

NORTHGATE COM TECH LIMITED

**1ST ANNUAL REPORT
2010-11**

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the First Annual General Meeting of the Members of NORTHGATE COM TECH LIMITED will be held on Friday, the 30th day of September, 2011, at 10.00 a.m. at the registered office of the Company at SDE Serene Chambers, 8-2-334, Road No. 7, Banjara Hills, Hyderabad – 500 034 to transact the following business:

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2011 and the audited Profit and Loss Account for the period ended as on that date together with the Report of the Auditors and the Board of Directors thereon.
2. To appoint a Director in place of Mr. Meenavalli Venkat Srinivas, Director who retires by rotation and being eligible, offers himself for re-appointment;
3. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“Resolved that M/s. G.P. Rao & Co., Chartered Accountants, having Registration No. 003126S be and are, hereby appointed as Auditors of the Company to hold office for the period commencing from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting, on such remuneration as may be mutually agreed upon between the Board of Directors and Auditors.”

For Northgate Com Tech Limited

Date: 02.09.2011
Place: Hyderabad

Sd/-
Palacharla Srinivasu
Director

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a Proxy (whether member or not) to attend and vote instead of himself or herself. A proxy need not be a member of the Company.
2. Proxies in order to be effective must be received by the Company not less than 48 hours before the commencement of the meeting.

DIRECTORS' REPORT

Dear Members,

The Board of Directors has pleasure in presenting the First Annual Report together with Audited Statement of Accounts of the Company for the year ended 31st March, 2011.

BUSINESS OPERATIONS

For the financial year ended March 31, 2011 your Company had not commence its commercial activities. However, the management is taking necessary steps to commence its operations during the year 2011-12.

DIVIDEND

No Dividend for the year ended 31st March, 2011, was recommended by the Board of Directors.

DIRECTORS

During the year, Mr. Palacharla Srinivasu was appointed as Director of the Company

PERSONNEL:

The Company has no employee specified under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

DIRECTORS RESPONSIBILITY STATEMENT:

We the Directors of Green Fire Agri Commodities Private Limited, confirm the following:

- (i) that in the preparation of the annual accounts, applicable accounting standards had been followed along with the proper explanation relating to material departures;

- (ii) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit/(loss) of the Company for that period;
- (iii) that the Directors had 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;
- (iv) that the Directors had prepared the annual accounts on a going concern basis.

AUDITORS:

The Statutory Auditors M/s. G.P. Rao & Co., Chartered Accountants retires at this Annual General Meeting. The Board of Directors recommends appointment of M/s. G. P. Rao & Co., Chartered Accountants as Statutory Auditors of the Company for the FY 2011-12.

CONVERSION FROM PRIVATE TO PUBLIC LIMITED COMPANY

The Board of Directors in their Board Meeting held on 19th May, 2011, passed a resolution for conversion of the company into Public Limited and obtained shareholders approval on 15.06.2011 and accordingly the Company converted into Public Limited with effect from 01.08.2011 obtaining Fresh Certificate of Incorporation from the Registrar of Companies, Andhra Pradesh, Hyderabad.

COMPOSITE SCHEME OF ARRANGEMENT

The Board of Directors of the Company at their meeting held on 2nd August, 2011, considered and approved the Composite Scheme of Arrangement between the Company and Northgate Technologies Limited (NGTL) and Green Fire Agri Commodities Private Limited (Green Fire) and their respective shareholders and creditors ("Scheme") under Section 391-394 read with Sections 100-103 of the Companies Act, 1956.

The Scheme is subject to consent, approval of requisite majority of shareholders and creditors of the Company, Northgate and Green Fire and sanction of the

High Court of Andhra Pradesh and all other regulatory approvals as may be necessary for the implementation of the Scheme.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUT GO:

The particulars as required under section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 are as follows:

Conservation of Energy: The Company uses electric energy for its operations such as air conditioner, computer terminals, lighting and utilities in the work premises. All possible measures have been taken to conserve the energy.

