

PROFESSIONAL ACCESS SOFTWARE DEVELOPMENT PRIVATE LIMITED
A SUBSIDIARY OF BLACK BARRET HOLDINGS LIMITED
Balance Sheet as at March 31st, 2015
(All amounts are in Indian Rupees, unless otherwise stated)



| Particulars | Notes | As at March 31, 2015 | As at March 31, 2014 |
|----------------------------------|-------|-------------------------|-------------------------|
| I. EQUITY AND LIABILITIES | | | |
| Shareholders' funds | | | |
| Share capital | 1 | 8,600,000 | 8,600,000 |
| Reserves and surplus | 2 | 1,357,851,494 | 1,313,331,058 |
| | | 1,366,451,494 | 1,321,931,058 |
| Non-current liabilities | | | |
| Long-term provisions | 4 | - | 29,983,666 |
| | | - | 29,983,666 |
| Current liabilities | | | |
| Trade payables | 5 | - | 4,174,922 |
| Other current liabilities | 5 | 29,923,208 | 43,557,374 |
| Short-term provisions | 4 | 14,131,324 | 24,745,639 |
| | | 44,054,532 | 72,477,935 |
| Total | | 1,410,506,026 | 1,424,392,659 |
| II. ASSETS | | | |
| Non-current assets | | | |
| Fixed assets | | | |
| (i) Tangible assets | 6 | - | 32,867,469 |
| (ii) Intangible assets | 6 | - | 16,096,049 |
| | | - | 48,963,518 |
| Deferred tax assets (net) | 3 | - | 11,564,898 |
| Long-term loans and advances | 9 | 1,223,600,000 | 56,367,180 |
| Current assets | | | |
| Trade receivables | 7 | - | 1,040,664,657 |
| Cash and cash equivalents | 8 | - | 6,609,503 |
| Short-term loans and advances | 9 | 186,906,026 | 260,222,903 |
| | | 186,906,026 | 1,307,497,063 |
| Total | | 1,410,506,026 | 1,424,392,659 |

The notes referred to above form an integral part of these financial statements.
As per attached report of even date

Lodha & Co.
Chartered Accountants

For and on behalf of the Board

R. P. Baradiya
Partner

Padmanabhan Iyer
Director
(DIN:- 05282942)

Ashish Kakkar
Director
(DIN:- 06370551)

Place: Navi Mumbai
Date: May 26, 2015

PROFESSIONAL ACCESS SOFTWARE DEVELOPMENT PRIVATE LIMITED
A SUBSIDIARY OF BLACK BARRET HOLDINGS LIMITED
Statement of Profit and Loss for the year ended March 31st, 2015
(All amounts are in Indian Rupees, unless otherwise stated)



| Particulars | Notes | For year ended March 31, 2015 | For year ended March 31, 2014 |
|--|-------|----------------------------------|----------------------------------|
| I. Revenue from operations | | | |
| Sale of Services | 10 | 288,520,529 | 997,135,287 |
| Other income | 11 | 15,196,393 | 81,465,606 |
| Total Revenue | | 303,716,922 | 1,078,600,893 |
| II. Expenses | | | |
| Employee benefit expense | 12 | 229,139,494 | 587,377,109 |
| Depreciation and amortization expense | 6 | 6,712,463 | 30,659,211 |
| Other expenses | 13 | 68,104,860 | 189,125,304 |
| Total expenses | | 303,956,817 | 807,161,624 |
| Profit/(Loss) before tax and exceptional items | | (239,895) | 271,439,269 |
| Exceptional items (Refer Note No. 16) | 14 | 84,600,772 | |
| Profit/(Loss) before tax | | 84,360,877 | 271,439,269 |
| Tax expense | | | |
| Current tax | | 24,560,000 | 79,482,880 |
| Deferred tax | | 11,564,898 | (2,101,155) |
| Earlier year excess tax provision reversed | | - | (25,559) |
| Earlier year excess MAT Credit Entitlement reversed | | 2,727,218 | (975,277) |
| Profit for the year carried over to Balance Sheet | | 45,508,762 | 195,058,380 |
| Earnings per equity share: (Refer note no. 8) | | | |
| Basic | | 52.92 | 226.81 |
| Diluted | | 52.92 | 226.81 |

*The notes referred to above form an integral part of these financial statements.
As per attached report of even date*

Lodha & Co.
Chartered Accountants

For and on behalf of the Board

R. P. Baradiya
Partner

Padmanabhan Iyer
Director
(DIN:- 05282942)

