

**To the Members of ThreeSixty Logica Testing Services Private Limited  
Report on the Financial Statements**

We have audited the accompanying financial statements of ThreeSixty Logica Testing Services Private Limited, which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

Management is responsible for the preparation of these financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards referred to section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014. The management of the company is responsible for 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; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 financial statements based on our audit. While conducting the 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 thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. These 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 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 Company's preparation and fair presentation of the financial statements that give a true and fair view in order 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 effectiveness of such controls.. An audit also includes evaluating



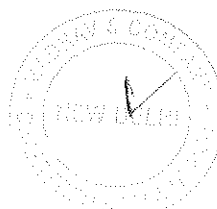
the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the 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<sup>st</sup>, 2015, its profit, and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report, to the extent applicable, that:
  - We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid financial statements.
  - In our opinion proper books of account as required by law have been kept relating to preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books.
  - The Balance Sheet, Statement of Profit and Loss and cash flow statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the financial statements;
  - In our opinion, the aforesaid financial statements comply with the Accounting Standards referred to in section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of sub-section (2) of section 164 of the Act;
  - With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;



- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For MADHAV & COMPANY**

Chartered Accountants

FRN: 022141N



**CA Amit Madhav**

**(Partner)**

M No. : 511711

**Place: Noida**

**Date: 25<sup>th</sup> May 2015**



**The Annexure referred in our Independent Auditor's Report to the members of company on the financial statement for the year ended 31<sup>st</sup> March, 2015,**

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.  
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
2. The company is a service company, primarily rendering software services. Accordingly it does not hold any physical inventories. Thus clause 3(ii) of the order is not applicable to the company and hence not commented upon.
3. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of clauses 3 (iii) (a) and (b) of the order are not applicable to the Company and hence not commented upon.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of fixed assets and for sale of services. The Company's activity does not involve any sale of goods & purchase of inventory. During the course of our audit, we have not observed any major weakness or continuing failure to correct any weaknesses in the internal controls has been noticed.
5. The Company has not accepted any deposits.
6. The Central Government has not prescribed the maintenance of the cost records under section 148(1) of the Act, for any of the services rendered by the company.
7. (a) According to the information and explanation given to us and on the basis of our examination of the records of the company, amounts deducted/accrued in the books of accounts in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited during the year by the company with the appropriate authorities.



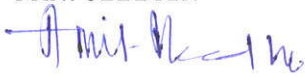
According to the information and explanations given to us, no undisputed amount payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues were outstanding as on 31<sup>st</sup> of March, 2015 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there is no amount outstanding in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty on account of any disputes.

(c) According to the information and explanations given to us, there is no amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.

8. The Company is not having accumulated losses at the end of the financial year and it has also not incurred cash losses in current financial year and immediately preceding financial year.
9. The Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year.
10. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from banks or financial institutions.
11. The Company did not have any term loans outstanding during the year..
12. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

**Place: Noida**  
**Date: 25<sup>th</sup> May 2015**

**For Madhav & Company**  
Chartered Accountants  
FRN: 022141N  
  
**CA Amit Madhav**  
(Partner)  
M No. : 511711



# THREESIXTY LOGICA TESTING SERVICES PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31 March 2015

(All amounts are in Indian rupees, except share data and as otherwise stated)

## 1. SIGNIFICANT ACCOUNTING POLICIES

### a) **Basis of Accounting**

The accounts have been prepared on historical cost convention as a going concern on accrual basis, in accordance with the requirements of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India, and comply with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended), to the extent applicable. Accounting policies have been consistently applied and where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use, such changes are suitably incorporated. The management evaluates all recently issued or revised accounting standards on an ongoing basis.

### b) **Use of Estimates**

The preparation of financial statements are in conformity with generally accepted accounting principles in India (Indian GAAP) requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and the disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material, their effects are disclosed in notes to accounts.

### c) **Revenue/Expense 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.

### d) **Fixed Assets**

Fixed assets are stated at historical cost, less accumulated depreciation. Cost included original cost of acquisition, including incidental expenses related to such acquisition and installation.



## THREESIXTY LOGICA TESTING SERVICES PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31 March 2015

(All amounts are in Indian rupees, except share data and as otherwise stated)

### e) Depreciation

Depreciation on Fixed assets (Computers & Accessories, Mac Mini & Equipments, Printers and UPS) is provided on the straight line method over the useful life as prescribed in Schedule II of the Companies Act 2013. In respect of other assets, the depreciation is provided over the useful life determined by technical evaluation. The useful lives of those assets are as under:

Description	Useful Lives (in years)
Telephone equipments	5
Water Dispenser	5
Coffee Machine	5
Furniture	5
Office Appliances	5

Individual assets costing Rs.5,000/- or less are depreciated at 100% in the year of purchase.

