

**INDEPENDENT AUDITORS' REPORT**

**To the Board of Directors of  
Black Barret Holdings Limited**

**Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of Black Barret Holdings Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Standalone Financial Statements**

Management is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error

**Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company



has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 qualified audit opinion on the standalone financial statements.

### **Basis of Qualified Opinion**

The accumulated losses of the Company have far exceeded the net worth of the Company therefore, we are unable to express an opinion whether the financial statements can be prepared on a going concern basis. The resultant adjustments to the assets and liabilities are also presently not ascertainable. The management expects continuous financial support from the holding Company and hence the financial statements have been prepared on a going concern basis.

### **Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us *subject to what is stated in para "Basis of Qualified Opinion above*, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2016 and its profit and cash flows for the year ended on that date.

### **OTHER MATTERS**

- (a) In our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company does not have any pending litigations which would impact its financial position and
  - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (b) The audit report has been prepared for the purpose of enabling Ultimate Parent Company's financial reporting requirement under the Act. We disclaim any responsibility for reliance on this report by any person other than the Board of Directors of 3i Infotech Limited (Ultimate Parent Company) or for purposes other than that which it is meant for.

Place: Mumbai  
Date: August 10, 2016



For LODHA & COMPANY  
Chartered Accountants  
Firm Registration No. 301051E

  
R.P. Baradiya  
Partner  
Membership No. 44101

Black Barret Holdings Limited Balance Sheet as at March 31, 2016				USD
Particulars	Note No.	As at March 31, 2016	As at March 31, 2015	
<b>EQUITY AND LIABILITIES</b>				
<b>Shareholders' funds</b>				
Share capital	2.1	2,176	2,176	
Reserves and surplus	2.2	(93,330)	(137,582)	
<b>Current liabilities</b>				
Trade payables	2.3	97,495	126,593	
Other current liabilities	2.4	1	8,913	
<b>TOTAL</b>		<b>6,342</b>	<b>100</b>	
<b>ASSETS</b>				
<b>Non-current assets</b>				
Non-current investments	2.5	100	100	
<b>Current assets</b>				
Short terms loans and advances	2.6	4,200	-	
Cash and bank balances	2.7	2,042	-	
<b>TOTAL</b>		<b>6,342</b>	<b>100</b>	

See accompanying notes to financial statements

1 to 3

Significant accounting policies and notes form an integral part of the 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*

R.P. Baradiya

Partner

Membership No. 44101

*Padmanabhan Iyer*

Padmanabhan Iyer

Authorised signatory

Date: August 10, 2016

Place: Mumbai





**Black Barret Holdings Limited**  
**Statement of Profit and Loss for the Year ended March 31, 2016**

USD			
Particulars	Note No.	For the Year ended March 31, 2016	For the year ended March 31, 2015
<b>Income</b>			
Other income			
<b>Total</b>	<u>2.8</u>	513	372
		513	372
Finance cost	<u>2.9</u>	592	371
Other expenses	<u>2.10</u>	7,972	19,199
<b>Total</b>		8,564	19,570
<b>Profit/(Loss) before taxation</b>			
		(8,051)	(19,198)
Exceptional Items - Liabilities no longer payable written back		52,303	-
<b>Tax expense:</b>			
Current tax		-	-
<b>Profit (Loss) for the period</b>		44,252	(19,198)

**Before Exceptional items :**

Basic Earning Per share	(5)	(11)
Diluted Earning per share	(5)	(11)

**After Exceptional Items :**

Basic Earning Per share	(5)	(11)
Diluted Earning per share	(5)	(11)

See accompanying notes to financial statements 1 to 3

Significant accounting policies and notes form an integral part of the 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*

R.P. Baradiya  
Partner  
Membership No. 44101

*Padmanabhan Iyer*  
Padmanabhan Iyer  
Authorised signatory

Date: August 10, 2016  
Place: Mumbai



Black Barret Holdings Limited  
Cash Flow Statement for the period ended March 31, 2016

USD

Particulars	For the Year ended March 31, 2016	For the year ended March 31, 2015
<b>A Cash Flow from Operating Activities :</b>		
Profit / (Loss) before taxation	44,252	(19,198)
Cash flows(used in)/from operations before working capital changes	44,252	(19,198)
Increase in Trade and other receivables	(4,201)	1,596
Increase/(decrease) in trade and other payables	(29,099)	8,679
Increase/(decrease) in Other current liabilities	(8,911)	8,911
Cash flows used in operations	2,042	(12)
Cash flow from Investing Activities	-	-
Cash flow from Financing Activities	-	-
Net decrease in cash and cash equivalents	2,042	(12)
Cash and cash equivalents; At beginning of the year	-	12
At end of the year	2,042	-

- 1 The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Accounting Standard - 3 on " Cash Flow Statements ".
- 2 Previous period/year figures have been regrouped / rearranged wherever necessary to confirm to the current period/quarter presentation

As per our attached report of even date  
For Lodha & Co.  
Chartered Accountants

For and on behalf of the Board

*R.P. Baradiya*  
R.P. Baradiya  
Partner  
Membership No. 44101

*Padmanabhan Iyer*  
Padmanabhan Iyer  
Authorised signatory

Date: August 10, 2016  
Place: Mumbai





## **Black Barret Holdings Limited**

### **1. NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016**

#### **Overview of the Company**

The Company Black-Barret Holdings Ltd (the "Company") was incorporated in Cyprus on 21 March 2006 as a private limited liability company under the Cyprus Companies Law, Cap. 113. The principal activity of the Company is the holding of investments.

