

GENESYS ENTERPRISES INC. USA

BALANCE SHEET AS AT MARCH 31, 2017

PARTICULARS	Note No.	MARCH 31, 2017	MARCH 31, 2016
		US \$	US \$
<u>EQUITY AND LIABILITIES</u>			
<u>1) SHAREHOLDERS FUNDS</u>			
a) Share Capital	2	5,506,500	5,506,500
b) Reserves & Surplus	3	(5,503,994)	(863,859)
		2,506	4,642,641
<u>2) CURRENT LIABILITIES</u>			
a) Trade Payables	4	-	392,555
b) Other Current Liabilities	5	-	9,943
		-	402,498
Total		2,506	5,045,140
<u>ASSETS</u>			
<u>1) NON-CURRENT ASSETS</u>			
a) Fixed Assets	6	-	-
b) Long-Term Loans & Advances	7	-	818,590
			818,590
<u>2) CURRENT ASSETS</u>			
a) Trade Receivables	8	-	4,222,511
b) Cash & Cash Equivalents	9	2,506	4,039
		2,506	4,226,550
Total		2,506	5,045,140

Notes to financial statements

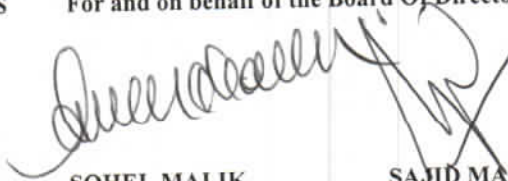
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As per our Report of even date attached
For DIXIT DATTATRAY & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No. : 102665W


D. B. DIXIT
PROPRIETOR
Membership No. 40032
Date : May 22, 2017
Place : Mumbai



For and on behalf of the Board Of Directors


SOHEL MALIK
PRESIDENT


SAJID MALIK
DIRECTOR

Date : May 22, 2017
Place : Mumbai

GENESYS ENTERPRISES INC. USA

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

PARTICULARS	Note No.	FOR THE YEAR ENDED MARCH 31, 2017	FOR THE YEAR ENDED MARCH 31, 2016
		US \$	US \$
INCOME			
Revenue from Operations		-	-
Other Income	10	218,858	-
Total		218,858	
EXPENDITURE			
Finance Costs	11	273	300
Depreciation & Amortization	6	-	-
Other Costs	12	4,868,992	2,850
Total		4,869,265	3,150
Operating Profit / (Loss) Before Tax		(4,650,408)	(3,150)
Profit / (Loss) Before Tax		(4,650,408)	(3,150)
Tax Expenses :			
Short/(Excess) provision of earlier years		(10,273)	11,001
Current Tax		-	11,001
Profit/ (Loss) After Tax		(4,640,135)	(25,152)
Earning per Share (Equity Share, par value US \$10 each)			
Basic & Diluted		(8.43)	(0.05)
Number of shares used in computing earnings per share		550,650	550,650

Notes to financial statements

1 to 15

As per our Report of even date attached
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CHARTERED ACCOUNTANTS
Firm Registration No. : 102665W