Depreciation on additions/deletion to fixed assets is provided on pro-rata basis.

### f) Intangible Assets and Amortisation

Intangible assets comprising of are amortized over a period of 36 months from the date of acquisition. Self-generated intellectual property rights / software assets are generally not capitalized.

### g) Foreign Currency Transactions

Transactions denominated in foreign currency are recorded at the exchange rates prevailing on the date of transactions. Period end balances of monetary foreign currency assets and liabilities are restated at the closing rate. The exchange difference arising from restatement or settlement is recognized in the Statement of Profit & Loss.

### h) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The number of shares and dilutive shares are adjusted by issue of bonus shares, if any.



## THREESIXTY LOGICA TESTING SERVICES PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31 March 2015

(All amounts are in Indian rupees, except share data and as otherwise stated)

### i) Retirement and other Employee Benefits

#### Defined Contribution Plans -

Contributions paid/payable to defined contributions plans comprising of provident fund and employee state insurance scheme are charged on accrual basis.

#### Defined Benefit Plans -

Defined benefits plans comprising of gratuity which is provided for is based on the actuarial valuation carried out in accordance with revised AS-15 as at the end of year.

#### Leave Encashment-

Leave encashment is provided on the basis of earned leave standing to the credit of the employees and the same is discharged by the Company by the year end.

### j) Provisions and Contingent Liabilities

#### **Provisions**

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

#### **Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

### k) Taxes on Income

Tax expense for the year comprises of current tax and deferred tax.





## THREESIXTY LOGICA TESTING SERVICES PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31 March 2015

(All amounts are in Indian rupees, except share data and as otherwise stated)

- i) Current tax is determined on the amount of tax payable in respect of taxable income for the period using the applicable tax rates and tax laws in accordance with the provisions of Income Tax Act 1961.
- ii) Deferred tax is recognized, subject to consideration of prudence, on timing differences, being difference between taxable and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the Balance Sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

### 2.21 OTHER NOTES TO THE FINANCIAL STATEMENTS:

- a) The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small or Medium enterprises development Act,2006) claiming their status as on 31<sup>st</sup> March, 2015 as micro small or medium enterprises Consequently the amount paid / payable to these parties during the year is nil.
- b) Provision for Income Tax of Rs. 2,77,70,000/- is ascertained on the basis of assessable profits computed in accordance of the Income Tax Act, 1961.
- c) Deferred Tax Assets of Rs. 14,67,093/- has been measured. This has been measured by applying the tax rates on timing differences that results between the profits offered for income taxes and the profit as per the financial statement.

#### d) Earnings Per Share (EPS)

The earning per share computed as per requirements under Accounting Standard 20 on Earning per share issued by the Institute of Chartered Accountants of India is as under: -

Net Profit/(Loss) after tax	4,89,14,108
Weighted Average number of shares	10,000
Basic EPS (Rs.) (on nominal value of Rs. 10.00 per share)	4,891.41
Dilutive EPS	4,891.41



## THREESIXTY LOGICA TESTING SERVICES PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31 March 2015

(All amounts are in Indian rupees, except share data and as otherwise stated)

e) Contingent Liabilities (Not provided for) - Nil

f) Earning in Foreign Currency:-

Nature	Financial Year	
	2014-2015	2013-2014
Export of Software Services	27,33,53,769	14,54,38,250

g) Expenditure in Foreign Currency:-

Nature	Financial Year	
	2014-2015	2013-2014
Revenue Expenses (Forex Gain/Loss; Wire Transfer Charges; Foreign Tours and Travels).	77,26,228	87,65,424

h) Payment to Auditors:

Particulars	2014-2015	2013-2014
<b>Audit Fees</b>		
Statutory Audit	50,000.00	44,500.00
Add: Service Tax	6,180.00	5,500.00
<b>Total</b>	<b>56,180.00</b>	<b>50,000.00</b>

i) Related Party Transactions:

As per Accounting Standard (AS-18), "Related Party Disclosure" notified under the Companies (Accounting Standards) Rules, 2006 (as amended), related parties in terms of the said standard are disclosed below:-



## THREESIXTY LOGICA TESTING SERVICES PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31 March 2015

(All amounts are in Indian rupees, except share data and as otherwise stated)