- a. Technology Absorption : NIL
- b. Foreign Exchange Earnings : NIL
- c. Foreign Exchange Outgo : NIL

ACKNOWLEDGEMENTS

We take this opportunity to place on record our sincere thanks to all who are related to the company in its development.

For and on behalf of the Board

Place: Hyderabad
Date: 02.09.2011

Sd/-	Sd/-
Venkat S. Meenavalli	P. Srinivasu
Director	Director



AUDITOR'S REPORT

To

The Members of M/s. NORTHGATE COM TECH PRIVATE LIMITED

- 1) We have audited the attached balance sheet of M/s NORTHGATE COM TECH PRIVATE LIMITED as at March 31st, 2011, (the company has not commenced commercial operations and hence no Profit and Loss account has been prepared). These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2) We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3) Further to our comments referred to in paragraph (2) above and notes to accounts forming part of the above Balance Sheet we state 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 accounts as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) In our opinion, the Balance Sheet (there being no Profit and Loss Account) dealt with by this report are in compliance with the Accounting Standards referred to in section 211(3C) of the Companies Act, 1956:
 - (d) The Balance Sheet (there being no Profit and Loss Account) dealt with by this report are in agreement with the books of account;

CERTIFIED TRUE COPY

For NORTHGATE COM TECH LIMITED

[Signature]
Director

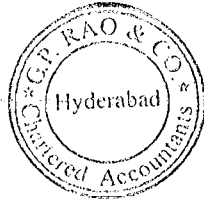


- (c) In our opinion, and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
- i. In the case of the Balance Sheet (there being no Profit and Loss Account), of the state of affairs of the company as at March 31, 2011.
- (f) On basis of the written representations from the Directors, taken on record by the Board of Directors, none of Directors is disqualified as on March 31, 2011 from being appointed as a Director under section 274(1) (g) of the Companies Act, 1956.
- (g) The Statement on the Companies (Auditors Report) Order, 2003 as required under section 227(4A) of the Companies Act 1956 is not applicable to this Company.

For G.P.RAO & CO
Chartered Accountants
Firm Regn No. 003126S



G. Purnachandra Rao
Proprietor
M.No:23024




Place: Hyderabad
Date: 19th May 2011.

Northgate Com Tech Private Limited
Balance Sheet as at 31 March 2011
(all amounts in Indian rupees, except share data and otherwise stated)

SOURCES OF FUNDS	Schedule	As at 31 Mar 2011
Shareholders' funds		
Share capital	2	500,000
Reserves and surplus		-
		500,000
Loan fund		
Secured loan		-
Unsecured loan		-
		500,000
 APPLICATION OF FUNDS		
Fixed assets		
Gross block		-
Less: Accumulated depreciation		-
Net block		-
 Current assets, loans and advances		
Sundry debtors		-
Cash and bank balances	3	470,936
Loans and advances		-
		470,936
 Current liabilities and provisions		
Current liabilities	4	-
Provisions		10,000
		10,000
Net current assets		460,936
Miscellaneous expenses	5	39,064
		500,000
 Significant accounting policies	1	
 Notes to accounts	6	

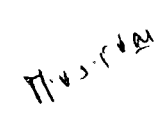
The Schedules referred to above form an integral part of the balance sheet

As per our report attached
for G.P. Rao & Co
Chartered Accountants
Firm Registration No: 003126S


G. Purnachandra Rao
Proprietor
Membership No: 023024



for Northgate Com Tech Private Limited


Venkat S Meenavalli
Director


P. Srinivasu
Director

Place : Hyderabad
Date : 19 May 2011

Northgate Com Tech Private Limited

(all amounts in Indian rupees, except share data and otherwise stated)

Schedules to the accounts (continued)**Period ended
31 Mar 2011****2. Share capital***Authorised*