Ashish Kakkar
Director
(DIN:- 06370551)

Place: Navi Mumbai
Date: May 26, 2015

PROFESSIONAL ACCESS SOFTWARE DEVELOPMENT PRIVATE LIMITED
A SUBSIDIARY OF BLACK BARRET HOLDINGS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015.
(All amounts are in Indian Rupees, unless otherwise stated)



| Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|--|--------------------------------------|--------------------------------------|
| A Cash Flow from Operating Activities : | | |
| Net Profit before taxation | 84,360,877 | 271,439,269 |
| <i>Adjustments for:</i> | | |
| Depreciation & Amortization: | | - |
| Depreciation | 6,712,463 | 30,659,211 |
| Foreign Exchange loss / (gain) | (14,892,244) | (74,115,942) |
| Loss/(Profit) on sale / Discarding of Assets | 95,549 | - |
| Interest received | (291,820) | (7,349,664) |
| Profit on sale of business undertaking | (84,600,772) | - |
| Operating Profit before Working Capital Changes | (8,615,946) | 220,632,874 |
| <i>Adjustments for:</i> | | |
| Trade and Other Receivables (CA) | 87,408,910 | (139,740,623) |
| Trade Payables and Other Liabilities (CL) | (58,407,070) | 10,903,014 |
| Cash generated from Operations | 20,385,894 | 91,795,265 |
| Income Taxes Paid | 27,287,218 | 79,482,880 |
| Net cash from Operating Activities - A | (6,901,323) | 12,312,385 |
| B Cash Flow from Investing Activities : | | |
| Purchase of fixed assets (Including Capital-Work-in-Progress) | - | (30,339,636) |
| Sales proceeds received on sale of business undertaking - Net | 1,223,600,000 | - |
| Loans & Advances given to 3i Infotech Ltd | (1,223,600,000) | |
| Interest received | 291,820 | 7,349,664 |
| Net cash used in Investing Activities - B | 291,820 | (22,989,972) |
| C Cash Flow from Financing Activities : | | |
| Net Cash from Financing Activities - C | - | - |
| Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C) | (6,609,503) | (10,677,587) |
| Cash and Cash Equivalents as at beginning | 6,609,503 | 17,287,089 |
| Cash and Cash Equivalents as at end | - | 6,609,503 |

- 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 Previous period/year figures have been regrouped / rearranged wherever necessary to confirm to the current period/quarter presentation

Significant Accounting Policies and accompanying Notes on Financial Statements

15

As per our attached report of even date

Lodha & Co.
Chartered Accountants

For and on behalf of the Board

R. P. Baradiya
Partner

Padmanabhan Iyer
Director
(DIN:- 05282942)

Ashish Kakkar
Director
(DIN:- 06370551)

Place: Navi Mumbai
Date: May 26, 2015

PROFESSIONAL ACCESS SOFTWARE DEVELOPMENT PVT LTD
A SUBSIDIARY OF BLACK BARRET HOLDINGS LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015



(All amounts are in Indian Rupees, unless otherwise stated)

Note 1. Share Capital

| | As at 31-03-2015 | As at 31-03-2014 |
|---|---------------------|---------------------|
| Authorised | | |
| 15,00,000 Equity shares of Rs. 10 each (as at Mar 31, 2014 - 15,00,000 of Rs. 10 each) | 15,000,000 | 15,000,000 |
| | <u>15,000,000</u> | <u>15,000,000</u> |
| Issued, Subscribed & Paid - up Equity shares of Rs. 10 each 860000 Equity shares of Rs. 10 each (as at Mar 31, 2014 - 860000 Equity Shares of Rs. 10 each) | 8,600,000 | 8,600,000 |
| Total | <u>8,600,000</u> | <u>8,600,000</u> |

a. Terms/rights attached to equity shares

The company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in indian rupees. The dividend proposed by the Board of directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

b. Details of Member holding more than 5 percent shares

Name of the Shareholder
Black Barret Holdings Ltd, Cyprus

| Mar 31, 2015 | | Mar 31, 2014 | |
|---------------|-----|---------------|-----|
| No. of Shares | % | No. of Shares | % |
| 860,000 | 100 | 860,000 | 100 |
| 860,000 | | 860,000 | |

c. Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceeding the reporting date - NIL



(All amounts are in Indian Rupees, unless otherwise stated)