### A. Key Management Personnel:

Rohit Kumar Singh	-	Whole Time Director
Mohammad Asad Khan	-	Whole Time Director
Aditya Krishna	-	Director
NirajKumar Ganeriwala	-	Director
Dhiraj Kumar Mangla	-	Director

### Directors' Remuneration:

PARTICULARS	2014-2015	2013-2014
Rohit Kumar Singh	72,00,000/-	67,00,000 /-
Mohd. Asad Khan	72,00,000/-	67,00,000 /-

### B. Relative of Key Management Personnel:

#### PROFESSIONAL FEE:

PARTICULARS	2014-2015	2013-2014
Mr. Arvind Kumar	5,40,000 /-	9,00,000 /-
Ms. Hema Khan	5,40,000 /-	9,00,000 /-

### C. Companies/ firms on which directors have control:

NAME OF PARTY	NATURE OF TRANSACTION	2014-2015
M/s ThreeSixty Logica Testing Services Inc	Revenue Receipts	1,15,73,150 /-



## THREESIXTY LOGICA TESTING SERVICES PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31 March 2015

(All amounts are in Indian rupees, except share data and as otherwise stated)

### D. Year end balances

Particulars	2014-2015	2013-2014
<b><u>Investments</u></b>		
M/s ThreeSixty Logica Testing Services Inc.	7,99,359/-	Nil
<b><u>Short Term advances</u></b>		
Mohammad Asad Khan	3,75,694/-	20,714/-
<b><u>Accounts payable</u></b>		
M/s ThreeSixty Logica Testing Services Inc.	Nil	51,66,924/-

- j) As per Accounting Standard 15 "Employee Benefits", the disclosures of Employee benefits as defined in the Accounting Standard are given below:

The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation company has provided for gratuity based on actuarial valuation done as per projected unit credit method.

### Change in present value of obligation

Particulars	Gratuity
Present value of obligation as at the beginning	20,86,412
Acquisition adjustment -	Nil
Interest Cost	2,66,858
Past service cost -	Nil
Current service cost	10,79,369
Curtailement cost / (Credit) -	Nil
Settlement cost / (Credit) -	Nil
Benefits paid	Nil
Actuarial (gain) / Loss	7,59,993
Present value of obligation at the end of the period	41,92,632



## THREESIXTY LOGICA TESTING SERVICES PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31 March 2015

(All amounts are in Indian rupees, except share data and as otherwise stated)

### Change in the fair value of plan assets

Particulars	Gratuity
Fair value of plan assets at the beginning	Nil
Acquisition Adjustments -	Nil
Expected return on plan assets	Nil
Contributions -	Nil
Benefits paid	Nil
Fair value of plan assets as at the end of the Period	Nil

### Fair value of plan assets

Particulars	Gratuity
Fair value of plan assets at the beginning of the period	Nil
Acquisition adjustment	Nil
Actual return on plan assets	Nil
Contributions	Nil
Benefits paid	Nil
Fair value of plan assets at the end of the period	Nil
Funded status	(41,92,632)
Excess of actual over estimated return on plan assets	Nil

### Actuarial gain / loss recognized

Particulars	Gratuity
Actuarial (Gain)/loss for the period - obligation	(7,59,993)
Actuarial (Gain)/loss for the period - plan assets	Nil
Total (gain) / loss for the period	7,59,993
Actuarial (gain)/ loss recognized in the period	7,59,993
Unrecognized actuarial (gains)/ losses at the end of the period	Nil



## THREESIXTY LOGICA TESTING SERVICES PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31 March 2015

(All amounts are in Indian rupees, except share data and as otherwise stated)

### The amount recognized in balance sheet and related analysis

Particulars	Gratuity
Present value of obligation as at end of the period	41,92,632
Fair value of plan assets as at the end of period	Nil
Funded status/Difference	(41,92,632)
Excess of actual over estimated	Nil
Unrecognized actuarial (gains)/losses	Nil
Net asset/(liability) recognized in balance sheet (Non-Current Liability)	(35,55,661)
Net asset/(liability) recognized in balance sheet (Current liability)	(6,36,971)

### Expense recognized in the statement of profit and loss a/c

Particulars	Gratuity
Current service cost	10,79,369
Past service cost	--
Interest cost	2,66,858
Expected return on plan assets	--
Curtailement cost / (credit) -	--
Settlement cost / (credit) -	--
Net actuarial (gain) / loss recognized in the period	7,59,993
Expenses recognized in the statement of profit & losses	21,06,220

