

**3i INFOTECH ASIA PACIFIC PTE LIMITED**  
(incorporated in Singapore)  
**Consolidated Balance Sheet as at March 31, 2015**

**SGD**

Particulars	Note No.	As at March 31, 2015	As at March 31, 2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders funds</b>			
Share capital	2	53,46,202	53,46,202
Reserves and surplus	3	1,00,93,802	65,50,233
<b>Current liabilities</b>			
Short-term borrowings	4	20,58,483	18,90,886
Trade payables	5	5,88,085	9,59,779
Other current liabilities	6	21,63,497	37,55,863
Short-term provisions	7	4,73,729	-
<b>Total</b>		<b>2,07,23,798</b>	<b>1,85,02,963</b>
<b>II. ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
(i) Tangible assets		65,441	11,391
(ii) Intangible assets	8	44,58,466	50,42,417
(iii) capital work-in-Progress		3,026	27,643
Deferred tax assets	10	5,84,402	83,52,428
Long-term loans and advances	9	96,34,303	-
<b>Current assets</b>			
Trade receivables	10	21,14,241	15,23,924
Cash and bank balances	11	7,47,582	10,86,156
Short-term loans and advances	12	2,43,317	3,92,468
Other current assets	13	28,73,020	20,66,537
<b>Total</b>		<b>2,07,23,798</b>	<b>1,85,02,963</b>

**Significant Accounting Policies and Notes to consolidated financial statements**

**1 to 28**

**As per our attached report of even date**

**For Lodha & Co.  
Chartered Accountants**

**For and on behalf of the Board**

**R. P. Baradiya  
Partner**

**Ashish Kakkar  
Director  
DIN - 06370551**

**Padmanabhan Iyer  
Director  
DIN - 05282942**

**Date: May 26 , 2015  
Place: Mumbai**

**3i INFOTECH ASIA PACIFIC PTE LIMITED**

(incorporated in Singapore)

**Consolidated Statement of Profit and Loss for the year ended March 31, 2015****SGD**

<b>Particulars</b>	<b>Note No.</b>	<b>For the year ended March 31, 2015</b>	<b>For the year ended March 31, 2014</b>
<b>Income</b>			
Revenue from operations	<b>14</b>	<b>1,79,78,819</b>	1,60,75,376
Other income	<b>15</b>	<b>11,51,679</b>	7,64,986
<b>Total Income</b>		<b>1,91,30,498</b>	1,68,40,362
<b>Expenses</b>			
Cost of revenue	<b>16</b>	<b>55,11,865</b>	43,47,014
Employee benefits expense	<b>17</b>	<b>73,08,703</b>	82,00,205
Finance cost	<b>18</b>	<b>99,816</b>	92,091
Depreciation and amortization	<b>8</b>	<b>5,98,511</b>	6,00,848
Corporate chargeout		<b>12,54,853</b>	7,80,620
Other expenses	<b>19</b>	<b>2,83,508</b>	23,77,329
<b>Total</b>		<b>1,50,57,256</b>	1,63,98,106
<b>Profit/(Loss) before exceptional items and tax</b>		<b>40,73,242</b>	4,42,255
<b>Exceptional items</b>		<b>3,10,874</b>	-
<b>Profit/(Loss) before taxation</b>		<b>37,62,368</b>	4,42,255
<b>Tax expense</b>			
Current tax		<b>2,49,525</b>	-
Deferred tax		<b>(6,07,626)</b>	-
Income tax pertaining to earlier years		<b>5,76,900</b>	4,409
<b>Profit/(Loss) for the year</b>		<b>35,43,569</b>	4,37,846
Basic & Diluted Earnings per share		<b>0.66</b>	0.08
Equity shares, face value of SGD 1 each (refer note no.23)		<b>0.66</b>	0.08

**Significant Accounting Policies and Notes to consolidated financial statements**

**1 to 28**

**As per our attached report of even date**

**For Lodha & Co.  
Chartered Accountants**

**For and on behalf of the Board**

**R. P. Baradiya  
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Director  
DIN - 05282942**

**Date: May 26 , 2015  
Place: Mumbai**

**3i INFOTECH ASIA PACIFIC PTE LIMITED**  
(incorporated in Singapore)  
**Consolidated Cash Flow Statement as on March 31, 2015**