Note 2. Reserves and Surplus

a. General Reserve

Balance as per last Balance Sheet

| As at 31-03-2015 | As at 31-03-2014 |
|---------------------|---------------------|
| 1,400,000 | 1,400,000 |

b. Statement of Profit and Loss

Balance as per last Balance Sheet

Add : Balance of Profit carried forward from Statement of Profit and Loss

Less : Depreciation Reserve adjustment as required under Schedule II of Companies Act, 2013 (Transitional depreciation) (Refer note no. 6)

| | |
|----------------------|----------------------|
| - | - |
| 1,311,931,058 | 1,116,872,678 |
| 45,508,762 | 195,058,380 |
| (988,326) | - |
| 1,356,451,494 | 1,311,931,058 |
| 1,357,851,494 | 1,313,331,058 |

Total of Reserves and Surplus

Note 3. Deferred Tax (Asset) / Liability

Deferred Tax Asset:

Expenses allowable on payment and others

| As at 31-03-2015 | As at 31-03-2014 |
|---------------------|---------------------|
| - | (8,957,495) |

Deferred Tax Assets:

Fixed Assets (Depreciation / Amortization)

| | |
|---|-------------|
| - | (2,607,403) |
|---|-------------|

Net Deferred Tax Liability / (Asset)

| | |
|---|---------------------|
| - | (11,564,898) |
|---|---------------------|

Note 4. Provisions

| As at Mar 31, 2015 | As at Mar 31, 2014 | |
|--------------------|--------------------|-----------|
| Short Term | Short Term | Long Term |

Provision for Employee benefits

- Gratuity

- Leave Entitlement

| | | |
|---|-----------|------------|
| - | 562,758 | 22,763,288 |
| - | 2,840,408 | 7,220,378 |

Provision -Others

- Provision for tax (net of Advance Tax)

- Provision for Expenses (Outstanding Expenses)

- Provision for Deferred Rent

| | | |
|------------|------------|---|
| - | 925,124 | - |
| 14,131,324 | 19,232,923 | - |
| - | 1,184,426 | - |

Total of Provisions

| | | |
|-------------------|-------------------|-------------------|
| 14,131,324 | 24,745,639 | 29,983,666 |
|-------------------|-------------------|-------------------|



(All amounts are in Indian Rupees, unless otherwise stated)

| Note 5. Other Liabilities | As at Mar 31, 2015 | As at Mar 31, 2014 |
|--|--------------------|--------------------|
| | Current | Current |
| Trade Payables (Sundry Creditors) | | |
| Due to creditors other than MSME creditors | - | 4,174,922 |
| Total Trade Payables | - | 4,174,922 |
| Other Liabilities | | |
| Payable to ultimate Holding company | 29,579,794 | 29,579,794 |
| Non - Trade Payables (Includes share application money, other payables) | 320,164 | 3,203,105 |
| | 29,899,958 | 32,782,899 |
| Duties and Taxes | 23,250 | |
| Other Payables - Statutory payments to Government authorities | | 10,774,475 |
| Total of Other Liabilities | 29,923,208 | 43,557,374 |

| Note 7. Trade receivables | As at Mar 31, 2015 | As at Mar 31, 2014 |
|--|--------------------|----------------------|
| | Current | Current |
| Unsecured considered good; | | |
| Receivables outstanding for less than six months | - | 606,528,518 |
| - Other receivables | - | 434,136,139 |
| | - | 1,040,664,657 |
| Total of Trade Receivables | - | 1,040,664,657 |

PROFESSIONAL ACCESS SOFTWARE DEVELOPMENT PVT LTD
A SUBSIDIARY OF BLACK BARRET HOLDINGS LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015



(All amounts are in Indian Rupees, unless otherwise stated)

Note 8. Cash and cash equivalents

| | As at 31-03-2015 | As at 31-03-2014 |
|---|---------------------|---------------------|
| Cash on hand | - | 22,270 |
| Bank Balances | | |
| in current accounts | - | 6,305,338 |
| in deposit accounts | - | 281,895 |
| Total of Cash and Cash Equivalents | - | 6,609,503 |

Note 9. Loans and advances

Secured, considered good

- (a) Security Deposits (Considered Good)
(b) Loans and advances to related parties (giving details thereof)

| As at Mar 31, 2015 | | As at Mar 31, 2014 | |
|--------------------|----------------------|--------------------|-------------|
| Current | Non Current | Current | Non Current |
| - | - | 25,000 | - |
| 99,453,545 | 1,223,600,000 | 27,697,573 | - |
| - | - | - | - |
| 99,453,545 | 1,223,600,000 | 27,722,573 | - |

Unsecured, considered good

- (a) Security Deposits
- Deposits (Lease rent, Telephone, Electricity, etc.)

