

3i INFOTECH FINANCIAL SOFTWARE INC
BALANCE SHEET AS AT MARCH 31, 2015

(USD)

Particulars	Schedule	As at Mar 31, 2015	As at Mar 31, 2014
I EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share capital	1	30,578,056	30,578,056
(b) Reserves and surplus	2	(5,963,865)	(2,818,090)
2. Current liabilities			
(a) Trade payables	3	-	-
(b) Other current liabilities	4	757,954	1,200,617
(c) Short-term provisions	5	85,612	188,896
TOTAL		25,457,757	29,149,479
II ASSETS			
1. Non-current assets			
(a) Fixed assets			
(i) Tangible assets	6	-	-
(ii) Intangible assets	7	1,390,732	3,924,589
(b) Non-current investments	8	11,173	11,173
(c) Long-term loans and advances	9	21,865,300	21,865,300
2. Current assets			
(a) Trade receivables	9	168,728	77,065
(b) Cash and cash equivalents	10	30,895	22,295
(c) Short-term loans and advances	11	1,990,929	3,249,056
TOTAL		25,457,757	29,149,479

See accompanying notes to financial statement

1 to 18

Notes referred to above form an integral part of the financial statement

As per our attached report of even date

VBC & Company
Certified Public Accountants

Charanjit Attra Ashish kakkar
Director Director

Date:
Place: New Jersey

Ram Sankar
CFO

3i INFOTECH FINANCIAL SOFTWARE INC
PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED MARCH 31, 2015

(USD)

Particulars	Schedule	For the period ended Mar 31, 2015	For the year ended Mar 31, 2014
INCOME			
Revenue from operations	12	10,261,612	8,882,078
Other income	13	847	326
Total		10,262,459	8,882,404
Expenses:			
Cost of Revenue	14	8,324,870	6,247,404
Employee benefits expense	15	1,511,623	538,840
Finance costs	16	391	494
Depreciation and amortization expense	7	2,537,657	3,620,642
Corporate Charge out		205,236	477,546
Other expenses	17	316,771	261,186
Total		12,896,547	11,146,112
Profit/(Less) before exceptional and Prior period items and tax		(2,634,088)	(2,263,708)
Prior period items (Refer Note 2.9 of the accompanying notes to the financial statements)	18	-	-
Exceptional Items (Refer Note 2.9 of the accompanying notes to the financial statements)		511,684	-
Profit before extraordinary items and tax (V - VI)		(3,145,772)	(2,263,708)
VIII. Extraordinary Items			
Profit/(Loss)before tax		(3,145,772)	(2,263,708)
Tax expense:			
Prior Period Taxes		-	-
Current tax		-	190,549
Deferred tax		-	-
Profit (Loss) for the period from continuing operations		(3,145,772)	(2,454,257)
Profit (Loss) after Tax carried over to Balance Sheet		(3,145,772)	(2,454,257)

Earnings per Share
Equity Shares, par value \$ 1 each
- Basic
- Diluted

(11.21) (8.75)
(11.21) (8.75)

See accompanying notes to the financial statements
Notes referred to above form an integral part of the financial statements

1 to 18

As per our attached report of even date

VBC & Company
Certified Public Accountants

Charanjit Attra Ashish kakkar
Director Director

Date:
Place: New Jersey

Ram Sankar
CFO

3i INFOTECH FINANCIAL SOFTWARE INC
CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2015

(USD)		
	For the period ended Mar 31, 2015	For the year ended Mar 31, 2014
A Cash Flow from Operating Activities :		
Profit before taxation and exceptional and prior period items	(3,145,772)	(2,263,708)
Adjustments for:		
Depreciation / Amortisation	2,537,657	3,620,642
Provision for doubtful debts	(12,147)	(4,017)
Operating Profit before Working Capital Changes	(620,263)	1,352,917
Adjustments for:		
Trade and Other Receivables	1,166,465	(2,192,897)
Inventories		
Trade Payables and Other Liabilities	(430,516)	485,994
Cash generated from Operations	115,686	(353,987)
Taxes Paid	(103,287)	(22,174)
Net cash from Operating Activities	12,399	(376,161)
B Cash Flow from Investing Activities :		
Purchase of Fixed Assets	(3,800)	
Net cash from Investing Activities	(3,800)	-
C Cash Flow from Financing Activities :		
Net cash from Financing Activities	-	-
Net Increase in Cash and Cash Equivalents (A+B+C)	8,599	(376,161)
Cash and Cash Equivalents as at beginning	22,295	398,456
Cash and Cash Equivalents as at end	30,894	22,295

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 " issued by the Institute of Chartered Accountants of India.