SGD

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>A Cash Flow from Operating Activities</b>		
Net Profit/(Loss) before taxation and exceptional item and tax	40,73,242	4,42,255
<b>Adjustments for:</b>		
Depreciation / amortization	5,98,511	6,00,848
Foreign exchange (gain)/loss	(6,10,615)	1,05,480
(Gain)/loss on sale/discarding of fixed assets (net)	-	(2,359)
Deposits/advances written off	-	15,023
Bad debts written-off	(10,028)	8,249
Interest received	(4,39,143)	(4,20,996)
Interest paid	73,125	71,935
Provision for doubtful debts	(14,17,478)	2,13,682
Miscellaneous income	(1,01,922)	
<b>Operating Profit before Working Capital changes</b>	21,65,693	10,34,118
<b>Adjustments for changes in working capital:</b>		
(Increase)/Decrease in trade and other receivables	3,00,651	14,22,778
Increase/(Decrease) in trade and other payables	(17,96,463)	(22,71,756)
<b>Cash generated from Operations</b>	6,69,881	1,85,140
Income taxes (paid)/refunded	(93,79,373)	(4,409)
<b>Net Cash from/(used in) Operating Activities - (A)</b>	(87,09,492)	1,80,731
<b>B Cash Flow from Investing Activities</b>		
Purchase of fixed assets	(68,609)	(7,417)
Sale of fixed assets	-	2,359
<b>Net Cash from/(used in) Investing Activities - (B)</b>	(68,609)	(5,058)
<b>C Cash Flow from Financing Activities :</b>		
Interest paid	(73,125)	-71,935
Loans (given) / received back	77,68,026	-6,78,879
Interest received	4,39,143	4,20,996
<b>Net Cash from/(used in) Financing Activities - (C)</b>	81,34,044	-3,29,818
<b>Net Increase/(Decrease) in cash and cash equivalents (A+B+C)</b>	(6,44,058)	-1,54,146
Cash and cash equivalents at the beginning of the year	9,34,638	10,88,784
<b>Cash and cash equivalents at the end of the period/year</b>	2,90,580	9,34,638

**Notes :**

- 1) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Accounting Standard 3 on "Cash Flow Statements" prescribed by The Companies (Accounting Standards) Rules, 2006.
- 2) Margin money of SGD 457,001 (March 31, 2014: SGD 151,518) has been excluded from cash and cash equivalents and included in Trade and other receivables.
- 3) Previous year's figures have been regrouped/rearranged wherever necessary to conform to the current years presentation.

**Significant Accounting Policies and Notes to consolidated financial statements**  
As per our attached report of even date

For Lodha & Co.  
Chartered Accountants

For and on behalf of the Board

R.P. Baradiya  
Partner

Ashish Kakkar  
Director  
DIN - 06370551

Padmanabhan Iyer  
Director  
DIN - 05282942

Date: May 26, 2015  
Place: Mumbai

2 a. Share capital

SGD

Particulars	As at March 31, 2015	As at March 31, 2014
<b>Issued, subscribed &amp; paid-up</b> 5,346,202 ordinary shares with par value of SGD 1 each (As at March 31, 2014 & March 31, 2015: 5,346,202 shares of SGD 1 each)	<b>53,46,202</b>	53,46,202
<b>Total</b>	<b>53,46,202</b>	53,46,202

b. Rights of equity shareholders

The Group has issued one class of equity shares having a face value of SGD 1 per share. Each shareholder has right to vote in respect of such share, on every resolution placed before the Group and his voting right on a poll shall be in proportion to his share of the paid up equity capital of the Group. In the event of Liquidation, the equity shareholders are entitled to receive the remaining assets of the Group after payments to secured and unsecured creditors in proportion to their shareholding.

c. Reconciliation of number of equity shares

Particulars	March 31, 2015		March 31, 2014	
	Nos.	SGD	Nos.	SGD
Shares outstanding at the beginning of the period/year	53,46,202	53,46,202	53,46,202	53,46,202
Shares issued during the period/year	-	-	-	-
Shares bought back during the period/year	-	-	-	-
<b>Shares outstanding at the end of the period/year</b>	<b>53,46,202</b>	<b>53,46,202</b>	53,46,202	53,46,202

d. Details of member holding more than 5 percent ordinary shares

Name of the shareholder	As at March 31, 2015		As at March 31, 2014	
	No. of shares	%	No. of shares	%
3i Infotech Limited	53,46,202	100	53,46,202	100

e. The Company has not issued any aggregate number and class of shares as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date.