| | | | |
|---|---|------------|------------|
| - | - | 320,000 | 56,367,180 |
| - | - | - | - |
| - | - | 90,105,274 | - |
| - | - | 276,000 | - |

- (b) Loans and advances to Related Parties (giving details thereof)
Loans to Staff

- (c) Other loans and advances (specify nature)

- Prepaid expenses
MAT credit receivable
Balance with Central, Customs and Excise Authorities
Other advances recoverable in cash or in kind or for value to be received

| | | | |
|--------------------|----------------------|--------------------|-------------------|
| - | - | 6,606,929 | - |
| 87,392,481 | - | 91,279,558 | - |
| - | - | 38,591,421 | - |
| 60,000 | - | 5,321,148 | - |
| 87,452,481 | - | 232,500,330 | 56,367,180 |
| 186,906,026 | 1,223,600,000 | 260,222,903 | 56,367,180 |

Total of Loans and Advances

PROFESSIONAL ACCESS SOFTWARE DEVELOPMENT PVT LTD
A SUBSIDIARY OF BLACK BARRET HOLDINGS LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015

(All amounts are in Indian Rupees, unless otherwise stated)



| Note 10. Revenue from Operations | For year ended March 31, 2015 | For year ended March 31, 2014 |
|---|--|--|
| Sale of Services | 288,520,529 | 997,135,287 |
| Total | 288,520,529 | 997,135,287 |

| Note 11. Other Income | For year ended March 31, 2015 | For year ended March 31, 2014 |
|--|--|--|
| Interest income | | - |
| - From Bank Deposits | 12,329 | 408,660 |
| - On Loans and Advances | - | 6,941,004 |
| - Interest on Income tax refund | 291,820 | |
| Net gain on Foreign Exchange translation | 14,892,244 | 74,115,942 |
| Total | 15,196,393 | 81,465,606 |

| Note 12. Employee benefit expenses | For year ended March 31, 2015 | For year ended March 31, 2014 |
|---|--|--|
| Salaries and wages | 195,188,565 | 499,339,475 |
| Contribution to provident funds and other funds | 2,720,297 | 6,559,022 |
| Contribution to gratuity funds | 4,223,870 | 3,277,575 |
| Recruitment and training expenses | 608,320 | 5,050,564 |
| Staff welfare expenses | 6,589,970 | 21,737,211 |
| Cost of third party products / outsourced services (Refer note no. 8) | 19,808,472 | 51,413,262 |
| Total | 229,139,494 | 587,377,109 |

| Note 13. Other expenses | For year ended March 31, 2015 | For year ended March 31, 2014 |
|---|--|--|
| Payments to Auditors : | | |
| Audit fees | 153,788 | 659,430 |
| Service Tax | 7,416 | |
| Power and fuel | 5,623,307 | 13,911,978 |
| Rent | 31,069,819 | 85,506,087 |
| Repairs & Maintenance : | | |
| a. Buildings | 4,666,193 | 11,216,311 |
| b. Vehicles | 166,043 | 1,056,292 |
| c. Others | 4,824,875 | 10,942,130 |
| Insurance | 86,855 | 189,939 |
| Travelling and conveyance | 12,402,938 | 37,131,550 |
| Communication expenses | 2,698,876 | 7,938,879 |
| Legal and Professional Charges | 1,836,867 | 11,992,149 |
| Loss on sale/discarding of Fixed Assets (net) | 95,549 | - |
| Printing and stationery | 198,872 | 329,020 |
| Selling and distribution expenses | 373,528 | 498,809 |
| Miscellaneous expenses | 3,899,934 | 7,752,730 |
| Total | 68,104,860 | 189,125,304 |

| Note 14. Exceptional items | For year ended March 31, 2015 | For year ended March 31, 2014 |
|-----------------------------------|--|--|
| Profit and sale of undertaking | 84,600,772 | - |
| Total | 84,600,772 | - |



(All amounts are in Indian Rupees, unless otherwise stated)