For and on behalf of the Board Of Directors


D. B. DIXIT
PROPRIETOR
Membership No. 40032
Date : May 22, 2017
Place : Mumbai




SOHEL MALIK
PRESIDENT


SAJID MALIK
DIRECTOR

Date : May 22, 2017
Place : Mumbai

GENESYS ENTERPRISES INC., USA

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

PARTICULARS	NOTE No.	YEAR ENDED 31ST MARCH, 2017		YEAR ENDED 31ST MARCH, 2016	
		US \$	US \$	US \$	US \$
A CASH FLOW FROM OPERATING ACTIVITIES					
Net Profit/(Loss) before tax and extraordinary items			(4,650,408)		(3,150)
Adjustments for:					
Bank charges to consider separate below		273		-	
Provision for Doubtful Debts		4,047,511		-	
Provision for Loans & Advances		821,481	4,869,265	-	-
Operating Profit before working capital changes			218,858		(3,150)
Adjustments for:					
(Increase)/ Decrease in Trade Receivable		175,000		-	
(Increase)/ Decrease in Loans and Advances		(2,892)		-	
Increase/ (Decrease) in Current Liabilities and Provisions		(402,499)		19,402	
			(230,391)		19,402
CASH GENERATED FROM OPERATIONS			(11,534)		16,253
Tax Adjustment of earlier years			10,273		(22,002)
NET CASH FLOW FROM OPERATING ACTIVITIES			(1,261)		(5,749)
B CASH FLOW FROM INVESTING ACTIVITIES					
C CASH FLOW FROM FINANCING ACTIVITIES					
Bank charges		(273)		-	
NET CASH FLOW FROM FINANCING ACTIVITIES			(273)		-
NET INCREASE IN CASH & CASH EQUIVALENTS			(1,534)		(5,749)
CASH & CASH EQUIVALENTS (OPENING BALANCE)			4,039		9,789
CASH & CASH EQUIVALENTS (CLOSING BALANCE)	9		2,506		4,039

This is the Cash Flow statement referred to in our report of even date.

For DIXIT DATTATRAY & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No. : 102665W

D. B. DIXIT
PROPRIETOR
Membership No. 40032
Date : May 22, 2017
Place : Mumbai



For and on behalf of the Board Of Directors

SOHEL MALIK
PRESIDENT

SAJID MALIK
DIRECTOR

Date : May 22, 2017
Place : Mumbai

GENESYS ENTERPRISES INC.

NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2017

Genesys Enterprises Inc. (the "Company"), a wholly owned subsidiary of GI Engineering Solutions Limited (the "Parent"), was established, pursuant to the laws of the State of New York, in 1995. The Company operates in the area of computer programming outsourcing services and customized software development services.

1. Significant Accounting Policies

Basis of preparation

The company has filed application for dissolution in March 2017 with state of New York, USA. Hence, the company has prepared the accounts on liquidation basis.

Revenue Recognition

Revenues are recognized as services are rendered on a monthly basis. Revenue if any, derived under long-term contracts are recognized on the percentage-of-completion method applying the units-of-delivery basis. Under this method, revenue and costs are recognized according to the ratio of units delivered to total units to be delivered.

Use of Estimates in Financial Statements

In preparing financial statements in conformity with generally accepted accounting principles, management makes estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Difference between the actual results and estimates are recognized in which the results are known materialized. Any revisions to accounting estimates are recognized prospectively in current and future periods.

Property and Equipment

Property and equipment are carried at cost. When assets are sold or retired, the cost and related accumulated depreciation are eliminated from the accounts, and any resulting gain or loss is reflected in income for the period. The cost of maintenance and repairs is charged to expense as incurred; significant renewals and replacements, which substantially extend the lives of the assets are capitalized.

Furniture, Fixtures and Improvements

Furniture, fixtures and improvements are carried at cost. The cost of maintenance and repairs is charged to expense when incurred; significant renewals and replacements, which substantially extend the useful lives of the assets, are capitalized.

Intangible Assets

Intangible assets (software, trade names and trademarks) are being amortized over its estimated useful life of five years.

Depreciation

Depreciation on all assets is fully provided over the estimated useful lives of assets using straight-line method.

Account Receivable

The Company carries its accounts receivable at cost less allowances for doubtful accounts. The Company evaluates its accounts receivable and establishes an allowance for doubtful accounts based on a history of past write-offs and collections and current credit conditions. Accounts are written off when deemed uncollectible.

Income Taxes

The Company is being taxed as a C-corporation under the provision of both the Internal Revenue Service Code and State laws.



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A handwritten signature in black ink, appearing to be 'M.', written over a light blue grid background.