3 Reserves and surplus

Particulars	As at March 31, 2015	As at March 31, 2014
Securities premium account	7,70,513	7,70,513
<b>Surplus/(Deficit) in the consolidated statement of Profit and Loss</b>		
Opening Balance	69,20,980	64,83,134
Add/(Less): Net profit/(loss) for the year	35,43,569	4,37,846
	1,04,64,549	69,20,980
Foreign currency translation reserve	(11,41,260)	(11,41,260)
<b>Total</b>	<b>1,00,93,802</b>	65,50,233

4 Short-term borrowings

Particulars	As at March 31, 2015	As at March 31, 2014
<b>Secured loans</b>		
Term loans from banks* (bank overdraft, repayable on demand)	20,58,483	18,90,886
<b>Total</b>	<b>20,58,483</b>	18,90,886

\* secured by assignment of trade and other receivables.

5 Trade payables

Particulars	As at March 31, 2015	As at March 31, 2014
<b>Due to</b>		
Holding	48,803	4,51,875
Others	5,39,282	5,07,904
<b>Total</b>	<b>5,88,085</b>	9,59,779

6 Other current liabilities

Particulars	As at March 31, 2015	As at March 31, 2014
<b>Other payables</b>		
Advances received from customers (including unearned revenue)	1,92,513	2,26,053
	19,70,984	35,29,810
<b>Total</b>	<b>21,63,497</b>	37,55,863

7 Short term provisions

Particulars	As at March 31, 2015	As at March 31, 2014
Provision for tax (net of advance tax of SGD 223,834)	4,73,729	-
<b>Total</b>	<b>4,73,729</b>	-

(incorporated in Singapore)

Notes forming part of the consolidated financial statements for the year ended March 31, 2015

## SGD

Particulars	Gross Block (at cost)				Depreciation/Amortization				Net Block
	As at April 1, 2014	Additions during the year	Deductions/ Impairment during the year	As at March 31, 2015	As at April 1, 2013	Additions during the year	Deductions/ Adjustment during the year	As at March 31, 2015	As at March 31, 2015
<b>Tangible assets</b>									
Leasehold improvements	6,20,865	49,214	-	6,70,079	6,20,513	5,986	-	6,26,500	43,579
Furniture & fixtures	1,12,490	2,549	-	1,15,038	1,12,490	150	-	1,12,640	2,399
Computers	3,42,019	15,945	22,389	3,35,576	3,31,840	8,362	22,389	3,17,810	17,766
Office equipment	9,50,281	901	615	9,50,567	9,49,422	63	615	9,48,870	1,697
<b>Total tangible assets</b>	<b>20,25,655</b>	<b>68,609</b>	<b>23,004</b>	<b>20,71,260</b>	<b>20,14,264</b>	<b>14,561</b>	<b>23,004</b>	<b>20,05,819</b>	<b>65,441</b>
<b>Intangible assets</b>									
Software - meant for sale	81,42,572	-	-	81,42,572	31,00,156	5,83,950	-	36,84,106	44,58,466
<b>Total intangible assets</b>	<b>81,42,572</b>	<b>-</b>	<b>-</b>	<b>81,42,572</b>	<b>31,00,156</b>	<b>5,83,950</b>	<b>-</b>	<b>36,84,106</b>	<b>44,58,466</b>
<b>Total assets</b>	<b>1,01,68,227</b>	<b>68,609</b>	<b>23,004</b>	<b>1,02,13,832</b>	<b>51,14,420</b>	<b>5,98,511</b>	<b>23,004</b>	<b>56,89,926</b>	<b>45,23,906</b>
<b>Capital Work-In-Progress</b>	27.643	3.026	27.643	<b>3.026</b>	-	-	-	-	<b>3.026</b>

\*During FY 2014-15, capital work-in-progress of SGD 27,643 was capitalised on August 22, 2014 and adequate depreciation is provided thereon.