Note 6.Fixed Assets

As on March 31, 2015

| Particulars | GROSS BLOCK | | | | DEPRECIATION / AMORTIZATION | | | | NET BLOCK |
|--------------------------------------|--------------------|---------------------------|-----------------------------|------------------|-----------------------------|---------------------------|-----------------------------|------------------|------------------|
| | As at 01-04-2014 | Additions during the year | Ded / (Adj) during the year | As at 31-03-2015 | As at 01-04-2014 | Depreciation for the year | Ded / (Adj) during the year | As at 31-03-2015 | As at 31-03-2015 |
| Tangible assets | | | | | | | | | |
| Leasehold Improvements | 24,182,639 | 382,099 | 24,564,738 | - | 16,664,751 | 1,053,960 | -17,718,711 | - | - |
| Furniture & Fixtures | 3,998,233 | - | 3,998,233 | - | 2,648,720 | 141,991 | -2,790,711 | - | - |
| Vehicles | 4,852,404 | - | 4,852,404 | - | 1,869,680 | 291,441 | -2,161,121 | - | - |
| Office Equipment | 21,483,446 | 2,284,125 | 23,767,571 | - | 9,647,116 | 1,384,261 | -11,031,377 | - | - |
| Computers | 42,686,373 | 2,430,817 | 45,117,190 | - | 33,505,359 | 1,700,377 | -35,205,736 | - | - |
| Total Tangible Assets | 97,203,095 | 5,097,041 | 102,300,136 | - | 64,335,626 | 4,572,030 | -68,907,656 | - | - |
| Intangible assets | | | | | | | | | |
| Software | 127,361,670 | 698,628 | 128,060,298 | - | 111,265,621 | 2,140,433 | -113,406,054 | - | - |
| Total Intangible Assets | 127,361,670 | 698,628 | 128,060,298 | - | 111,265,621 | 2,140,433 | -113,406,054 | - | - |
| Total Tangible and Intangible | 224,564,765 | 5,795,669 | 230,360,434 | - | 175,601,247 | 6,712,463 | -182,313,710 | - | - |

The Company hitherto was charging depreciation using the rates as per management's best estimate of the useful lives of the assets under Straight Line basis. In line with the rates prescribed under Part C of Schedule II to the Companies Act, 2013, the Company had aligned the value of assets and the differential value of the assets of Rs 988,326/- as at the start of the financial year (April 1, 2014) was identified and adjusted against the Reserves & Surplus.

As on March 31, 2014

| Particulars | GROSS BLOCK | | | | DEPRECIATION / AMORTIZATION | | | | NET BLOCK |
|-------------------------------|------------------|-----------------------------|-------------------------------|------------------|-----------------------------|-----------------------------|-------------------------------|------------------|------------------|
| | As at 01-04-2013 | Additions during the period | Ded / (Adj) during the period | As at 31-03-2014 | As at 01-04-2013 | Depreciation for the period | Ded / (Adj) during the period | As at 31-03-2014 | As at 31-03-2014 |
| Tangible assets | | | | | | | | | |
| Leasehold Improvements | 15,716,704 | 8,465,935 | - | 24,182,639 | 9,105,430 | 7,559,321 | - | 16,664,751 | 7,517,888 |
| Furniture & Fixtures | 3,992,233 | 6,000 | - | 3,998,233 | 2,256,780 | 391,940 | - | 2,648,720 | 1,349,513 |
| Vehicles | 4,852,404 | - | - | 4,852,404 | 1,408,700 | 460,980 | - | 1,869,680 | 2,982,724 |
| Office Equipment | 14,851,409 | 6,632,037 | - | 21,483,446 | 7,426,399 | 2,220,717 | - | 9,647,116 | 11,836,330 |
| Computers | 39,124,823 | 3,561,550 | - | 42,686,373 | 29,997,787 | 3,507,572 | - | 33,505,359 | 9,181,014 |
| Total Tangible Assets | 78,537,573 | 18,665,522 | - | 97,203,095 | 50,195,096 | 14,140,530 | - | 64,335,626 | 32,867,469 |
| Intangible assets | | | | | | | | | |
| Software | 114,398,312 | 12,963,358 | - | 127,361,670 | 94,746,941 | 16,518,680 | | 111,265,621 | 16,096,049 |
| Total Intangible Assets | 114,398,312 | 12,963,358 | - | 127,361,670 | 94,746,941 | 16,518,680 | - | 111,265,621 | 16,096,049 |
| Total Tangible and Intangible | 192,935,885 | 31,628,880 | - | 224,564,765 | 144,942,037 | 30,659,210 | - | 175,601,247 | 48,963,518 |



Notes forming part of the financial statement for the year ended 31st March, 2015
(All amounts are in Indian Rupees, unless otherwise stated)

Note 15: Significant Accounting Policies and Notes to Accounts

1. Corporate Information

Professional Access Software Development Private Limited ("PAL" or the "Company") was incorporated on April 19, 2002 as a Private Limited Company under the Companies Act, 2013. The Company is engaged in the business of development and export of Computer Software for customers located outside India. The Company has delivery centers at Bangalore, Mumbai and Noida.