50,000 (previous year: Nil) equity shares of Rs. 10 each

500,000*Issued*

50,000 (previous year: Nil) equity shares of Rs.10 each paid-up

500,000*Subscribed and paid-up*

50,000 (previous year: Nil) equity shares of Rs.10 each paid-up

500,000**500,000****3. Cash and bank balances**

Cash on hand

460,936

Balances with scheduled banks:

- in deposit accounts

-

- in current accounts

10,000

470,936**4. Current Liabilities**

Audit fees payable

10,000

10,000**5. Preliminary Expenses**

Incorporation Expenses

29,064

Audit fees payable

10,000

39,064

Northgate Com Tech Private Limited**Schedule 1: Significant Accounting Policies**

Overview

Northgate Com Tech Private Limited incorporated as Private Limited on 28 May 2010. The Company is primarily engaged in the business of online advertising, development of software tools and platforms, reliable commodities trading tools and risk management software tools for Global commodity markets using quantitative, derivative and Neuro models.

(a) Basis of preparation of financial statements

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the Accounting Standards ('AS') prescribed by the Companies (Accounting Standards) Rules, 2006 ('the Rules') and the provisions of the Companies Act, 1956, ("the Act") to the extent applicable. These financial statements have been prepared and presented in Indian rupees.

(b) Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses for the year. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

(c) Fixed assets and depreciation

Fixed assets are carried at the cost of acquisition or construction less accumulated depreciation. The cost of fixed assets includes non-refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets. Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalised.

Advances paid towards the acquisition of fixed assets outstanding at each balance sheet date and the cost of fixed assets not ready for their intended use before such date are disclosed under capital work-in-progress.

Depreciation on fixed assets is provided using the straight-line method at the rates specified in Schedule XIV to the Companies Act, 1956. Depreciation is calculated on a pro-rata basis from the date of installation till the date the assets are sold or otherwise disposed off. Individual assets costing less than Rs. 5,000 are depreciated in full in the year of acquisition.

Leasehold improvements are amortised over the primary period of the lease or estimated useful life of the asset, whichever is lower.

Schedule 1: Significant Accounting Policies (continued)

(d) Intangible assets and amortization

Acquired intangible assets are recorded at the consideration paid for their acquisition. Internally developed intangible assets are capitalized at their cost of development, only if they meet the recognition criteria of AS 26 "Intangible Assets". Intangible assets are amortised over their estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Company for its use.

(e) Foreign exchange transactions

Foreign currency transactions during the year are recorded at the rates of exchange prevailing on the dates of the respective transactions. Exchange differences arising on foreign currency transactions settled during the year are recognized in the profit and loss account of the year.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date, the resultant exchange differences are recognized in the profit and loss account. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

(f) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

(g) Earnings per share

The basic earnings per share ("EPS") is computed by dividing the net profit after tax (including post tax effect of any extraordinary items) for the year by the weighted average number of equity shares outstanding during the year. The Company does not have any potentially dilutive equity shares as at the year-end.

(h) Taxes on income

Income tax expenses comprise of current tax and deferred tax. The company has not started its operations; hence tax provision is not required for the year.

(i) Leases

Assets acquired under lease, where the Company has assumed substantially all the risks and rewards of ownership are classified as finance lease. Such leases are capitalized at the inception of the lease, at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower.

Assets acquired under lease, where a significant portion of the risks and rewards of ownership are retained by the lessor, are classified as operating lease. Lease payments under operating leases are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Schedule 1: Significant Accounting Policies (continued)

(j) Provisions and contingent liabilities

The Company recognizes a provision when there is a present obligation as a result of an obligating event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at lower of the expected cost of terminating the contract and the expected net cost of fulfilling the contract.

(k) Retirement benefits:

The provisions of the Employee's Provident Funds and Miscellaneous Provisions Act, 1952 are not applicable to the Company.

(l) Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that any assets may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the reassessed recoverable amount subject to a maximum of depreciated historical cost.