### Assumption used in accounting for the gratuity and compensated absences plan

Particulars	Gratuity
Discount Rate	8.00%
Salary Escalation Rate	7.00%



## THREESIXTY LOGICA TESTING SERVICES PRIVATE LIMITED

Notes forming part of the Financial Statements for the year ended 31 March 2015

(All amounts are in Indian rupees, except share data and as otherwise stated)

- k) The provisions of Section 197 of the Act are applicable to the Company from 1<sup>st</sup> January, 2015 and the remuneration paid to the Directors after that date is in excess of the limits specified under Section 197 of the Companies Act 2013 by Rs.21 Lakhs. The Company has made an application to the Central Government for approval.
- l) The Company during the year has changed the method of charging depreciation from Written Down Value Method to Straight Line Method to follow the method of depreciation adopted by the Holding Company (Saksoft Limited). Pursuant to such change the company has recomputed the depreciation as required under Accounting Standard-6 and has charged the additional depreciation of Rs. 2,36,621 to the Statement of Profit and Loss.
- m) The Company has adopted the useful life of fixed assets in line with the Schedule III of Companies act, 2013 with effect from 1.4.2014. As a result the depreciation charged to profit and loss account is higher by Rs.5,84,289 With consequential impact on profit before tax. The depreciation charged to the retained earnings in respect of the assets for which useful life is over as on 1.4.2014 is Rs.1,46,305
- n) Debtors, Creditors, Receivables, Payables, Loans & Advances are in opinion of the management are stated at current realization value if recovered in ordinary course of business.
- o) Previous year's figures have been regrouped and or rearranged wherever necessary to confirm to current year's groupings and classifications.
- p) Notes No. 2.1 to 2.20 form integral part of the balance sheet and statement of profit and loss.

**For Madhav & Company**  
Chartered Accountants  
Firm Reg. No. 022141N




**CA Amit Madhav**  
Partner  
MEMBERSHIP No. 511711



**For and On Behalf of Board**  
Three Sixty Logica Testing Services Private Limited

  
**Mohammad Asad Khan**  
Director

  
**Niraj Kumar Ganeriwal**  
Director



**THREESIXTY LOGICA TESTING SERVICES PRIVATE LIMITED**  
Balance Sheet as at March 31, 2015

Particulars as at ,	Notes	3/31/2015 Amount (Rs.)	3/31/2014 Amount (Rs.)
<b><u>I. EQUITY AND LIABILITIES</u></b>			
<b>1. Share Holders' Funds</b>			
Share Capital	2.1	100,000	100,000
Reserve & Surplus	2.2	38,914,399	32,310,200
<b>2. Non Current Liabilities</b>			
Long Term Provisions	2.3	3,555,661	2,033,869
<b>3. Current Liabilities</b>			
Short-term borrowings	2.4	-	381,658
Trade payables	2.5	7,904,603	5,424,841
Other current liabilities	2.6	3,977,227	17,974,252
Short-term provisions	2.7	5,232,140	492,279
<b>TOTAL</b>		<b>59,684,030</b>	<b>58,717,099</b>
<b><u>II. ASSETS</u></b>			
<b>1. Non-current assets</b>			
Fixed assets			
(i) Tangible assets	2.8	3,731,302	3,106,104
(ii) Intangible assets		2,724,865	3,458,142
Non-current investments			
Deferred tax assets (net)	2.9	799,359	58,746
Long term loans and advances	2.10	1,467,093	381,765
	2.11	5,038,153	5,000,850
<b>2. Current assets</b>			
Trade receivables	2.12	16,342,280	2,244,070
Cash and cash equivalents	2.13	9,715,153	43,261,188
Short-term loans and advances	2.14	884,896	907,181
Other current assets	2.15	18,980,929	299,053
<b>TOTAL</b>		<b>59,684,030</b>	<b>58,717,099</b>