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**3i INFOTECH ASIA PACIFIC PTE LIMITED**  
(incorporated in Singapore)  
**Notes forming part of the consolidated financial statements for the year ended March 31, 2015**

**9 Long-term loans and advances**

**SGD**

Particulars	As at March 31, 2015	As at March 31, 2014
<b>Unsecured, considered good</b>		
Security deposits	1,10,967	-
Due from fellow subsidiaries	95,23,336	83,52,428
<b>Total</b>	<b>96,34,303</b>	<b>83,52,428</b>

**10 Deferred tax assets**

Particulars	As at March 31, 2015	As at March 31, 2014
<b>Deferred tax assets</b>		
Others	5,84,402	-
<b>Total</b>	<b>5,84,402</b>	<b>-</b>

**10 Trade receivables**

Particulars	As at March 31, 2015	As at March 31, 2014
<b>(a) Unsecured considered good</b>		
- Receivables outstanding for less than six months	21,14,241	15,23,924
	<b>21,14,241</b>	<b>15,23,924</b>
<b>(b) Doubtful</b>		
- Receivables outstanding for more than six months	2,39,436	3,27,374
Less: Provision for doubtful debts	(2,39,436)	(3,27,374)
<b>Total</b>	<b>21,14,241</b>	<b>15,23,924</b>

**11 Cash and bank balances**

Particulars	As at March 31, 2015	As at March 31, 2014
<b>Cash and cash equivalents</b>		
Cash on hand	5,353	19,087
<b>Balances with scheduled banks:</b>		
-in current accounts	2,57,118	5,68,289
-in deposit accounts	28,110	3,47,262
	<b>2,90,581</b>	<b>9,34,638</b>
<b>Other bank balances</b>		
-in margin money accounts	4,57,001	1,51,518
<b>Total</b>	<b>7,47,582</b>	<b>10,86,156</b>

**12 Short-term loans and advances**

Particulars	As at March 31, 2015	As at March 31, 2014
<b>Unsecured, considered good</b>		
Security deposits	1,87,541	2,20,588
Advance tax	-	1,10,778
Other advances recoverable in cash or in kind for value to be received	55,776	61,102
<b>Total</b>	<b>2,43,317</b>	<b>3,92,468</b>

**13 Other current assets**

Particulars	As at March 31, 2015	As at March 31, 2014
Unbilled revenue (net of provision)	28,73,020	20,66,537
<b>Total</b>	<b>28,73,020</b>	<b>20,66,537</b>

**3i INFOTECH ASIA PACIFIC PTE LIMITED**

(incorporated in Singapore)

**Notes forming part of the consolidated financial statements for the year ended March 31, 2015****14 Revenue from operations**

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
IT solutions	1,79,78,819	1,60,75,376
<b>Total</b>	<b>1,79,78,819</b>	<b>1,60,75,376</b>

**15 Other income**

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Interest income	4,39,143	4,20,996
Profit on sale/discarding of fixed assets (net)	-	2,359
Miscellaneous Income	1,01,922	3,41,631
Net gain on foreign currency transactions	6,10,615	-
<b>Total</b>	<b>11,51,679</b>	<b>7,64,986</b>

**16 Cost of revenue**

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Cost of third party products and outsourced services	55,11,865	43,47,014
<b>Total</b>	<b>55,11,865</b>	<b>43,47,014</b>

**17 Employee benefits expense**

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Salaries and wages	72,35,971	81,19,547
Recruitment and training expenses	43,319	73,296
Staff welfare expenses	29,413	7,362
<b>Total</b>	<b>73,08,702</b>	<b>82,00,205</b>

**18 Finance cost**

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Interest expense	73,125	71,935
Bank and other financial charges	26,692	20,156
<b>Total</b>	<b>99,816</b>	<b>92,091</b>

**19 Other expenses**

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Net loss on foreign currency transactions	-	1,05,480
Electricity	46,971	48,079
Rent	6,39,135	7,21,790
Repairs and maintenance	45,466	59,861
Insurance	1,15,509	79,272
Travelling and conveyance	5,08,131	5,31,372
Rates and taxes	42,673	1,62,776
Communication expenses	1,06,336	1,43,126
Printing and stationery	13,201	10,650
Legal and professional charges	89,347	1,38,076
Selling and distribution expenses	83,937	1,30,833
Provision for doubtful debts	(14,17,478)	2,13,682
Deposits/advances written-off	-	15,023
Office expenses	20,308	9,060
Bad debts written-off	(10,028)	8,249
<b>Total</b>	<b>2,83,508</b>	<b>23,77,329</b>

## **3i INFOTECH ASIA PACIFIC PTE LTD**

(Incorporated in Singapore)

### **NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2015**

#### **1. SIGNIFICANT ACCOUNTING POLICIES**

##### **A. Overview of the Group**

3i Infotech Asia Pacific Pte Ltd (**'Parent'**) and its subsidiaries, collectively referred to as **'the Group'**, are the subsidiaries of 3i Infotech Limited (**'Ultimate Holding Company'**), a company incorporated in India. The Group undertakes sale of software products, software development and consulting services, IT enabled managed services and transaction services.

