Deora & Bagrecha

Chartered Accountants
201, Abhiraj Complex,
Swastik Society, Navrangpura,
Ahmedabad - 380009 (Gujarat)

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## **Independent Auditors' Report**

To the Members of ADJIA TECHNOLOGIES PRIVATE LIMITED

## Report on the Financial Statement

1. We have audited the accompanying financial statements of **ADJIA TECHNOLOGIES PRIVATE LIMITED** which comprise of Balance Sheet as at 31<sup>st</sup> March 2016, and the Statement of Profit and Loss Account and a summary of significant accounting policies and other explanatory information.

## Management's Responsibility

The management is responsible for the matters stated in Section 134(5) of the 2. Companies Act, 2013 ("the Act") with respect to preparation of this financial statement that give a true and fair view of the financial position and financial performance of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 (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 and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

# Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require

- 4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
- 5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

- 6. In our opinion and to the best of our information and according to the explanations given to us, the 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:
  - a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
  - b) in the case of the Profit and Loss Account, of the loss for the year ended on that date.

# Report on Other Legal and Regulatory Requirements

- 7. Provision of Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act are not applicable to the company for the financial year.
- 8. As required by Section 143(3) of the Act, we report that:
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the company so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from branches not visited by us;
  - c. The Balance Sheet and Statement of Profit and Loss referred to in this report are in agreement with the books of account maintained for the purpose of preparation of financial statements;
  - d. In our opinion, the Balance Sheet and Statement of Profit and Loss comply with Accounting Standards referred to in Section 133 of the Act, read with Rule Accounts (Accounts) Rules, 2014;
  - e. On the basis of written representation from the directors, taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2016

from being appointed as Director in terms of section 164(2) of the Act.

- f. Report on the Internal Financial Controls under Clause (1) of Sub-section 3 of section 143 of the companies Act, 2013 ("the Act") is enclosed as an annexure to this report.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - 1) As informed to us the Company does not have any pending litigations which would impact its financial position
  - 2) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - 3) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Deora & Bagrecha Chartered Accountants

FRN: 140361W

CA. Aditya Deora Partner

M.No. 160575

Date: 03-09-2016 Place: Ahmedabad

# Annexure- A to Independent Auditor's Report

Report on the Internal Financial Control under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013

We have audited the internal financial controls over financial reporting of the company as of March 31, 2016 in conjunction with our audit of the financial statements of the company for the year ended on that date.

# Management's Responsibility for Internal Financial Control

The Company's management is responsible for establishing and maintaining internal financial control based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial control that were operating effectively for insuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of fraud and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards of Auditing, issued by ICAI and deemed to be prescribed under 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those Standards and the Guidance Notes required that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls systems over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining and understanding of internal financial controls over financial reporting, assessing the risk that material weakness exists, and testing and evaluating the design and operating effectiveness the internal control based on the assessed risk. The procedures selected depends on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our audit opinion of the company's internal financial controls system over financial reporting.

# Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of the management and directors of the company;

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on

the financial statements.

# Inherent Limitations of Internal Financial Control over Financial Reporting

Because of the inherent limitations of internal financial control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to fraud or error may occur and not be detected. Also, projections of any evaluation of the internal financial control over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

> For Deora & Bagrecha **Chartered Accountants** FRN: 140361W

FRN: 140361W

CA. Aditya Deora **Partner** 

M.No. 160575

Date: 03-09-2016 Place: Ahmedabad

# ADJIA TECHNOLOGIES PRIVATE LIMITED

Balance Sheet as at 31st March, 2016

Particulars		Note No	As at 31st March, 2016 (Rs.)	As a 31st March, 201! (Rs.
I. EQUITY AND LIABILITIES				(AS.
(1) Shareholder's Funds				
(a) Share Capital		1	100,000	
(b) Reserves and Surplus		2	(641,564)	
(c) Money received against share warrants		_	(011,504)	
(2) Share application money pending allotment				
(3) Non-current liabilities				
(a) Long-term borrowings				
(b) Deferred tax liabilities (Net)				
(c) Other Long term liabilities				
(d) Long-term provisions			1	
(4) Current Liabilities				
(a) Short-term borrowings		3	557,340	
(b) Trade payables				
(c) Other current liabilities	1		1.5	
(d) Short-term provisions		4	7,500	
	Total		23,276	
I. ASSETS		Ī		
1) Non-current assets	1			
(a) Fixed assets	- 1		1	
(i) Tangible assets	1			
(ii) Intangible assets	- 1			
(iii) Capital work-in-progress		1	1.T. (	
(iv) Intangible assets under development				
(b) Non-current investments				
(c) Deferred tax assets (net)		1		
(d) Long term loans and advances				
(e) Other non-current assets		5	20,760	
2) Current assets			25,750	
(a) Current investments	- 1		2	
(b) Inventories		1		
(c) Trade receivables			2	
(d) Cash and cash equivalents		6	2,516	ő
(e) Short-term loans and advances			1023	
(f) Other current assets			(27)	
	Гotal		23,276	
ummary of significant accounting policies		8		