See accompanying Notes to financial statements

Vide our report of even date attached

**For Madhav & Company**

Chartered Accountants

Firm Registration No: 0022141N

**Amit Madhav**

Partner

Membership No: 511711

Date: May 25, 2015

Place: Noida



For and on behalf of the Board of Directors

**Mohammad Asad Khan**

Director

**Niraj Kumar Ganeriwala**

Director





**THREESIXTY LOGICA TESTING SERVICES PRIVATE LIMITED**  
Statement of Profit and Loss for the year ended March 31, 2015

Particulars for the year ended	Notes	3/31/2015 Amount (Rs.)	3/31/2014 Amount (Rs.)
<b>III. REVENUE</b>			
Income from Operation	2.16	273,353,769	145,438,250
Other Income	2.17	2,229,569	1,578,801
<b>Total Revenue</b>		<b>275,583,338</b>	<b>147,017,051</b>
<b>IV. EXPENSES</b>			
Employee benefit expense	2.18	103,471,550	64,604,299
Finance Costs	2.19	676,422	2,014,326
Depreciation and amortization expense		3,406,273	1,143,397
Other expenses	2.20	92,430,314	50,333,230
<b>Total Expenses</b>		<b>199,984,559</b>	<b>118,095,252</b>
<b>V. Profit before extraordinary items and tax</b>	(III - IV)	<b>75,598,779</b>	<b>28,921,799</b>
<b>VI. Extraordinary Items</b>		-	-
<b>VII. Profit before tax</b>	(V - VI)	<b>75,598,779</b>	<b>28,921,799</b>
<b>VIII. Tax expense:</b>			
Current tax		27,770,000	9,820,000
Deferred tax		(1,085,328)	410,743
<b>IX. Profit/(Loss) after Tax</b>	(VII-VIII)	<b>48,914,107</b>	<b>18,691,056</b>
<b>X. Earning per equity share:</b>			
Basic		4,891.41	1,869.11
Diluted		4,891.41	1,869.11


See accompanying Notes to financial statements

Vide our report of even date attached

**For Madhav & Company**

Chartered Accountants

Firm Registration No: 0022141N



**Amit Madhav**

Partner


Membership No: 511711


Date: May 25, 2015

Place: Noida



For and on behalf of the Board of Directors

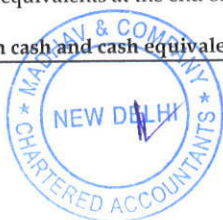
  
**Mohammad Asad Khan**  
Director

  
**Niraj Kumar Ganeriwala**  
Director



M/s ThreeSixty Logica Testing Services Private Limited  
Cash Flow Statement for the year ended 31st March 2015

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>A. Cash Flow from Operating Activities</b>		
Net Profit/(Loss) before tax as per profit and loss A/c	75,598,779	28,921,799
<u>Adjusted For Non cash expenses:-</u>		
Depreciation	3,406,273	1,143,397
Provision for Doubtful Debts	1,315,798	-
Loss on Sale of Fixed Assets (Net)	-	-
	<u>4,722,071</u>	<u>1,143,397</u>
<u>Adjusted For Non operating activities:-</u>		
Income from investment	(5,377)	-
Interest Received on Deposits	(2,224,192)	(1,578,801)
	<u>(2,229,568)</u>	<u>(1,578,801)</u>
Operating Profit/(Loss) before working capital changes	78,091,281	28,486,394
Adjusted for:		
Inventories	-	-
Trade Receivables	(15,414,007)	(1,759,559)
Loans & Advances	(15,018)	(1,277,818)
Other Current Assets	(18,681,876)	(216,081)
Trade Payables	2,479,761	(2,258,631)
Other Current Liabilities	(13,997,025)	(907,913)
Provisions for Retirement Benefits	3,956,643	488,150
	<u>(41,671,523)</u>	<u>488,150</u>
Cash Generated from operations	36,419,759	22,554,543
Taxes Paid:		
Income tax paid	(25,464,990)	(11,138,756)
Round Off		
<b>Net cash from operating Activities</b>	<u>10,954,769</u>	<u>11,415,787</u>
<b>B. Cash Flow from Investing Activities</b>		
Addition to Fixed Assets	(3,444,500)	(5,423,966)
Sale of Fixed Assets	-	-
Interest Received on Deposits	2,224,192	1,578,801
Purchase of Investment	(799,359)	-
Sale of Investment	64,123	-
	<u>64,123</u>	<u>-</u>
<b>Net Cash From Investing Activity</b>	<u>(1,955,543)</u>	<u>(3,845,165)</u>
<b>C. Cash Flow from Financing Activities</b>		
Term Loan Taken/(Re-paid)	(381,658)	(44,161)
Dividend paid with Dividend Tax	(42,163,603)	(2,105,910)
Interest on Term Loan	-	-
	<u>-</u>	<u>-</u>
<b>Net Cash From Financing Activity</b>	<u>(42,545,261)</u>	<u>(2,150,071)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<u>(33,546,036)</u>	<u>5,420,551</u>
Cash and cash equivalents at the beginning of the year(see Note1 below)	43,261,188	37,840,637
Cash and cash equivalents at the end of the year(see Note1 below)	9,715,152	43,261,188
<b>Net increase in cash and cash equivalents</b>	<u>(33,546,036)</u>	<u>5,420,551</u>