GENESYS ENTERPRISES INC. USA

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2017

2. SHARE CAPITAL

PARTICULARS	AS AT 31ST MARCH 2017	AS AT 31ST MARCH 2016
	US \$	US \$
<u>AUTHORISED</u>		
838,050 Shares of \$10 each Common Stock (Previous Year : 838,050 Shares)	8,380,500	8,380,500
Total	8,380,500	8,380,500
<u>ISSUED, SUBSCRIBED & PAID-UP</u>		
550,650 (Previous Year : 550,650) Shares of \$10 each Common Stock	5,506,500	5,506,500
Total	5,506,500	5,506,500

3. RESERVES & SURPLUS

PARTICULARS	AS AT 31ST MARCH 2017	AS AT 31ST MARCH 2016
	US \$	US \$
SURPLUS/(DEFICIT) - Opening Balance	(863,859)	(838,707)
Add: Net loss after tax transferred from Statement of Profit and Loss	(4,640,135)	(25,152)
SURPLUS/(DEFICIT) - Closing Balance	(5,503,994)	(863,859)
Total	(5,503,994)	(863,859)

4. TRADE PAYABLES

PARTICULARS	AS AT 31ST MARCH 2017	AS AT 31ST MARCH 2016
	US \$	US \$
Trade payables	-	392,555
Total	-	392,555

5. OTHER CURRENT LIABILITIES

PARTICULARS	AS AT 31ST MARCH 2017	AS AT 31ST MARCH 2016
	US \$	US \$
Other payables	-	9,943
Total	-	9,943



6. FIXED ASSETS

Particulars	Original Cost				Depreciation/Amortization				Net Book Value	
	Opening Balance as on 1.04.16	Addition During the year	Sale During the year	Closing Balance as on 31.03.17	Up to 1.04.16	For the year	On Deduction	Up to 31.03.17	As at 31.03.17	As at 31.03.16
	US \$	US \$	US \$	US \$	US \$	US \$	US \$	US \$	US \$	US \$
Tangible Assets										
Computer Hardware	222,197	-	-	222,197	222,197	-	-	222,197	-	-
Furniture & Fixtures	170,539	-	-	170,539	170,539	-	-	170,539	-	-
Office Equipments	22,229	-	-	22,229	22,229	-	-	22,229	-	-
Vehicles	40,899	-	-	40,899	40,899	-	-	40,899	-	-
Leasehold improvement	73,319	-	-	73,319	73,319	-	-	73,319	-	-
sub total	529,183	-	-	529,183	529,183	-	-	529,183	-	-
Intangible Assets										
Goodwill and other intangible assets	140,417	-	-	140,417	140,417	-	-	140,417	-	-
sub total	140,417	-	-	140,417	140,417	-	-	140,417	-	-
Total	669,600	-	-	669,600	669,600	-	-	669,600	-	-
Previous Year	669,600	-	-	669,600	669,600	-	-	669,600	-	-



GENESYS ENTERPRISES INC. USA

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2017

7. LONG TERM LOANS & ADVANCES

PARTICULARS	AS AT 31ST MARCH 2017	AS AT 31ST MARCH 2016
	US \$	US \$
Unsecured, considered good		
Other Loans & Advances		
Loan to Others	812,000	812,000
Prepaid Expenses	8,138	3,140
Other Deposits	3,450	3,450
	823,588	818,590
Less : Provision for doubtful loans & advances	823,588	-
Total	-	818,590

8. TRADE RECEIVABLES

PARTICULARS	AS AT 31ST MARCH 2017	AS AT 31ST MARCH 2016
	US \$	US \$
Unsecured		
Due for more than six months	-	4,222,511
Considered good	4,331,186	283,675
Considered doubtful	4,331,186	4,506,186
	4,331,186	283,675
Less : Provision for Doubtful Debts	-	4,222,511
	-	4,222,511
Total		

9. CASH & BANK BALANCES

PARTICULARS	AS AT 31ST MARCH 2017	AS AT 31ST MARCH 2016
	US \$	US \$
(a) Cash in Hand	300	300
(b) Balances with banks		
In Current Account	2,206	3,739
	2,206	3,739
Total	2,506	4,039