Significant Accounting Policies and Notes to Accounts

Notes referred to above form an integral part of the financial statements

As per our attached report of even date

VBC & Company
Certified Public Accountants

Charanjit Attra **Ashish kakkar**
Director **Director**

Date:
Place: New Jersey

Ram Sankar
CFO

3i INFOTECH FINANCIAL SOFTWARE INC
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

1 Share Capital

(USD)

	As at Mar 31, 2015	As at Mar 31, 2014
Authorised		
Common Stock :		
1,000,000 Common Stock of \$1 each	1,000,000	1,000,000
Optionally Convertible Preferred Stock		
30,297,575 Preferred Stock (Series A) of \$1 each	30,297,575	30,297,575
	31,297,575	31,297,575
Issued, Subscribed & Paid - up		
Common Stock :		
280,556 Common Stock of \$1 each fully Paid up (at the commencement and end of the year) (of the above 100% are held by the holding company - 3i Infotech Holdings Pvt Ltd)	280,556	280,556
Optionally Convertible Preferred Stock and paid in capital		
Preference Stock Capital 30,297,500 of \$1 each fully paid up (at the commencement and end of the year) (of the above 100% are held by the holding company - 3i Infotech Holdings Pvt Ltd)	30,297,500	30,297,500
	30,578,056	30,578,056

2 Reserves and Surplus

	As at Mar 31, 2015	As at Mar 31, 2014
a. Securities Premium Reserve		
	9,819,444	9,819,444
	9,819,444	9,819,444
b. Profit and Loss Account Surplus (including debit balance)		
Add/ (Less): Net Profit / (Loss) transferred from Profit and Loss account	(12,637,537)	(10,183,277)
	(3,145,772)	(2,454,257)
	(15,783,309)	(12,637,537)
	(5,963,865)	(2,818,093)

3i INFOTECH FINANCIAL SOFTWARE INC
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

3 Trade Payables (USD)

	As at Mar 31, 2015		As at Mar 31, 2014	
	Current	Non Current	Current	Non Current
Sundry Creditors	-			
	-	-	-	-

4 Other Liabilities

	As at Mar 31, 2015		As at Mar 31, 2014	
	Current	Non Current	Current	Non Current
Accrued Salary	70,161		13,613	
Accrued Expenses	18,751		32,049	
Related Parties	245,871		154,300	
Excess of Billing over Revenue recognised	421,442		-	
Advances received from customers	-		1,000,000	
Other Payables - Statutory payments to Government authorities	1,728		656	
	757,954	-	1,200,617	-

5 Provisions

	As at Mar 31, 2015		As at Mar 31, 2014	
	Current	Non Current	Current	Non Current
Provisions				
Provision for Tax	85,612		188,986	
	85,612	-	188,986	-

3i INFOTECH FINANCIAL SOFTWARE INC
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

6 Tangible asset (USD)

Particulars	GROSS BLOCK				AMORTIZATION				NET BLOCK	
	As at April 1, 2014	Additions during the year	Deductions during the year	As at Mar 31, 2015	Upto Mar 31, 2014	Amortization during the year	Adjustments during the year	Upto Mar 31, 2015	As at Mar 31, 2015	As at Mar 31, 2014
Computers	3,828	-		3,828	3,828	-		3,828	-	3,828
Total Assets	3,828	-	-	3,828	3,828	-	-	3,828	-	3,828

7 Intangible asset

Particulars	GROSS BLOCK				AMORTIZATION				NET BLOCK	
	As at April 1, 2014	Additions during the year	Deductions during the year	As at Mar 31, 2015	Upto Mar 31, 2014	Amortization during the year	Adjustments during the year	Upto Mar 31, 2015	As at Mar 31, 2015	As at Mar 31, 2014
Goodwill	6,937,832	-		6,937,832	4,162,699	1,387,566		5,550,266	1,387,566	2,775,133
Software Products - Others	11,165,378	3,800		11,169,178	10,015,922	1,150,090		11,166,012	3,166	1,149,456
Total Assets	18,103,210	3,800	-	18,107,010	14,178,621	2,537,657		16,716,278	1,390,732	3,924,589