**Note:**

**Cash and cash equivalents**

Cash and cash equivalents consist of cash in hand & balances with bank. Cash and cash equivalents included in the cash flow statement comprise the following :


Particulars	As at	As at
	31st March 2015	31st March 2014
Cash in Hand	329,634	94,769
Cash at Bank	8,498,702	12,295,142
Cash at Bank Overdraft	-	-
Fixed Deposits	886,817	30,871,277
	<u>9,715,153</u>	<u>43,261,188</u>

As per our report of even date

For **Madhav & Company**

Chartered Accountants

Firm Registration No: 0022141N



**Amit Madhav**

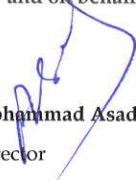
Partner

Membership No: 511711



For and on behalf of the Board of Directors

Mohammad Asad Khan Niraj Kumar Ganeriwala  
Director Director



**THRESIXTY LOGICA TESTING SERVICES PRIVATE LIMITED**  
NOTES TO ACCOUNTS FOR THE YEAR ENDED MARCH 31,2015

**2.1 SHARE CAPITAL**

Particular	As at 31/03/2015 Amount (Rs.)	As at 31/03/2014 Amount (Rs.)
<b>Authorised</b>		
10,000 Equity shares of Rs 10.00 each <i>(Previous year 10,000 Equity Shares of Rs. 10 each)</i>	100,000	100,000
	100,000	100,000
<b>Issued, Subscribed &amp; Fully Paid up</b>		
10,000 Equity shares of Rs. 10.00 each fully paid up <i>(Previous Year 10,000 Equity Shares of Rs. 10.00 each)</i>	100,000	100,000
<b>TOTAL</b>	100,000	100,000

**Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period**

Particulars	As at 31.03.2015		As on 31.03.2014	
	No.	Amount (Rs.)	No.	Amount (Rs.)
At the beginning of the year	10,000	100,000	10,000	100,000
Outstanding at the end of the year	10,000	100,000	10,000	100,000

**Terms attached with equity shares**

The Company has only one class of equity shares having a 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 Director's, if any, is subject to the approval of the shareholder's in ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares would 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

**Details of Shareholders holding more than 5% shares in the company**

Particulars	As at 31.03.2015		As on 31.03.2014	
	No.	% Holding	No.	% Holding
Equity shares of Rs 10 each				
Saksoft Limited	5,100	51.00	-	-
Rohit Kumar Singh	2,450	24.50	5,000	50.00
Mohammad Asad Khan	2,450	24.50	5,000	50.00

**2.2 RESERVES & SURPLUS**

Particulars	As at 31/03/2015 Amount (Rs.)	As at 31/03/2014 Amount (Rs.)
<b>General Reserve:</b>		
As per last Balance Sheet	6,195,283	2,457,072
Add: Transferred from surplus as per the statement of profit and loss	4,891,411	3,738,211
	11,086,694	6,195,283
<b>Surplus as per the statement of profit and loss:</b>		
As per last Balance Sheet	26,114,917	13,267,982
Add: Profit for the year	48,914,107	18,691,056
Less: Income Tax Earlier Year	-	-
Less: Interim Dividend & Corporate Dividend Tax	42,163,603	2,105,910
Less: Transferred to General Reserve	4,891,411	3,738,211
Less: Depreciation adjust. as per Schedule II	146,305	6,195,283
<b>Net surplus in the statement of profit and loss</b>	27,827,705	26,114,917
<b>Total Reserves and Surplus</b>	38,914,399	32,310,200



**THREESIXTY LOGICA TESTING SERVICES PRIVATE LIMITED**

NOTES TO ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2015

**2.3 LONG TERM PROVISIONS**

Provision for Employee Benefits		
Gratuity	3,555,661	2,033,869
Leave Encashment	-	-
<b>TOTAL</b>	<b>3,555,661</b>	<b>2,033,869</b>

**2.4 SHORT TERM BORROWINGS**

<u>Unsecured:</u>		
Loans from directors	-	381,658
<b>TOTAL</b>	<b>-</b>	<b>381,658</b>

**2.5 TRADE PAYABLE**

Payable for supply of services	7,117,788	5,162,298
Salaries, Wages & benefits payable	786,815	262,543
<b>TOTAL</b>	<b>7,904,603</b>	<b>5,424,841</b>