#### **Significant Accounting Policies**

##### **1.1 Method of Accounting**

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

##### **1.2 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 disclosures of an item or information in the financial statements are made relying on these estimates. Any revision to accounting estimates is recognized prospectively.

##### **1.3 Revenue Recognition**

Revenue from services is recognized either on time and material basis or fixed price basis or based on certain measurable criteria as per relevant agreements.

##### **1.4 Employee Benefits**

###### **a. Gratuity**

The Company provides for gratuity, a defined benefit retirement plan, covering eligible employees. Liability under gratuity plan is determined on actuarial valuation done by an independent valuer using the Projected Unit Credit Method.

###### **b. Provident Fund**

Eligible employees receive benefits from a provident fund, which is a defined contribution plan to the Government administered Trust. Company also contributes to a Government administered pension fund on behalf of its employees.

The interest rate payable by the trust to the beneficiaries every year is being notified by the government.

###### **c. Leave Entitlement**

Liability for leave entitlement for employees is provided on the basis of actuarial valuation at the year end.



## 1.5 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.

## 1.6 Impairment of Assets

In accordance with AS 28 on 'Impairment of Assets' prescribed by the Companies (Accounting Standards) Rules, 2006, 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 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.

## 1.7 Earnings per share

In determining the earnings per share, the Company considers the net profit after tax. The number of shares considered in computing basic earnings per share is the weighted average number of shares outstanding during the year.

## 2. Notes forming part of the Financial Statements as at and for the year ended March 31, 2016

### 2.1. Share Capital

Particulars	In USD	
	As at March 31, 2016	As at March 31, 2015
<b>Authorised and paid up capital:</b>		
8,550 of Class A and Class B shares of Euro 1 each (as at March 31, 2016 - 5,000 of Class A and 3,550 Class B shares of Euro 1 each, as at March 31, 2015 - 5,000 of Class A and 3,550 Class B shares of Euro 1 each)	10,068	10,068
	10,068	10,068
<b>Issued, Subscribed &amp; paid up</b> (1710 of Class A and 138 Class B shares of Euro 1 each)	2,176	2,176
<b>Total</b>	2,176	2,176





(a) Details of Members holding more than 5 percent shares

Name of the Shareholder	March 31, 2016		March 31, 2015	
	No. of Shares	%	No. of Shares	%
Held by 3i Infotech Holdings Private Limited (Mauritius) (1710 of Class A and 138 Class B shares of Euro 1 each)	1,848	100	1,848	100

(b) Terms/Rights attached to equity shares

The Company has only two class of equity shares having a par value of Euro 1 each. Each shareholder has right to vote in respect of such share, on every resolution placed before the Company and his voting right on a poll shall be in proportion to his share of the paid up equity capital of the Company. In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the Company after payment to secured and unsecured creditors in proportion to their shareholding.

(c) Reconciliation of numbers of equity shares

Particulars	As at March 31, 2016	As at March 31, 2015
Shares outstanding at the beginning of the quarter/year	1,848	1,848
Shares issued during the quarter/period/year	-	-
Shares bought back during the quarter/period/year	-	-
Shares outstanding at the end of the quarter/period/year	1,848	1,848

2.2. Reserves and Surplus

Particulars	USD	
	As at March 31, 2016	As at March 31, 2015
Surplus/(deficit) in the Statement of Profit and Loss		
Opening balance	(137,581)	(118,382)
Add/ (Less): Net Profit / (Loss) for the period	44,252	(19,199)
Total	(93,329)	(137,581)

2.3. Sundry Creditors

Particulars	USD	
	As at March 31, 2016	As at March 31, 2015
Due to		
Others	7,450	50,231
Related Party	90,045	76,362
Total	97,495	126,593

2.4. Other Current Liabilities

Particulars	USD	
	As at March 31, 2016	As at March 31, 2015
Other liabilities	1	8,567
Other payables	-	346
Total	1	8,913





## 2.5. Non current investments

Particulars	USD	
	As at March 31,2016	As at March 31,2015
In Subsidiary, Long Term, Trade & Unquoted 859,999 Equity Shares of Professional Access Software Development India Private Limited of face value of Rs. 10 each fully paid	100	100
	100	100

## 2.6. Short Terms Loans and Advances

Particulars	USD	
	As at March 31,2016	As at March 31,2015
Prepaid expenses	4,200	-
Total	4,200	-

## 2.7. Cash and bank balances

Particulars	USD	
	As at March 31,2016	As at March 31,2015
Balance with Bank	2,042	-
Total	2,042	-