3i INFOTECH FINANCIAL SOFTWARE INC
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

8 Investments

(USD)

	As at Mar 31, 2015		As at Mar 31, 2014	
	Current	Non - Current	Current	Non - Current
Investments (Valued at cost)				
Non Trade Investments -Unquoted				
Investments in Equity Instruments				
a. Subsidiary :				
49994 Equity shares of 3i Infotech Outsourcing Service Limited at Rs 10 each - Fully Paid up		11,173		11,173
Total Investments		11,173		11,173

3i INFOTECH FINANCIAL SOFTWARE INC
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

9 Trade receivables **(USD)**

	As at Mar 31, 2015		As at Mar 31, 2014	
	Current	Non Current	Current	Non Current
Receivable outstanding for a period exceeding six months				
Unsecured, Considered Doubtful	11,299		23,446	
Less: provision for bad and doubtful debts	11,299		23,446	
(A)	-	-		
Other Receivables				
(a) Unsecured, Considered good :	168,728		77,065	
Less: provision for bad and doubtful debts				
(B)	168,728	-	77,065	
(A) + (B)	168,728	-	77,065	

3i INFOTECH FINANCIAL SOFTWARE INC
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

10 Cash and cash equivalents

	As at Mar 31, 2015	As at Mar 31, 2014
Balances with banks: -in current accounts	30,895	22,295
	30,895	22,295

11 Loans and advances

	As at Mar 31,2015		As at Mar 31, 2014	
	Current	Non Current	Current	Non Current
Unsecured, considered good				
(a) Loans and advances to Related Parties	1,990,928	21,865,300	3,242,750	21,865,300
(e)Prepaid expenses	1		6,306	
	1,990,929	21,865,300	3,249,056	21,865,300

3i INFOTECH FINANCIAL SOFTWARE, INC
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

12 Revenue from Operations **(USD)**

	For the period ended Mar 31, 2015	For the year ended Mar 31, 2014
IT Servies	10,261,612	8,882,078
Total	10,261,612	8,882,078

13 Other Income

	For the period ended Mar 31, 2015	For the year ended Mar 31, 2014
Other Non-operating income (Net , positive or negative)	847	326
Total	847	326

3i INFOTECH FINANCIAL SOFTWARE, INC
SCHEDULES FORMING PART OF FINANCIAL STATEMENTS

14 Cost of Revenue (USD)

	For the period ended Mar 31, 2015	For the year ended Mar 31, 2014
Cost of third party products / outsourced services	8,324,870	6,247,404
Total	8,324,870	6,247,404

15 Employee benefit expenses

	For the period ended Mar 31, 2015	For the year ended Mar 31, 2014
Salaries and wages	1,511,435	538,840
Recruitment and training expenses	188	
Total	1,511,623	538,840

16 Finance cost

	For the period ended Mar 31, 2015	For the year ended Mar 31, 2014
Bank Charges	391	494
Total	391	494

17 Other expenses

	For the period ended Mar 31, 2015	For the year ended Mar 31, 2014
Power and fuel	5,937	6,135
Rent	58,376	60,292
Repairs to machinery	-	12,694
Insurance	64,581	-
Travelling and conveyance	16,508	2,720
Rates and taxes	5,163	-
Communication expenses	11,082	23,511
Printing and stationery	646	1,044
Legal and Professional charges	37,123	34,314
Selling and distribution expenses	14,392	12,054
Provision for doubtful debts	(12,147)	(4,017)
Miscellaneous expenses	115,109	112,439
Total	316,771	261,186

18 Exceptional items

	For the period ended Mar 31, 2015	For the year ended Mar 31, 2014
Exceptional items	511,684	-
Total	511,684	-

3i INFOTECH FINANCIAL SOFTWARE, INC.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31 2015

3i INFOTECH FINANCIAL SOFTWARE, INC.

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VBC & Company
Certified Public Accountants
A Professional Corporation
97, Cedar Grove Lane Suite 202,
Somerset, NJ 08873

REPORT OF INDEPENDENT AUDITORS

To the Board of Directors and Stakeholders of 3i Infotech Financial Software, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of 3i Infotech Financial Software, Inc., which comprise the balance sheets as of March 31, 2015, and March 31, 2014 and related statements of Profit and loss account and cash flows for the year ended March 31, 2015, and March 31, 2014 and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in India; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and 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 entity'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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by 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, the financial statements referred to above present fairly, in all material respects, the financial position of 3i Infotech Financial Software, Inc. as of March 31, 2015, and March 31, 2014 and the results of their operations and their cash flows for each of the year ended March 31, 2015, and March 31, 2014 in accordance with accounting principles generally accepted in India.