2. Basis of preparation

The financial statements are prepared in accordance with Generally Accepted Accounting Principles in India ("Indian GAAP") under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards prescribed by the Companies Act, 2013. 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 accounting policy hitherto in use.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

3. Summary of Significant Accounting Policies

a. Use of estimates

The preparation of financial statements in conformity with Indian 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 disclosures of an item or information in the financial statements are made relying on these estimates. Any revision to accounting estimates is recognized prospectively.

b. Fixed Assets

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

Intangible: Purchased software meant for in-house consumption, Goodwill and Business & Commercial Rights are capitalized at the acquisition price.

Acquired software / products meant for sale are capitalized at the acquisition price. Costs in respect of Software development are charged to Statement of Profit & Loss as and when incurred.

c. Investments

Trade investments are the investments made to enhance the Company'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 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.



d. Depreciation / Amortization

Depreciation on Tangible assets is calculated using the Straight Line basis in the manner specified in Schedule II to the Companies Act, 2013, at the life prescribed in Part C there in or at the rates based on management's estimate of the useful lives of such assets, whichever is higher, as follows:

| Asset Description | Life in years |
|--|---|
| a. Tangible Assets | |
| Leasehold improvements | Over the lower of estimated useful lives of the assets or the primary period of the lease |
| Computers | 3 |
| Furniture and Fixtures | 7 |
| Office Equipments | 5 |
| Vehicles | 8 |
| Servers and Networking Equipments | 5 |
| b. Intangible Assets | |
| Software Products (indigenously developed) | Amortized over its useful life |
| Computer Software | 40 |

Intangible Assets are amortized as required under AS-26 on Intangible Assets.

e. Revenue Recognition

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

Income from Services:

Revenue from software services is recognized on delivery / installation, as per the predetermined / laid down policy across all geographies or lower, as considered appropriate by the management on the basis of facts in specific cases. Maintenance revenue in respect of services 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 agreements. 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 transaction services and other service contracts is recognized based on transactions processed or manpower deployed.

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.

Interest:

Interest income is recognized on a time proportionate basis taking into account the amount outstanding and the rate applicable.



f. 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 Income Tax Act, 1961.

MAT credit asset is recognized and carried forward only if there is a reasonable certainty of it being set off against regular tax payable within the stipulated statutory period.

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.

g. Translation of Foreign Currency Items

Transactions in foreign currency are recorded at the rate of exchange in force on the date of the transactions.

Current assets, current liabilities and borrowings denominated in foreign currency are translated at the exchange rate prevalent at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value is determined.

All exchange differences arising on settlement / conversion of foreign currency transactions are included in the Statement of Profit and Loss.

h. Retirement and other employee benefits

i) Provident fund

Eligible employees receive benefits from a provident fund, which is a defined contribution plan. Aggregate contribution along with interest thereon is paid at retirement, death, incapacitation or termination of employment. Both the employee and the Company make monthly contribution to the Regional Provident Fund Commissioner equal to a specified percentage of the covered employee's salary. Company also contributes to a government administered pension fund on behalf of its employees. The Company has no obligation, other than the contribution payable to the provident fund.

ii) Gratuity

Gratuity liability under the Payment of Gratuity Act, 1972 is a defined obligation. Liability for Gratuity is provided for on accrual basis based on actuarial valuation done by an independent actuary as at Balance Sheet date. The actuarial valuation is carried out using the projected unit credit method. Actuarial gains / losses are charged to revenue in the period / year these arise.

iii) Leave Encashment

Liability for leave salary payable to employee is provided for on accrual basis based on actuarial valuation done by an independent actuary as at Balance Sheet date. The actuarial valuation is carried out using the projected unit credit method. Actuarial gains / losses are charged to revenue in the period / year these arise.



Notes forming part of the financial statement for the year ended 31st March, 2015

(All amounts are in Indian Rupees, unless otherwise stated)

i. 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. Provisions are not discounted to their present value and are determined based on the best estimate required to settle an obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.
- (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 statement.
- (iv) The Company's pending litigations comprise of claims against the Company and proceedings pending with Tax and other Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not reasonably expect the outcome of these proceedings to have a material impact on its financial statements.

j. Borrowing Costs

Borrowing costs directly attributable to acquisition, construction and production of qualifying assets are capitalized as a part of the cost of such asset up to the date of completion. Other borrowing costs are charged to the Statement of Profit & Loss.

k. Impairment of Assets

In accordance with AS 28 on 'Impairment of Assets', 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 realizable whenever the carrying amount of such assets exceeds its recoverable amount. Impairment loss is recognized in the Statement of Profit & Loss. 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.

l. 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 lessor, leases are classified as Operating lease. Equalized lease rentals for such leases are charged to Statement of Profit & Loss.

m. 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



Notes forming part of the financial statement for the year ended 31st March, 2015

(All amounts are in Indian Rupees, unless otherwise stated)

in computing basic earnings per share is the weighted average number of shares outstanding during the year.