##### **B. Basis of preparation of consolidated financial statements**

The consolidated financial statements have been prepared and presented under the historical cost convention, using the accrual basis of accounting and in accordance with the accounting principles generally accepted in India (**'GAAP'**) and in compliance with the Accounting Standards (**'AS'**) as prescribed under section 133 of the companies Act, 2013(**'the Act'**) read with Rule 7 of the companies (account) Rules, 2014, the provisions of the Act(to the extent notified.) Accounting policies have been consistently applied, except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard required a change in the accounting policy hitherto in use.

##### **C. Use of estimates**

The preparation of the consolidated financial statements, in conformity with GAAP, requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of the financial statements. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates. The revision in accounting estimates is recognized prospectively.

##### **D. Principles of consolidation**

The consolidated financial statements which include the financial statements of the Parent Company, its subsidiaries and a joint venture have been prepared in accordance with the consolidation procedures laid down in Accounting Standard (AS) 21 - **'Consolidated Financial Statements'** and Accounting Standard (AS) 27 - **'Financial Reporting of Interests in Joint Ventures'**.



The consolidated financial statements have been prepared on the following basis:

- (a) The financial statements of the Parent Company, its subsidiaries and joint venture (consolidated proportionately) have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances/transactions and resulting profits in full. Unrealized losses resulting from intra-group transactions have also been eliminated except to the extent that the recoverable value of related assets is lower than their cost to the Group.
- (b) The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the Parent Company for its standalone financial statements.
- (c) The consolidated financial statements are prepared using uniform accounting policies across the Group.
- (d) Goodwill arising on consolidation - The excess of cost to the Parent Company, of its investment in subsidiaries over its portion of equity at the respective dates on which the investment in subsidiaries was made, is recognized in the financial statements as goodwill and in case where the portion of equity exceeds the cost; the same is being reduced from the said goodwill. The Parent Company's portion of equity in the subsidiaries is determined on the basis of the value of assets and liabilities as per the financial statements of the subsidiaries as on the date of investment.
- (e) Minority interest in that part of the net results of operations and of the net assets of a subsidiary attributable to the interests which are not owned, directly or indirectly through subsidiary (ies), by the Parent Company.

The subsidiaries of the Group are given below:

<b>Name of the entity</b>	<b>Country of incorporation</b>	<b>Percentage of holding</b>
3i Infotech SDN BHD	Malaysia	100%
3i Infotech (Thailand)	Thailand	100%
Datacons Asia Pacific SDN BHD	Malaysia	100%

## **E. Revenue recognition**

### **Revenue from IT solutions**

Revenue from IT solutions comprises of revenue from the sale of software products, providing IT services and sale of hardware and third party software.

Revenue from Software Products is recognized on delivery/installation, as per the predetermined/laid down policy across all geographies or a lower amount as considered appropriate in terms of the contract. Maintenance revenue in respect of products is deferred and recognized ratably over the period of the underlying maintenance agreement.

Revenue from IT Services is recognized either on time and material basis or fixed price basis or based on certain measurable criteria as per relevant contracts. Revenue on Time and Material Contracts is recognized as and when services are performed. Revenue on Fixed-Price Contracts is recognized on the percentage of completion method. Provision for estimated losses, if any, on such uncompleted contracts are recorded in the period in which such losses become probable based on the current estimates.

Revenue from Supply of Hardware/Other Material and Sale of Third Party Software License/Term License/Other Materials incidental to the aforesaid services is recognized based on delivery/installation, as the case may be. Recovery of incidental expenses is added to respective revenue.

## **F. Fixed assets**

Fixed assets comprise tangible and intangible assets.

### **Tangible assets:**

Fixed assets are stated at cost, which comprises of purchase consideration and other directly attributable costs of bringing the assets to its working condition for the intended use.

The cost of assets not ready for use as at the balance sheet date is disclosed as 'Capital Work-in-Progress'.

### **Intangible assets:**

Intangible assets include:

"Software product (Meant for sale)" are products licensed to customers. Costs that are directly associated with such products whether acquired or developed in partnership with others and have a probable economic benefit exceeding one year are capitalized and recognized as software product (meant for sale).

Costs related to further development of existing software -meant for sale are capitalized only if the costs result in a software product whose life and value in use is in excess of its

originally assessed standard of performance which can be measured reliably, technological feasibility has been established, future economic benefits of each of such product is probable and the Group intends to complete the development and to use the software.