Northgate Com Tech Private Limited

(All amounts in Indian rupees, except share data)

Schedules to the accounts (continued)**Schedule 6. Notes to accounts**

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1. The Company has not started its operations during the year. Hence no profit / loss during the year.
 2. The Board of Directors of the Company at their meeting held on 19 May 2011, considered and approved the Composite Scheme of Arrangement between Northgate Com Tech Private Limited ('Northgate Com' or) and Northgate Technologies Limited ('NTL') and Green Fire Agri Commodities Private Limited ('Green Fire' or 'the Company') ('Collectively referred to as Group') and their respective shareholders and creditors ('Scheme') under Sections 391-394 read with Sections 100-103 of the Companies Act, 1956.

The Scheme is subject to consent, approval of requisite majority of shareholders and creditors of the Company, Northgate Com and Green Fire, sanction of the High Court of Andhra Pradesh and all other regulatory approvals as may be necessary for the implementation of the Scheme.

The salient features of the Scheme are as under:

(a) The Appointed Date of the Scheme is 1 April 2011.

(b) The Scheme involves the demerger of Internet Business Undertaking of the Company into Northgate Com and merger of Green Fire into the Company.

(c) Based on an independent valuation and fairness opinion, the Board approved and recommended the Share Entitlement Ratio as follows:

"1 (One) fully paid Equity Share of Rs. 10 (Rupees Ten) each of Northgate Com shall be issued and allotted for every 1 (One) Equity Share of Rs. 10 (Rupees Ten) each held in the Company."

"158 (One Hundred fifty eight) fully paid Equity Shares of Rs. 10 (Rupees Ten) each of Northgate shall be issued and allotted for every 1 (One) fully paid Equity Share of Rs. 10 (Rupees Ten) each held in Green Fire (except in respect of shares held by the Company in Green Fire)."

(d) Consequent to the demerger of the Internet business of Northgate into Northgate Com, the shares of the Northgate Com will be listed on the National Stock Exchange of India Limited and the name of Northgate Com will be changed to "Northgate Technologies Limited".

(e) Consequent to the merger of Green Fire into NTL, the name of NTL will be changed to "Green Fire Agri Commodities Limited" and the face value and the paid-up value of the shares of the Company together with the new shares issued and allotted on merger will be reduced by Rs. 9 without payment to the holders of such equity shares of Northgate. The shares of the Northgate will continue to list on National Stock Exchange of India Limited.

Northgate Com Tech Private Limited
(All amounts in Indian rupees, except share data)

Schedules to the accounts (continued)

Schedule 6. Notes to accounts (continued)

3. Contingent liabilities

The Company has no contingent liability for the year under audit.

4. Related parties

<p>A) Entities where control exists None.</p> <p>B) Entities with whom transactions have taken place during the year</p> <p>i. Northgate Technologies Limited</p> <p>C) Key Managerial Personnel</p> <p>i. Venkat S. Meenavalli – Director</p> <p>ii. P.Srinivasu - Director</p>

5. Amounts payable to Micro, small and medium enterprises

The Company has no dues to Micro, small and medium enterprises as at March 31, 2011.

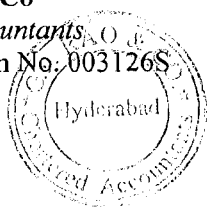
6. Previous year figures

Previous year figures have not available as the first financial year of the company is 2010-11

for G P Rao & Co

Chartered Accountants

Firm registration No. 003126S

G. Purnachandra Rao

Proprietor

Membership No. 023024.

Place: Hyderabad

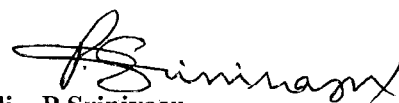
Date : 19 May 2011

for Northgate Com Tech Private Limited

M.V.S. 19/05/11

Venkat S. Meenavalli

Director



P.Srinivasu

Director

Place: Hyderabad

Date : 19 May 2011