**2.6 OTHER CURRENT LIABILITIES**

Advances from Customer	-	16,394,940
Statutory Liabilities	3,977,227	1,579,312
<b>TOTAL</b>	<b>3,977,227</b>	<b>17,974,252</b>

**2.7 SHORT TERM PROVISIONS**

Provision for Employee Benefits		
Gratuity	636,971	52,543
Leave Encashment	1,850,423	-
Provision for Taxes		
Income Tax (net of advance tax)	2,744,746	439,736
<b>TOTAL</b>	<b>5,232,140</b>	<b>492,279</b>



Threesixty Logica Testing Services Private Limited

Note - 2.8

FINANCIAL YEAR 2014-2015

FIXED ASSETS

Amount in Rs.

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	AS ON APRIL 1, 2014	PURCHASE DURING THE YEAR	SALE/ADJ. DURING THE YEAR	AS AT MAR 31, 2015	AS ON APRIL 1, 2014	FOR THE PERIOD APR TO MAR 2015	ADI (Tran. to Retained Earning)	UPTO MAR 31, 2015	AS ON MAR 31, 2015	AS ON MAR 31, 2014
<u>Tangible Assets:</u>										
Computer & Accessories	1,749,932	478,889	-	2,228,821	673,077	575,073	34,146	1,282,296	946,525	1,076,855
Mac Mini & Equipments	743,382	539,654	-	1,283,036	269,907	352,008	10,124	632,039	650,997	473,475
Telephone Equipments	1,087,827	939,974	-	2,027,801	213,179	460,103	-	673,282	1,354,519	874,648
Water Dispenser	42,200	9,200	-	51,400	8,227	14,110	-	22,337	29,063	33,973
Coffee Machine	26,000	-	-	26,000	8,167	9,919	-	18,086	7,914	17,833
Printer	72,300	37,345	-	109,645	18,037	52,378	-	70,415	39,230	54,263
UPS	45,097	-	-	45,097	12,293	25,210	-	37,503	7,594	32,804
Furniture	143,650	12,000	-	155,650	13,717	30,256	-	43,973	111,677	129,933
Office Appliances	446,931	330,662	-	777,593	34,611	159,344	(145)	193,810	583,783	412,320
<b>Total Tangible Assets</b>	<b>4,357,319</b>	<b>2,347,724</b>	<b>-</b>	<b>6,705,043</b>	<b>1,251,215</b>	<b>1,678,401</b>	<b>44,125</b>	<b>2,973,741</b>	<b>3,731,302</b>	<b>3,106,104</b>
<u>Intangible Assets:</u>										
Software	4,118,627	1,096,775	-	5,215,402	660,485	1,727,872	102,180	2,490,537	2,724,865	3,458,142
<b>Total Intangible Assets</b>	<b>4,118,627</b>	<b>1,096,775</b>	<b>-</b>	<b>5,215,402</b>	<b>660,485</b>	<b>1,727,872</b>	<b>102,180</b>	<b>2,490,537</b>	<b>2,724,865</b>	<b>3,458,142</b>
<b>Total Assets</b>	<b>8,475,945</b>	<b>3,444,499</b>	<b>-</b>	<b>11,920,445</b>	<b>1,911,700</b>	<b>3,406,273</b>	<b>146,305</b>	<b>5,464,278</b>	<b>6,456,167</b>	<b>6,564,245</b>



**THREESIXTY LOGICA TESTING SERVICES PRIVATE LIMITED**  
**NOTES TO ACCOUNTS FOR THE YEAR ENDED MARCH 31,2015**

**2.9 NON CURRENT INVESTMENT**

Particular	As at 31/03/2015 Amount (Rs.)	As at 31/03/2014 Amount (Rs.)
Investment in Gold	-	58,746
Investment in wholly owned subsidiary - ThreeSixty Logica Testing Services Inc.	799,359	-
<b>TOTAL</b>	<b>799,359</b>	<b>58,746</b>

**2.10 DEFERRED TAX ASSETS/(LIABILITIES)**

**Deferred Tax Liabilities**

On account of diff. in rates of depreciation of fixed assets

	-	295,171
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**Deferred Tax Assets**

On account of diff. in rates of depreciation of fixed assets

	106,794	-
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Provision for Employee benefits

	1,360,299	676,936
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<b>TOTAL</b>	<b>1,467,093</b>	<b>381,765</b>
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**2.11 LONG TERM LOANS AND ADVANCES**