As per our attached report of even date

AHMEDABAD

FRN: 140361W

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For Deora & Bagrecha Chartered Accountants & BAGR

F.R.N. 140361W

CA Aditya Deora Partner

M. No. 160575

For and on behalf of the Board of Directors

(Asit V. Tripathi)

Director

(Dhiraj J. Sharma) Director

Ahmedabad, 3rd September, 2016

#### ADJIA TECHNOLOGIES PRIVATE LIMITED

#### NOTES FORMING PART OF ACCOUNTS

NOTE HALL CHARLES A DITTAR	As at 31st March,16 Rs.	As at 31st March,15 Rs.
NOTE "1" - SHARE CAPITAL		
Authorised Shares Capital (1,00,00 Equity shares of Rs. 10 each)	100,000	*
Issued, Subscribed & fully paid up share capital (10,000 Equity shares of Rs. 10 each)	100,000	ä
Total	100,000	

# (i) Reconcillation of Shares outstanding at the beginning and at the end of the year

	As at 31st March,16		As at 31st March,15	
	Numbers	Rs.	Numbers	Rs.
At the beginning of the period	20		:=:	_
Issued during the year	10,000	100,000	-	2
Outstanding at the end of the year	10,000	100,000	<u>;</u>	

## (ii) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of company after settlement of all liabilities. The distribution will be in propotion to the number of equity shares held by the shareholders.

## (iii) Details of shareholders holding more than 5% shares in the Company

	As at 31st March,16		As at 31st March,15	
	Number of	% holding in	Number of	% holding in
English CD 40 1 CD 41	shares	<u>the class</u>	shares	<u>the class</u>
Equity shares of Rs. 10 each fully paid				
Asit V. Tripathi	3,340	33.40%	4	(2)
Dhiraj J. Sharma	3,330	33.30%	=	: <b>-</b> ::
Ganpatbhai Patel	3,330	33.30%	-	~



MOTE "2" DECEDVES AND SUDDIVIS		_	March,16 Rs.	March,15 Rs.
NOTE "2" - RESERVES AND SURPLUS				
Profit and Loss Account	Current Yr	Previous Yr		
Profit / (Loss) before Tax	(641,564)	160		
Less: Provision for Income Tax		<u> </u>		
Profit / (Loss) after Tax Add : Balance as per Last Account	(641,564)	-		
Profit / (Loss) carried to Balance Sheet	(6/1 5/4)		((44.564)	
Trone / (1033) carried to balance sheet	(641,564)		(641,564)	<b>3</b>
	Total		(641,564)	
NOTE "3" - SHORT TERM BORROWINGS				
Loan from Directors				
Asit Tripathi			196,600	E
Dhiraj Sharma			94,040	-
Ganpatbhai Patel			266,700	of.
	Total	·	557,340	
NOTE "4" - SHORT TERM PROVISIONS & I	PAYABLES			
Audit Fees Payable - Deora & Bagrecha			7,500	2 <sup>2</sup> N <b>2</b> 4
	Total	( <u></u>	7,500	2
NOTE "5" - OTHER NON-CURRENT ASSET	<u>s</u>			
Pre-Incorporation Exp.			20,760	æ
	Total	<del></del>	20,760	
NOTE "6" - CASH AND CASH EQUIVALENT	<u>s</u>			
Cash Balance Bank Balance (Current A/c)			1,980	æ
ICICI Bank Ltd.			536	57
	Total		2,516	•



As at 31st

As at 31st

# ADJIA TECHNOLOGIES PRIVATE LIMITED

Profit and Loss statement for the year ended on 31st March, 2016

	Particulars	Note No	2015-16 (Rs.)	2014-15 (Rs.)
I.	Revenue from operations			
II.	Other Income		-	( <del>2</del> )
III.				2₩3
IV.	Total Revenue (I +II) <u>Expenses:</u>			
	Purchase			
	Changes in inventories of finished goods		-	•
	Employee benefit expense		-	æs
	Depreciation and amortization expense		-	~
	Other expenses	_		8
		7	641,564	*
	Total Expenses	_	641,564	
V.	Profit before tax (III - IV)	-	(641,564)	-
VI.	Tax expense:			
	(1) Current tax			
	(2) Deferred tax		2	
/II.	Profit/(Loss) for the period	-		
	, , , , , , , , , , , , , , , , , , , ,	=	(641,564)	.*:
/III.	Earning per equity share:			
	(1) Basic		(64.156)	1
	(2) Diluted		(04.130)	-
	Summary of significant accounting policies	8		

