtra, India.

Tel.: 022-25272510 / 25276077. Telefax : 022-25276077

Email : info@firstobjectindia.com

Website : www.firstobjectindia.com