## 2.8. Other income

Particulars	USD	
	For the Year ended March 31, 2016	For the year ended March 31, 2015
Net gain /(loss) on foreign currency transactions	513	372
Total	513	372

## 2.9. Finance cost

Particulars	USD	
	For the Year ended March 31, 2016	For the year ended March 31, 2015
Bank and other financial charges	592	371
Total	592	371



## 2.10. Other Expenses

Particulars	USD	
	For the Year ended March 31, 2016	For the year ended March 31, 2015
Directors fees	0	921
Legal and professional fees	7,972	18,278
<b>Total</b>	<b>7972</b>	<b>19199</b>

## 2.11. Contingent liability and Commitment:

a. There is no contingent liability outstanding at the end of the year.

## b. Operating Lease

The Company does not have any operating leases.

## c. Financial Lease

The Company does not have any financial leases.

## 2.12. 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 are as follows:

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Profit/(Loss) attributable to Equity Shareholders before exceptional and prior period items(USD)	(8,050.58)	(19,198.00)
Exceptional Items (Profit)	-	-
Prior period items	-	-
Profit/(Loss) attributable to Equity Shareholders after exceptional and prior period items (USD)	(8,050.58)	(19,198.00)
Weighted average number of Equity Shares outstanding during the year/quarter (Nos.)	1,710.00	1,710.00
Add : Effect of dilutive issues of preference shares	-	-
Diluted weighted average number of Equity Shares outstanding during the year/quarter (Nos.)	1,710.00	1,710.00
Nominal value of Equity Shares (in EURO)	1.00	1.00
<b>Before Exceptional and Prior period :</b>		
Basic Earnings Per Share (in USD)	(4.71)	(11.23)
Diluted Earnings Per Share (in USD)	(4.71)	(11.23)
<b>After Exceptional and prior period :</b>		
Basic Earnings Per Share (in USD)	(4.71)	(11.23)
Diluted Earnings Per Share(in USD)	(4.71)	(11.23)





**2.13. The parties where control exists -**

a. **Holding Company** : 3i Infotech Financial Software Inc.

b. **Ultimate Holding Company** : 3i Infotech Limited

b. **Fellow Subsidiaries** –

**Foreign Subsidiaries -**

<b>Name of subsidiary</b>	<b>Country of Incorporation</b>
3i Infotech Inc.	USA
3i Infotech Asia Pacific Pte Limited	Singapore
3i Infotech SDN BHD	Malaysia
3i Infotech (UK) Limited	UK
3i Infotech (Thailand) Limited	Thailand
3i Infotech (Western Europe) Holdings Limited	UK
3i Infotech (Western Europe) Group Limited	UK
3i Infotech (Western Europe) Limited	UK
Rhyme Systems Limited	UK
3i Infotech Financial Software Inc.	USA
3i Infotech Saudi Arabia LLC	Saudi Arabia
3i Infotech (Africa) Limited	Kenya
3i Infotech (South Africa) (Pty) Limited	South Africa
Professional Access Limited	USA
3i Infotech (Middle East) FZ LLC	UAE
3i Infotech (Flagship-UK) Limited	UK
3i Infotech Framework Limited	UK
Elegon Infotech Limited	China
3i Infotech Services SDN BHD (formerly known as Datacons Asia Pacific SDN BHD)	Malaysia

**Indian Subsidiaries –**

<b>Name of subsidiary</b>
3i Infotech Trusteeship Services Limited
Professional Access Software Development Private Limited
3i Infotech BPO Limited
Locuz Enterprise Solutions Limited
3i Infotech Outsourcing Services Limited
3i Infotech Consultancy Services Limited

The Company has entered in the following transactions with the related parties:

USD

<b>Particulars</b>	<b>For the Quarter ended March 31, 2016</b>	<b>For the Year ended March 31, 2015</b>
<b>3i Infotech Holdings Pvt. Ltd.</b>		
Reimbursement Expenses	5,761	7,226
<b>3i Infotech (Middle East) FZ LLC</b>		
Reimbursement Expenses	-	10,284



Outstanding balances of related parties:

USD

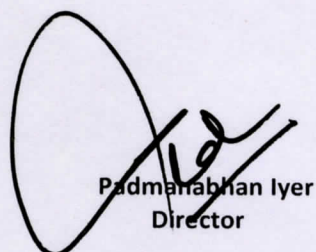
Particulars	As at March 31,2016	As at March 31,2015
<b>3i Infotech Holdings Pvt. Ltd.</b>		
Reimbursement Expenses	48,978	43,216
<b>3i Infotech (Middle East) FZ LLC</b>		
Reimbursement Expenses	41,067	33,145

3. Previous year's figures have been re-grouped/ re-arranged wherever considered necessary

Signatures to Notes to accounts "1" to "3"

For and on behalf of the Board

Ashish Kakkar  
Director

  
Padmanabhan Iyer  
Director

Date: August 10, 2016  
Place: Mumbai