The number of shares used in computing the diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of shares, if any, which would have been issued on the conversion of all dilutive potential equity shares.

4. Contingent liabilities and commitments

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|--|-----------------------------|-----------------------------|
| Contingent Liabilities not provided for in respect of | | |
| Outstanding guarantees given by banks | Nil | 2,00,000 |

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|--|-----------------------------|-----------------------------|
| Capital Commitments | | |
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) | Nil | 7,44,039 |

5. Leases

a) Operating Lease

The Lease arrangements in respect of properties are renewable / cancelable at the Company's and / or lessors' option as mutually agreed. The future lease rental payments that the Company is committed to make are:

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|---|-----------------------------|-----------------------------|
| - within one year | Nil | 7,60,18,045 |
| - later than one year and not later than five years | Nil | 29,44,91,014 |
| - later than five years | Nil | 4,33,86,049 |

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|---|-----------------------------|-----------------------------|
| Lease payments recognized in the Statement of Profit and Loss | Nil | 8,43,21,661 |
| Contingent rents recognized as expense during the year | Nil | 11,84,426 |



Notes forming part of the financial statement for the year ended 31st March, 2015
(All amounts are in Indian Rupees, unless otherwise stated)

b) Financial Lease

There were no financial leases entered into by the Company.

6. Auditors' Remuneration

| Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|-----------------------------------|--|--|
| Audit Fees – Statutory Audit | 161,204 | 3,00,000 |
| Tax Audit Fees | Nil | 1,01,509 |
| Other Services | Nil | 24,750 |
| Other Tax Matters | Nil | 2,00,000 |
| Reimbursement of Expenses | Nil | 33,171 |
| Total (Net of Service Tax) | 161,204 | 6,59,430 |

7. Cost of third party products / outsourced services includes

| Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|--|--|--|
| Purchases – Hardware / Software (including hire charges) | 56,45,834 | 1,73,49,884 |
| Professional fees | 1,22,47,229 | 2,92,69,259 |
| Leased Line Expenses | 19,15,409 | 47,94,119 |
| Total | 1,98,08,472 | 5,14,13,262 |

8. Earnings per Share

The earnings per share have been computed in accordance with the 'Accounting Standard 20 – Earnings Per Share'.

The numerators and denominators used to calculate Basic and Diluted Earnings Per Share:

| Particulars | | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|---|-----|--|--|
| Profit / (Loss) attributable to Equity Shareholders (In Rupees) | A | 4,55,08,762 | 19,50,58,380 |
| Weighted average number of Equity Shares outstanding during the year (Nos.) | B | 8,60,000 | 8,60,000 |
| Diluted weighted average number of Equity Shares outstanding during the year (Nos.) | C | 8,60,000 | 8,60,000 |
| Nominal value of Equity Shares (In Rupees) | | 10 | 10 |
| Basic Earnings Per Share (In Rupees) | A/B | 52.92 | 226.81 |
| Diluted Earnings Per Share (In Rupees) | A/C | 52.92 | 226.81 |



Notes forming part of the financial statement for the year ended 31st March, 2015
(All amounts are in Indian Rupees, unless otherwise stated)

9. Related Party Transactions

1) Related parties with whom the company had transactions:

| No. | Related Parties | Relationship |
|-----|-----------------------------------|--------------------------|
| 1 | 3i Infotech Limited | Ultimate Holding Company |
| 2 | Black Barret Holdings Limited | Holding Company |
| 3 | Professional Access Ltd, New York | Associate |
| 4 | Mr. Babu Venkatesh | Key Management Personnel |
| 5 | Mr. Padmanabhan Iyer | Key Management Personnel |
| 6 | Mr. Ashish Kakkar | Key Management Personnel |