Software products-Others: Purchased software meant for in house consumption and significant upgrades thereof which have a probable economic benefit exceeding one year are capitalized at the acquisition price.

### **Method of depreciation / amortization**

Leasehold land, leasehold building and improvements thereon and other leased assets are amortized over the period of lease or its life, whichever is lower.

Business and Commercial Rights are amortized over a period, the benefits arising out of these are expected to accrue or ten years, whichever is lower, while Software Products – Others are amortized over a period of five years.

Software Products (meant for sale) are amortized over a period of 10 years after taking into consideration residual value of twenty percent.

Depreciation on other fixed assets is provided applying straight line method over the useful life and in the manner prescribed in Schedule II of the Companies Act, 2013. In case of some subsidiaries, depreciation is provided on straight line basis over the estimated useful life of the assets given herein below:

<b>Fixed Asset</b>	<b>Useful life in years</b>
Leasehold improvements	5
Furniture, Fixtures and Equipment	10
Server	6
Computers	3

### **G. Investments**

Trade investments are the investments made to enhance the Group's business interest. Investments are either classified as current or long term based on the management's intention at the time of purchase. Long-term investments are carried at cost and a provision is made to recognize any decline, other than temporary, in the value of such investments.

Current investments are carried at lower of the cost or fair value and a provision is made to recognize any decline in the carrying value.

## **H. Accounting of Employee Benefits**

### **Defined contribution plans**

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate agencies such as Central Provident Fund, Employee Provident Fund, and Social Security Office based on the local laws as applicable to the entities in the Group. The Group's contributions to the defined contribution plans are recognized as an expense in the Consolidated Statement of Profit and Loss.

### **I. Deferred tax**

Deferred tax resulting from timing differences between book and tax profits is accounted for under the liability method, at the current rate of tax, to the extent that the timing differences are expected to crystallize. Deferred tax assets are recognized and carried forward only if there is a virtual/reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

### **J. Translation of Foreign Currency Items**

Transactions in foreign currency are recorded at the rate of exchange in force on the date of the transaction. Exchange differences in respect of all current monetary assets and liabilities denominated in foreign currency are restated at the rates ruling at the year end and all exchange gains / losses arising there from are recognised in the Consolidated Statement of Profit and Loss.

Exchange differences arising on reporting of long term foreign currency monetary items at rates different from those at which they were initially recorded during the year or reported in previous financial statements, are accounted as below:

- In so far as they relate to the acquisition of depreciable capital assets, are added to or deducted from the cost of the asset and are depreciated over the balance life of the asset; and
- In other cases, the said exchange differences are accumulated in a 'Foreign Currency Monetary Items Translation Difference Account' and amortised over the balance period of such long term asset/liability.

Foreign operations carried out with a significant degree of autonomy are classified as "non integral" operations" as per the provisions of Accounting Standard (AS) 11 "Effects of changes in foreign exchange rates". All assets and liabilities, both monetary and non-monetary, are translated at the closing rate while the income and expenses are

translated at the average rate for the year. The resulting exchange differences are accumulated in the "Foreign Currency Translation Reserve".

Foreign operations other than non-integral operations are classified as integral. All monetary assets and liabilities are translated at closing rates while non monetary assets are translated at historical rates and income and expenses are translated at the average rates for the year and the resulting exchange differences are accounted in the Consolidated Statement of Profit and Loss.

#### **K. Unbilled and Unearned Revenue**

Revenue recognized over and above the billings on a customer is classified as "unbilled revenue" and advance billing to customer is classified as "advances received from customers" and included in other liabilities.

#### **L. Operating leases**

Leases of assets in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are debited to the consolidated statement of profit and loss on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognized as an expense in the financial year in which termination takes place.

#### **M. Impairment of assets**

In accordance with AS 28 on 'Impairment of Assets', where there is an indication of impairment of the Group's assets related to cash generating units, the carrying amounts of such assets are reviewed at each balance sheet date to determine whether there is any impairment. The recoverable amount of such assets is estimated as the higher of its net selling price and its value in use. An impairment loss is recognized in the Consolidated Statement of Profit and Loss whenever the carrying amount of such assets exceeds its recoverable amount. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to the extent of the carrying value of the asset that would have been determined (net of amortization/depreciation) had no impairment loss been recognized.

#### **N. Provisions, contingent liabilities and contingent assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be outflow of resources.

Disclosures for a contingent liability is made, without a provision in books, when there is an obligation that may, but probably will not, require outflow of resources.