VBC & Company
Certified Public Accountants
Somerset, New Jersey

3i INFOTECH FINANCIAL SOFTWARE, INC.

SCHEDULES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

NOTE XIX. SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

Significant Accounting Policies

1.1 Method of Accounting

The financial statements are prepared under the historical cost convention, on the accrual basis of accounting and in accordance with the generally accepted accounting practices in India (GAAP).

1.2 Currency

The Company's reporting currency is the US Dollar (USD).

1.3 Use of Estimates

The preparation of financial statements in conformity with GAAP requires 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 financial statements. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates. Any revision to accounting estimates is recognized prospectively.

1.4 Current–non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realized within 12 months after the reporting date; or
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be settled in the company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within 12 months after the reporting date; or
- (d) The company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The normal operating cycle cannot be identified, hence it is assumed to have duration of 12 months

1.5 Revenue Recognition

The Company generates the majority of its revenues from Business Process Outsourcing Services and sale of software licenses and related implementation services. Revenue from software products is recognized on delivery/ installation, as per the predetermined/laid down policy or lower, as considered appropriate by the management on the basis of facts in specific cases. 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 liabilities. Changes in estimates are reflected in the period in which the changes become known. Maintenance revenues are recognized ratably over the term of the underlying maintenance agreement.

1.6 Unbilled and Unearned Revenue

Revenue recognized over and above the billings on a customer is classified as unbilled revenue while excess of billing over the revenue recognized in respect of a customer is classified as unearned revenue.

1.7 Fixed Assets

Intangible: Purchased software meant for in house consumption and Goodwill is capitalized at the acquisition price.

Acquired software/products meant for sale are capitalized at the acquisition price.

Cost in respect of Software development are charged to Profit and Loss account as and when incurred.

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

Advances given towards acquisition of fixed assets and the cost of assets not ready for use as at the balance sheet date are disclosed under capital work-in-progress.

1.8 Depreciation / Amortization

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

Project Assets / Acquired software are amortized at lower of the estimated life of the product / project and five years.

Goodwill is amortized over a period of five years.

Fixed Asset	Useful life in years
Leasehold improvements	5
Furniture, Fixtures and Equipment	10
Vehicles	5
Computers	3

1.9 Accounting for Employee Benefits

The Company has a defined contribution plan with respect to the retirement benefits provided to its employees through contribution towards 401(k) pension plan. These contributions are charged to revenue as and when incurred. Liability for leave encashment is provided on the basis of actual eligibility of the year end as well as for the interim reporting periods.

1.10 Accounting for Taxes on Income

Provision for current income tax is made on the basis of the estimated taxable income for the year in accordance with the relevant applicable law in force. 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.

1.11 Lease

Where the Company has substantially acquired all risks and rewards of ownership of the assets, leases are classified as financial lease. Such assets are capitalized at the inception of the lease, at the lower of fair value or present value of minimum lease payment and liability is created for an equivalent amount. Each lease rental paid is allocated between liability and interest cost so as to obtain constant periodic rate of interest on the outstanding liability for each year.

Where significant portion of risks and reward of ownership of assets acquired under lease are retained by lesser, leases are classified as Operating lease. Equalized Lease rentals for such leases are charged to Profit and Loss account.

1.12 Impairment of Assets

In accordance with AS 28 on 'Impairment of Assets' issued by the Institute Of Chartered Accountants of India, where there is an indication of impairment of the Company'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 whenever the carrying amount of such assets exceeds its recoverable amount. Impairment loss 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, then such loss is reversed and the asset is restated to extent of the carrying value of the asset that would have been determined (net of amortization / depreciation) had no impairment loss been recognized

1.13 Provisions, Contingent Liabilities and Contingent Assets

- I) 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.
- II) 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.
- iii) Contingent Assets are neither recognized nor disclosed in the financial statements.

1.14 Earnings per share

In determining the earnings per share, the Company considers the net profit after tax and post tax effect of any extra-ordinary/exceptional item is shown separately. The number of shares considered in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares considered for computing diluted earnings per share comprises the weighted average number of shares used for deriving the basic earnings per share and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. The number of shares and potentially dilutive equity shares are adjusted for any stock splits and bonus shares issues.