2) Transactions with related parties enter in the Ordinary course of Business:

| Nature of transactions | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|---|-----------------------------------|-----------------------------------|
| Ultimate Holding Company - 3i Infotech Limited | | |
| Interest Income | 1,02,136,761 | 69,41,004 |
| Balances written off | 1,02,136,761 | Nil |
| Associate- Professional Access Limited | | |
| Income | 28,85,20,529 | 99,71,35,287 |
| Reimbursement (Net Balance) | 38,85,265 | 2,88,43,900 |

3) Balances with related parties:

| Nature of transactions | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|---|-----------------------------------|-----------------------------------|
| Ultimate Holding Company - 3i Infotech Ltd | | |
| Loans And Advances | 44,43,014 | 44,03,752 |
| Payable | 2,95,79,794 | 2,95,79,794 |
| Other Advances | 1,31,86,10,531 | 8,57,01,522 |
| Associate- Professional Access Limited | | |
| Trade Receivable | Nil | 1,04,06,64,657 |
| Other Advances | Nil | 2,76,97,573 |

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



Notes forming part of the financial statement for the year ended 31st March, 2015
(All amounts are in Indian Rupees, unless otherwise stated)

10. Realisable value of Current Assets, Loans and advances

In the opinion of the Board, the investments, current assets, loans and advances are realizable at a value, which is at least equal to the amount at which these are stated, in the ordinary course of business and provision for all known and determined liabilities are adequate and not in excess of the amount stated.

Loans and Advances as referred in Note 9(d) includes Service Tax Recoverable to the extent **Rs. 4,16,83,114** for the period from 1st April'12 to 30th June'14, which has been taken over by Zensar Technologies Inc. In line with the Service Tax Rules the Company has preferred a claim of **Rs. 3,04,95,768** for the year ended 31st March 2014. The Service Tax refund for the quarters ended March'2014 and June'2014 are yet to be made.

Based on the legal opinion obtained from the Consultants, the Company is of the view that the claim is legitimate and there is certainty of receiving the refund.

11. Details of dues to micro and small enterprises as defined under MSMED Act, 2006

There is no overdue amount to Micro, Small and Medium Enterprises as defined under The Micro, Small and Medium Enterprises Development Act, 2006. Further, the Company has not paid any interest to any Micro, Small and Medium Enterprises during the current and previous year.

12. Value of Imports calculated on CIF basis

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|---------------|----------------------|----------------------|
| Capital goods | Nil | 45,47,150 |

13. Earnings in foreign currency (accrual basis)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|---------------------|----------------------|----------------------|
| Service Income | 28,85,20,529 | 99,71,35,287 |
| Reimbursement (Net) | 38,85,265 | 2,76,97,573 |

14. Expenditure in foreign currency (accrual basis)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|---------------------------|----------------------|----------------------|
| Travel Expenses | 1,02,60,068 | 3,22,99,338 |
| Membership & Subscription | Nil | 1,74,559 |
| Import of Capital goods | Nil | 52,11,406 |

15. Foreign exchange currency exposures –

The details of foreign currency balances which are not hedged as at the balance sheet date are as below:

| Particulars | Foreign Currency | As at | | As at | |
|-------------|------------------|------------------------------|-----------------------|------------------------------|-----------------------|
| | | March 31, 2015 | | March 31, 2014 | |
| | | Amount in (Foreign currency) | Amount in (In Rupees) | Amount in (Foreign currency) | Amount in (In Rupees) |
| Receivables | USD | Nil | Nil | 1,77,76,469 | 1,06,83,62,23 |



Notes forming part of the financial statement for the year ended 31st March, 2015
(All amounts are in Indian Rupees, unless otherwise stated)

16. On 14th August 2014, Professional Access Software Development Private Limited ("seller") entered into a Business Undertaking Transfer Agreement with Zensar Technologies Limited ("buyer") to transfer all the Assets and Liabilities of the seller. The total amount of sale consideration is ₹ 122.36 Crs for the transfer of the business undertaking. The Total Amount of Net Assets transferred is ₹ 110.50 Crs, resulting to a gain of ₹ 11.86 Crs, which is disclosed under Exceptional Items. Further a sum of ₹ 3.40 Crs has been paid as professional fees to Avendus Capital Private Limited with regard to the above Transfer, which is also disclosed under the Exceptional Items. The total amount disclosed under Exceptional Items is ₹ 8.46 Crs as gain on Transfer of Business Undertaking.
17. Figures for the previous year have been re-grouped / re-arranged, wherever considered necessary to conform to current year's presentation.

For and on behalf of the Board

Padmanabhan Iyer
Director
DIN:- 05282942

Ashish Kakkar
Director
DIN:- 06370551

Place: Navi Mumbai
Date: 26th May, 2015