As per our attached report of even date

For Deora & Bagrecha **Chartered Accountants** 

F.R.N. 140361W

CA Aditya Deora Partner

M. No. 160575

Ahmedabad, 3rd September, 2016

For and on behalf of the Board of Directors

(Asit V. Tripathi) Director

(Dhiraj J. Sharma) Director

# NOTE "7" - OTHER EXPENSES

Audit Fees	
Bank Charges	
Computer Rent	
DOT Registration Exp.	
Headphones	
Lead Purchases	
Legal & Professional Fees	
Misc Exp.	
Office Rent	
Pre-Incorporation Exp. W/off	
Professional Tax	
Project Exp.	
Recruitment Exp.	
Repairs & Maintenance Exp.	
Server Installation Charges	
Xerox & Printing Exp.	

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As per our attached report of even date

AHMEDABAD FRN: 140361W

For Deora & Bagrecha Chartered Accountants F.R.N. 140361W

CA Aditya Deora Partner M. No. 160575

M. No. 160575

Ahmedabad, 3rd September, 2016

7,500	1
229	848
15,100	i <del>-</del>
19,000	2
2,700	
50,000	₩
6,000	-
2,200	₩.
132,600	
5,190	-
2,000	
343,000	
25,000	
2,100	190
28,625	(2)
320	(#)
- <del>-</del>	
641,564	-

For and on behalf of the Board of Directors

(Asit V. Tripathi)

( Dhiraj J. Sharma ) Director

# NOTE "8" - SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31st MARCH 2016.

# A. SIGNIFICANT ACCOUNTING POLICIES

# 1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and provisions of Companies Act 2013.

The Company Follow mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.

## 2. FIXED ASSETS & DEPRICIATION:

- a. Fixed assets will be shown at historical cost of acquisition less the accumulated depreciation on it.
- b. Depreciation is provided on Assets on as per the method and in the manner as prescribed in Part C of Schedule II of the Companies Act, 2013 for all class of assets.

### 3. USE OF ESTIMATES

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known /materialized.

#### 4. INVENTORY

Inventories are valued at cost or net realizable value whichever is lower. Cost is generally ascertained on FIFO basis. As of now there is no inventory lying with the company.

#### 5. BORROWING COST:

Borrowing costs incurred by the company on an asset that necessarily takes a substantial period of time to get ready for its intended use or sale, are capitalized as part of the cost of the asset. All other borrowing costs are charged to revenue. There was no such case necessitating capitalization of borrowing costs during the year.

#### 6. INVESTMENTS:

1. Long Term Investments are valued at cost less provision for diminution in value, if the diminution is other than temporary.

2. Current Investments are stated at lower of cost and fair value.

### 7. FOREIGN CURRENCY TRANSACTIONS:

Transactions in foreign currency will be recorded at rates of exchange prevailing on the date of transactions. Foreign currency assets and liabilities are stated at the exchange rate prevailing at the date of balance sheet. Realized gain or loss on foreign exchange transaction other than those relating to fixed asset are recognized in profit or loss account.

#### 8. EMPLOYEE BENEFITS

#### 1. Short Term Benefits

Short term employee benefits will be recognized as an expense at the undiscounted amount in profit & Loss Account of the year in which related service is rendered.

#### 2. Defined Contribution Plan

As per applicable laws the eligible employees of the company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and company make monthly contribution at specified percentage of the covered employee salary. The contributions as specified under the law are paid to the respective provident fund authorities as specified by law as per the scheme framed under the governing laws.

However as per applicable laws, the company has no obligation towards Provident Fund.

#### 3. Defined Benefit Plan

The company has not formulated any specific terms of employment providing for specific requirement benefits. However as per applicable laws, the company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees at retirement, death/disablement while in employment or termination of employment, of an amount equivalent to 15 days salary with reference to the number of completed year of service and last drawn salary. As required under Revised Accounting Standard 15 "Employee Benefits", the company proposes to account for liability for gratuity payable in future based on an independent actuarial valuation.

#### 9. IMPAIRMENT OF ASSETS:

An asset is treated as impaired when carrying cost of asset exceeds its recoverable value. An impairment loss is charged for when the asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed when there has been change in the estimate of recoverable amount. Presently, there is no impairment loss.