Contingent assets are neither recognized nor disclosed in the financial statements.

**3i INFOTECH ASIA PACIFIC PTE LTD**

(Incorporated in Singapore)

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2015**

**21. Contingent liabilities (to the extent not provided for)**

The Group does not have any outstanding contingent liabilities as on date, other than those disclosed below.

Claims against the Group not acknowledged as debt as at **March 31, 2015** were **SGD 2,729,277** (March 31, 2014: SGD 3,449,381). This relates to a claim made by a customer.

**22. Commitments**

**a. Operating lease**

The Group has non-cancelable long term operating leases for various office facilities and equipment. Rent paid under operating leases for the period ended **March. 31, 2015** is **SGD 639,135** (March 31, 2014: SGD 721,790).

The future lease rental payments that the Group is committed to make are given below:

SGD		
Particulars	As at March 31, 2015	As at March 31, 2014
Not later than one year	<b>430,411</b>	312,465
Later than one year but not later than five financial years	<b>340,017</b>	544,360
More than five years	-	-
<b>Total</b>	<b>770,429</b>	856,825

**b. Finance lease**

The Group does not have any finance leases as on date.

### 23. Earnings per share

The details of numerators and denominators used to calculate Basic and Diluted earnings per share are as under:

**SGD**

		<b>For the year ended March 31, 2015</b>	For the year ended March 31, 2014	<b>For the quarter ended March 31, 2015</b>	For the quarter ended March 31,2014
Profit attributable to equity shareholders (SGD)	A	<b>3,543,569</b>	<b>437,846</b>	<b>344,481</b>	620,011
Weighted average number of equity shares outstanding during the period/year (nos.)	B	<b>5,346,202</b>	<b>5,346,202</b>	<b>5,346,202</b>	5,346,202
Add : effect of dilutive issues of options		-	-	-	-
Diluted weighted average number of equity shares outstanding during the period/year (nos.)	C	<b>5,346,202</b>	5,346,202	<b>5,346,202</b>	5,346,202
Nominal value of equity shares (SGD)		<b>1</b>	1	<b>1</b>	1
Basic earnings per share (SGD)	A/B	<b>0.66</b>	0.08	<b>0.06</b>	0.12
Diluted earnings per share (SGD)	A/C	<b>0.66</b>	<b>0.08</b>	<b>0.06</b>	<b>0.12</b>

## 24. Related party transactions

The related parties of the Group include the Holding Company, fellow subsidiaries and Key Management Personnel of the Group.

Holding Company- 3i Infotech Limited

The fellow subsidiaries of the Group are given below which includes entities with whom the Group has transactions during the year.

Sr. No.	Name of the entity
1	3i Infotech Inc.
2	Professional Access Limited (upto August 14, 2014)
3	3i Infotech (Middle East) FZ LLC
4	Black Barret Holdings Limited
5	3i Infotech Financial Software Inc.
6	3i Infotech Saudi Arabia LLC
7	3i Infotech (UK) Limited
8	3i Infotech (Western Europe) Holdings Limited
9	3i Infotech (Western Europe) Group Limited
10	3i Infotech (Western Europe) Limited
11	Rhyme Systems Limited
12	3i Infotech (Flagship – UK) Limited
13	3i Infotech Framework Limited
14	Professional Access Software Development Private Limited
15	Locuz Enterprise Solutions Limited
16	3i Infotech Consultancy Services Limited
17	3i Infotech Trusteeship Services Limited.
18	Elegon Infotech Limited.
19	3i Infotech Holdings Private Limited
20	3i Infotech BPO Limited
21	IFRS Cloud Solution Limited (formerly known as 3i Infotech Outsourcing Services Limited)
22	3i Infotech (Africa) Limited

### Key Management Personnel

The Key Management Personnel of the Group are as under.

1. Mr. Charanjit Attra, Director
2. Mr. Abhijeet Powdwal, Director



3. Mr. Jay Shankar Mukherjee, Vice President
4. Mr. Madhivanan Balakrishnan , Director
5. Mr. Padmanabhan Iyer, Director

The Group has entered into the following transactions with related parties.