Security Deposit	5,038,153	5,000,850
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<b>TOTAL</b>	<b>5,038,153</b>	<b>5,000,850</b>
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**2.12 TRADE RECEIVABLE & UNBILLED RECEIVABLES**

**Outstanding for more than six months**

Unsecured, Considered Good :	632,435	-
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**Others**

Unsecured, Considered Good :	17,025,643	2,244,070
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Less: Provision for Doubtful Debts	(1,315,798)	-
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<b>TOTAL</b>	<b>16,342,280</b>	<b>2,244,070</b>
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**THREESIXTY LOGICA TESTING SERVICES PRIVATE LIMITED**

**NOTES TO ACCOUNTS FOR THE YEAR ENDED MARCH 31,2015**

**2.13 CASH AND BANK BALANCES**

Particular	As at 31/03/2015 Amount (Rs.)	As at 31/03/2014 Amount (Rs.)
<u>Cash &amp; Cash Equivalents</u>		
Cash-in-Hand	329,634	94,769
<u>Balances with Banks</u>		
Current Account	8,498,702	12,295,142
<u>Other Bank Balances</u>		
Deposit Account	886,817	30,871,277
<b>TOTAL</b>	<b>9,715,153</b>	<b>43,261,188</b>

**2.14 SHORT TERM LOANS & ADVANCES**

Unsecured, Considered Good :

Advance for supply of goods & services  
Advance to Employee

62,716	66,575
622,814	781,773

Others

Prepaid Expenses

199,366	58,833
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**TOTAL**

<b>884,896</b>	<b>907,181</b>
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**2.15 OTHER CURRENT ASSETS**

Interest accrued on Fixed Deposits  
Unbilled Receivables

158,732	299,053
18,822,197	-

**TOTAL**

<b>18,980,929</b>	<b>299,053</b>
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**THREESIXTY LOGICA TESTING SERVICES PRIVATE LIMITED**

NOTES TO ACCOUNTS FOR THE YEAR ENDED MARCH 31,2015

**2.16 Income from operation**

Particulars	For the period ended March 31,2015 Amount (Rs.)	For the period ended March 31,2014 Amount (Rs.)
Revenue from software testing services	273,353,769	145,438,250
	273,353,769	145,438,250

**2.17 Other Income**

Interest Income	2,224,192	1,578,801
Profit on Sale of Investment	5,377	-
	2,229,569	1,578,801

**EXPENSE**

**2.18 Employee benefit expense**

Employee Salary & Bonus	98,087,006	59,562,738
Staff Welfare	5,384,544	5,041,561
	103,471,550	64,604,299

**2.19 Finance Cost**

Bank & Wire Transfer Charges	676,422	2,014,326
	676,422	2,014,326

**Depreciation and amortization expense**

Depreciation on Fixed Assets (Net)	3,406,273	1,143,397
	3,406,273	1,143,397



**THREESIXTY LOGICA TESTING SERVICES PRIVATE LIMITED**

**NOTES TO ACCOUNTS FOR THE YEAR ENDED MARCH 31,2015**

Particulars	For the period ended March 31,2015 Amount (Rs.)	For the period ended March 31,2014 Amount (Rs.)
2.20 <u>Other Expenses</u>		
Telephone & Internet Exp	1,647,262	1,386,770
Webhosting charges	99,194	439,032
Professional Fees	23,241,108	9,888,819
Overseas Travel Expense	7,173,280	3,491,274
Travel & Conveyance	2,321,012	934,027
Audit Fee	56,180	50,000
Advertisement Expense	-	646,000
Books & Periodicals	5,190	2,325
Business Promotion Expenses	30,753,057	12,830,212
Computer Repair & Maintenance	177,229	119,014
Donation	5,178,200	75,000
Electricity Charges	2,277,109	1,684,279
Festival Expenses	266,434	271,551
Foreign Exchange Fluctuation	308,329	1,437,012
Insurance Expenses	-	7,947
Interest on Tax	182,505	-
Fine & Penalties	118,128	41,914
Legal Fee	1,700	4,500
Misc. Expenses	18,773	6,183
Office Maintenance Charges	7,784,216	8,192,679
Other Expenses	355,485	970,586
Printing Stationary	65,577	105,837
Postage & Courier	15,205	42,812
Rent for Plant & Machinery	3,362,638	2,387,683
Rent for Building	5,547,775	5,262,237
Software Testing Exp	158,930	55,537
Provision for Doubtful Debts	1,315,798	-
	92,430,314	50,333,230