### 10. PROVISIONS, CONTINGENT ASSET AND CONTINGENT LIABILITIES:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past event and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in notes. Contingent assets are neither recognized nor disclosed in the financial statements.

## 11. TAXES ON INCOME:

- 1. Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognized, subject to consideration of prudence, on timing differences, being the difference between taxable incomes and accounting incomes that originate in one period and is capable of reversal in one or more subsequent periods.
- 2. Deferred tax is measured based on the tax rate and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.
- 3. Consequent to the introduction of Fringe Benefit Tax (FBT) effective from 1/4/2005, the company provides for the disclosure of FBT as a part of taxes in accordance with the provision of Section 115WC of The Income Tax Act, 1961 and the guidance note issued by Institute of Chartered Accountants of India (ICAI).

#### B. NOTES TO ACCOUNTS:

Particulars	2015-16 (Amt in Rs.)	2014-15 (Amt in Rs.)
Estimated amount of contracts remaining to be executed on capital account and not provided for	NIL	NIL
2. Contingent Liability not Provided for	NIL	NIL
3. Payment to Auditors		
Audit Fees	7,500	NIL

### 1. Deferred Tax Details

As per Accounting Standard (AS-22) "Accounting for Taxes on Income", issued by the Institute of Chartered Accountants Of India, in the absence of virtual certainty that sufficient future taxable income will be available against which the net deferred tax assets can be realized, on a prudent and conservative basis, the Company has not recognized it in the accounts, hence there will be no provision for Deferred tax Assets in the current year also.

- 2. Balances of creditors, debtors, loans and advances are subject to confirmation, reconciliation and consequent adjustments, if any.
- 3. The previous year figures have been regrouped / reclassified, wherever necessary to confirm with the figures of current year.
- 4. The figures have been shown at rounded off rupee.
- 5. In the opinion of the Board and to the best of their knowledge and belief, the value on realization of Current Assets, Loans & Advances in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet. The provision of all known liabilities is adequate and is neither excess nor short of the amount reasonable necessary.

# C. ADDITIONAL INFORMATION PURSUANT TO THE PROVISIONS OF PARAGRAPH 3 AND 4 OF PART II OF SCHEDULE VI TO THE COMPANIES ACT, 2013, TO THE EXTENT APPLICABLE.

- 1. None of the Employees of the Company was in receipt of salary exceeding Rs 50,000/ per month (P.Y. Rs. 50,000/-) for either part or full year.
- 2. Quantitative information of purchase and sales: Not Applicable

Particulars	2015	2015-16		
Services	Nos.	Rs.	Nos.	Rs.
Opening Stock	NIL	NIL	NIL	NIL
Purchases	NIL	NIL	NIL	NIL
Sales/Issues	NIL	NIL	NIL	NIL
Closing Stock	NIL	NIL	NIL	NIL

# D. Additional Disclosures as required under applicable Accounting Standards (to the extent applicable):

 The Company is a Small & Medium Sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under the Companies Act, 2013 and Micro, Small & Medium Enterprise Development (Amendment) act, 2015. Accordingly, the company has complied with the Accounting Standards as applicable to Small and Medium Sized Company.

#### 2. Earnings Per Share:

Particulars	Year ended 31/03/2016	Year ended 31/03/2015
Net Profit/(Loss) attributable to Shareholders (Rs.)	(641,564)	7.57-5-5
Weighted Average Number of Equity Shares	10,000	
Basic earnings per share of Rs.10/- each (in Rs.)	(64.156)	

#### 3. Related Party Disclosures:

Nature of Relationship	Names of Parties	
Associates		
Director	Asit Tripathi	
Director	Dhiraj Sharma	
Director	Ganpatbhai Patel	



# 4. Related party Transactions:

Nature of transaction with related person	Associates	Key Management Personnel	Associates	Key Management Personnel
	2015-16		2014-15	
INCOME-SIDE				
EVDENDITUDE CIDE		-		-
EXPENDITURE SIDE				
Purchases of Goods, Services, Investments				-
	•	2	i.	
Purchases of Capital Goods				
	-			1
Payment of remuneration to Key Management Personnel				
ASSETS	-	•		*
Net Receivables				
Loans given (Net)		-		*
LIABILITIES	-		•	¥
Loans repaid (Net)				
Loons taken (N-1)		*		
Loans taken (Net) 1. Directors & Relatives				
Asit Tripathi				
Dhiraj Sharma		1,96,600		
Ganpatbhai Patel		94,040		
2. Share Holders & Relatives		2,66,700		
Net Payable				
wy word				



By Order of the Board of Directors For ADJIA Technologies Private Limited

Asit Tripathi

Director

DIN: 07371400

Date: 03-09-2016 Place: Ahmedabad