**SGD**

Name of the related party/ nature of transactions	<b>For the year ended March 31, 2015</b>	For the year ended March 31, 2014	<b>For the quarter ended March 31, 2015</b>	For the quarter ended March 31, 2014
<b>3i Infotech Limited</b>				
IT solutions related expenses	<b>2,791,440</b>	3,119,808	<b>677,503</b>	771,556
Corporate charge-out	<b>1,254,853</b>	780,620	<b>979,205</b>	88,944
Reimbursement of operating expenses	<b>1,611,439</b>	682,915	<b>483,848</b>	216,302
<b>3i Infotech Inc.</b>				
Interest income	<b>353,840</b>	347,513	<b>101,791</b>	84,469
<b>3i Infotech (Middle East) FZ LLC</b>				
Interest income	<b>78,402</b>	65,357	<b>19,466</b>	19,999
<b>Key Management Personnel</b>				
Remuneration	<b>293,351</b>	442,924	<b>44,276</b>	119,500

The outstanding balances with related parties are given below.

**SGD**

<b>Particulars</b>	<b>As at March 31, 2015</b>	<b>As at March 31, 2014</b>
<b>3i Infotech Limited</b>		
Sundry creditors	<b>48,803</b>	<b>415,875</b>
<b>3i Infotech (Middle East) FZ LLC</b>		
Advance recoverable	<b>41,214</b>	<b>38,016</b>
Loan receivable	<b>1,751,785</b>	<b>1,472,531</b>
<b>3i Infotech Inc.</b>		
Loan receivable	<b>7,695,993</b>	<b>6,398,359</b>
<b>Elegon Infotech Ltd.</b>		
Advance recoverable	<b>34,345</b>	<b>31,680</b>
<b>Key Management Personnel</b>		
Remuneration Payable	<b>14,759</b>	<b>35,684</b>

**Notes:**

1. Related parties have been identified by the management and relied upon by the auditor.
2. No balances in respect of the related parties have been provided for/written back/written off except as stated above.

## 25. Foreign currency exposures

The net foreign currency exposures of the Group are given below. These exposures are not covered by any derivative instruments.

SGD

		As at March 31, 2015		As at March 31, 2014	
Details	Currency type	Amount (in foreign currency)	Amount (SGD)	Amount (In foreign currency)	Amount (SGD)
Sundry creditors	USD	35,509	48,803	356,439	415,875
Loan receivable	USD	6,874,203	9,447,778	6,578,962	8,283,760
Advance recoverable	USD	55,000	75,559	55,000	69,696

The amount of foreign exchange gain (net) recognized in the consolidated statement of Profit and Loss for the period ended **March 31, 2015** is **SGD 610,615** (March 31, 2014 - SGD 105,480)

26. During the year, to comply with the Companies Act, 2013 based on internal and external technical evaluation, management reassessed the remaining useful life of tangible fixed assets. Consequently,

In 3i Infotech Asia Pacific Pte Ltd

- (a) SGD Nil/- have been adjusted against the retain earning being the amount of depreciation/ amortization on assets, whose useful life got over before 1<sup>st</sup> April 2014.
- (b) Depreciation expenses for the year ended 31<sup>st</sup> March, 2015 would have been lower by SGD 1468/- for the assets held as at April 1, 2014 had the company continued with the previous assessed useful life.

In 3i Infotech SDN BHD

- (a) MYR Nil/- have been adjusted against the retain earning being the amount of depreciation/ amortization on assets, whose useful life got over before 1<sup>st</sup> April 2014.
- (b) Depreciation expenses for the year ended 31<sup>st</sup> March, 2015 would have been lower by MYR 10,58,826/- for the assets held as at April 1, 2014 had the company continued with the previous assessed useful life.

In 3i Infotech Thailand Ltd.

- (a) THB Nil/- have been adjusted against the retain earning being the amount of depreciation/ amortization on assets, whose useful life got over before 1<sup>st</sup> April 2014.
  - (b) Depreciation expenses for the year ended 31<sup>st</sup> March, 2015 would have been lower by THB 40,999/- for the assets held as at April 1, 2014 had the company continued with the previous assessed useful life.
27. Exceptional Items  
Charge during the year, on account of Old irrecoverable/non payable balances relating to Revenue, Accounts payable etc written off/written back (net) SGD 310,874/-
28. Figures for the previous period/year have been re-grouped / re-arranged, wherever necessary to confirm to the current year's presentation.

**Signatures on notes to consolidated financial statements from 1 to 28.**

**For and on behalf of the Board**

**Ashish Kakkar**  
**Director**  
**DIN - 06370551**

**Madhivanan Balakrishnan**  
**Director**  
**DIN - 01426902**

**Date: May 26, 2015**  
**Mumbai**