GENESYS ENTERPRISES INC. USA

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2017

10. OTHER INCOME

PARTICULARS	2016-17	2015-16
	US \$	US \$
Miscellaneous Credit written back	218,858	-
	218,858	-

11. FINANCE COSTS

PARTICULARS	2016-17	2015-16
	US \$	US \$
Bank Charges	273	300
Total	273	300

12. OTHER COSTS

PARTICULARS	2016-17	2015-16
	US \$	US \$
OTHER COSTS		
Legal & Professional Fees	-	2,850
Provision for loans & advances	821,481	-
Provision for doubtful debts	4,047,511	-
Total	4,868,992	2,850



GENESYS ENTERPRISES INC.**NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2017****13. Related Party Transactions**

List of Related Parties :-

Holding Company – GI Engineering Solutions Limited, India

Associate Enterprises – Genesys International Corporation Limited, India

As of March 31, 2017, \$ Nil (Previous Year : \$ Nil) was payable to holding company and \$ Nil (Previous Year : \$ Nil) was receivable from associate enterprise.

14. The Company has filed for voluntary dissolution with the Secretary of State of New York on March 15, 2017 and the same is pending approval. Accordingly the Financial Statements have been prepared on liquidation basis and following balances have been written off/ written back

Particulars	AS AT	
	31ST MARCH 2017	31ST MARCH 2016
	Write-off / (Write-back)	
	US \$	US \$
Trade Receivable (Gross of Provision, if any)	4,331,186	4,506,186
Loans and Advances	823,588	818,590
Trade Payable	(218,858)	392,555

15. Previous year's figures have been regrouped /reclassified to conform to the current year's presentation.

As per our Report of even date attached

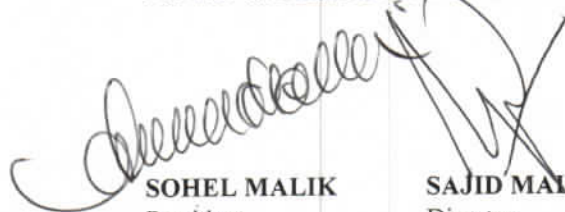
For **DIXIT DATTATRAY & ASSOCIATES**
CHARTERED ACCOUNTANTS
Firm Registration No.: 102665W



D. B. DIXIT
Proprietor
Date : May 22, 2017
Membership No. 40032
Mumbai:



For and on Behalf of the Board of Directors



SOHEL MALIK
President
Date : May 22, 2017
Mumbai:



SAJID MALIK
Director

264, Maru Sadan, N. C. Kelkar Road, Dadar, Mumbai - 400 028. ☎ Off. 2430 7707
1, Tara (Gretas) House, 166-B, Bhagat Lane, Mahim, Mumbai - 400 016. ☎ Off. 2430 4882
E-mail : cadbdixit@gmail.com

**TO THE MEMBERS OF
GENESYS ENTERPRISES INC., USA**

Report on the Financial Statements

We have audited the accompanying financial statements of **GENESYS ENTERPRISES INC., USA** (the "Company"), which comprise the Balance Sheet as at March 31, 2017 the Statement of Profit and Loss and 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 Management is responsible for 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 standards and the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

Auditors' Responsibility

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 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 misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and the 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, 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.

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.



- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017
- (b) in the case of the Statement of Profit and Loss, of the loss of the Company for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Emphasis of Matter

We draw attention to note no. 14 as regard to the application made by the company for voluntary dissolution, pending approval from the appropriate authority in State of New York the company has prepared the accounts on liquidation basis. Our opinion is not modified in respect of this matter.

Report on Other Matters

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 purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards prescribed in India.

For DIXIT DATTATRAY & ASSOCIATES,
Chartered Accountants
Firm registration number: 102665W



D. B. DIXIT
Proprietor
Membership No 40032
Mumbai
Dated: 22 May, 2017