1.15 Investments

Investments are classified into long term investments and current investments. Long term investments are carried at cost and provision is made to recognize any decline, other than temporary, in the value of such investments. Current investments are carried at the lower of the cost and fair value and provision is made to recognize any decline in the carrying value

2. Notes to Accounts

2.1 Leases

2.1. a. Operating Lease

There are no operating leases as on March 31, 2015

2.1. b. Financial Lease

There are no financial leases as on March 31, 2015

2.2 Employee Benefit Plan

The Company has a defined contribution plan covering substantially all of its employees. The Company makes a discretionary 50 % matching contribution of a participant's contribution.

2.3 Earnings per Share

The earnings per share have been computed as under:

Particulars		In USD	
		As at March 31 2015	As at March 31 2014
Profit/(Loss) attributable to Equity Stockholders	A	(3,129,064)	(2,454,257)
Weighted average number of Equity Shares outstanding during the year (Nos.)	B	280,556	280,556
Diluted weighted average number of Equity Shares outstanding during the year (Nos.)	C	30,578,056	30,578,056
Nominal value of Equity Shares		1	1
Basic Earnings Per Share	A/B	(11.15)	(8.75)
Diluted Earnings Per Share	A/B	(11.15)	(8.75)

2.4 Related Party Transactions

Balances of related parties

Related Party	Nature of transaction	In USD	
		As at March 31, 2015	As at March 31, 2014
3i Infotech, Inc.	Receivable/(Payable)	23,443,728	24,408,050
3i Infotech Outsourcing Service Limited	Receivable/(Payable)	(11,173)	(11,173)
3i Infotech BPO Limited	Receivable/(Payable)	(154,885)	(58,127)
Elegon Infotech Limited	Receivable/(Payable)	(79,815)	(85,000)
3i Infotech Limited	Receivable/(Payable)	412,500	700,000

Nature of Transaction	In USD	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Corporate Charges Payable to 3i Infotech Inc.	205,235	477,546
Consultancy fees and expenses Payable to 3i Infotech Inc.	6,144,016	5,130,675
Salaries and wages Payable to 3i Infotech Inc.	1,512,265	538,840
Rent Payable to 3i Infotech Limited	184,375	-
Professional fees Payable to 3i Infotech Limited	103,125	-
Cost of outsourced resources - Elegon Infotech Limited	1,026,180	940,928
Cost of outsourced resources- 3i Infotech BPO limited	855,677	671,989

2.5 Segment Revenue

The Company's operations comprise of revenue arising from sale of factoring software and revenue arising out of the services provided pursuant to the Transaction Services Agreement entered with Transcentra Inc.

2.6 Foreign Exchange Loss

During the year ended March 31, 2015 Exchange Fluctuation loss of Nil (for the year ended March 31, 2014 is Nil has been charged to Profit & Loss Account)

2.7 Tax Return

The entity filed a consolidated tax return along with its subsidiaries. However, for accounting and presentation purposes, taxes have been provided after taking into account the provision made by its subsidiaries in their books of accounts.

2.8 Auditors' remuneration

Particulars	In USD	
	For the year ended March 31, 2015	For the Year ended Mar 31, 2014
Audit fees	15,000	15,000
Tax matters	15,000	15,000

2.9 Capital commitments and contingent liabilities

The Company does not have any material capital commitments as on the date of the Balance Sheet. The contingent liability outstanding as at the Balance Sheet date is as follows:

	In USD	
	As at March 31 , 2015	As at Mar 31, 2014
Sales tax matters for New York state pertaining to Regulus	144,033	654,659

For the year ended March 31, 2015, the above liability for the period Dec 2004 to May 2009 has been determined at \$548,537. The total amount payable to the New York State Department of Taxation and Finance was \$ 510,626/-. This has been disclosed in Schedule 18 under Exceptional items in the Financial Statements.

2.10 Current taxes and deferred tax:

Even though there are temporary timing differences deferred tax assets have not been recognized and carried forward as there is no virtual certainty that they will be realized

2.11 Quantitative Details

The Company's operations comprise only of software related services. Hence, it is not possible to give the quantitative details.

2.12 Comparative Statement

Figures for the previous year have been re-grouped wherever necessary to confirm to those for the current year.

For and on behalf of the Board

Charanjit Attra
Director

Ashish Kakkar
Director

Ram Sankar
Financial Controller

Edison, New Jersey