VNHR & Co
Chartered Accountants

Independent Auditors' Report

TO,
THE MEMBERS OF ASCLEPIUS CONSULTING & TECHNOLOGIES PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of ASCLEPIUS CONSULTING & TECHNOLOGIES PVT LIMITED, which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss, the 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

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, 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. 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.

No.106, 1st Floor, Jaya Mansion, 1-7-289/B(Part) 126, SD Road, Paradise, Secunderabad - 500003
Tel. No: 040-40214865, 9642703181, 9985408204 Email: vnhr.ca@gmail.com

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 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 true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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 audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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:

a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;

b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and

c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order,2015, issued by the Central Government of India in term of sub-section (11) of section 143 of the Companies Act,2013, we give in the Annexure a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.

As required by section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

c) the Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of written representations received from the directors as on 31 March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.

With respect to the other matters included in the Auditor's Report and to our 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

ii. The Company did not have any long-term contracts including derivatives 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 [or, following are the instances of delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company or there were no amounts which required to be transferred]

For VNHR & CO.
(Chartered Accountants)
Firm Reg. No. 012221S

Place: Secunderabad
Dated: 29.05.2015

R. Hariharan - Partner
Membership No.216684

Annexure to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2015, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(ii) The Company is a service company, primarily rendering software services. Accordingly, it does hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable.

(iii) The Company not has granted loans to three bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').

(iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and sale of services. The activities of the Company do not involve purchase of inventory and the sale of goods. We have not observed any major weakness in the internal control system during the course of the audit.

(v) The Company has not accepted any deposits from the public.

(vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees'state insurance and duty of excise. According to the information and explanations given to us, no undisputed amounts payable inrespect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 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 are no material dues of wealth tax, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute.

(c) According to the information and explanations given to us the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under has been transferred to such fund within time.

(viii) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.

(ix) The Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year.

(x) In our opinion and according to the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.

(xi) The Company did not have any term loans outstanding during the year.

(xii) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

For VNHR & CO.
(Chartered Accountants)
Firm Reg. No. 012221S

Place: Secunderabad
Dated: 29th May 2015

R. Hariharan - Partner
Membership No.216684

Asclepius Consulting & Technologies Private Limited

Balance Sheet as at 31 March 2015

Particulars	Note No	As at 31/03/2015	As at 31/03/2014
EQUITY & LIABILITIES			
Shareholders' funds			
a) Share capital	1	58,82,360	58,82,360
b) Reserves and surplus	2	108,18,913	103,62,630
Non-current liabilities			
a) Long-Term Borrowings	3	117,03,570	112,44,913
b) Deferred Tax Liabilities	4	(1,80,005)	2,58,634
Current liabilities			
a) Trade payables	5	12,34,968	12,830
b) Other current liabilities	6	54,92,804	28,52,675
c) Short-term provisions	7	2,59,319	22,472
Total		**135,74,104**	**99,11,254**
ASSETS			
Non-Current Assets			
a) Fixed assets			
i) Tangible assets	8 & 9	4,44,532	6,78,527
ii) Intangible assets		34,36,935	56,62,167
b) Long-term Loans and Advances	10	76,113	76,113
c) Other Non-current Assets	11	2,49,530	6,19,655
Current Assets			
a) Trade Receivables	12	80,30,555	25,60,845
b) Cash and Cash Equivalents	13	13,34,960	3,04,925
c) Other Current Assets	14	1,479	9,022
Total		**135,74,104**	**99,11,254**

Notes 1 to 19 form an integral part of these financial statements

As per Our Report of Even Date
For VNHR& CO
Chartered Accountants
FRN NO : 012221S

R Hariharan
Partner
Membership No :216084

Place : Hyderabad
Date : 29-05-2015

For and on behalf of the Board
For Asclepius Consulting & Technologies Private Limited

For Asclepius Consulting & Technologies Private Limited

Director
Vishal Ranjan
DIN:02041538

Director

Director
Aravind R H
DIN:02054614

Asclepius Consulting & Technologies Private Limited

Statement of Profit and Loss for the Year ended 31/03/2015

Particulars	Note No	As at 31/03/2015	As at 31/03/2014
Revenue			
Revenue from operations	15	192,61,389	55,28,076
Other income	16	51,337	6,73,839
Total revenue		**193,12,726**	**62,01,915**
Expenses			
Employee benefit expenses	17	103,99,989	79,78,959
Finance costs		9,004	31,652
Depreciation	8 & 9	2,33,995	1,99,513
Amortisation Expenses		22,25,232	8,74,920
Other expenses	18	71,02,581	18,93,169
Total expenses		**199,70,801**	**109,78,214**
Profit / (loss) before exceptional and extraordinary items and tax		(6,58,075)	(47,76,298)
Exceptional items		-	-
Profit / (loss) before extraordinary items and tax		(6,58,075)	(47,76,298)
Extraordinary items		-	-
Profit / (loss) for the year before prior period items		(6,58,075)	(47,76,298)
Prior period items			
Profit / (loss) before taxes		(6,58,075)	(47,76,298)
Tax expense			
Current tax		2,36,847	
Deferred tax		- 4,38,639	1,30,015
		(2,01,792)	**1,30,015**
Profit / (loss) for the year from continuing operations		(4,56,283)	(49,06,314)
Profit / (loss) for the year		**(4,56,283)**	**(49,06,314)**
Earnings per equity share :			
Weighted average number of equity shares used as denominator in calculating (nos.)		5,88,236	5,88,236
Basic		(0.78)	(8.34)
Diluted		(0.78)	(8.34)

Notes 1 to 19 form an integral part of these financial statements

As per Our Report of Even Date
For VNHR& CO
Chartered Accountants
FRN NO : 012221S

R Hariharan
Partner
Membership No :216684

Place : Hyderabad
Date : 29-05-2015

For and on behalf of the Board
For Asclepius Consulting & Technologies Private Limited

Director
Vishal Ranjan
DIN:02041538

Director
Aravind R H
DIN:02054614

For Asclepius Consulting & Technologies Private Limited
Director

Asclepius Consulting & Technologies Private Limited
NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE No. 1 : Share Capital				
Particulars	As at 31/03/2015		As at 31/03/2014	
	Number	Amounts	Number	Amounts
1 Share capital				
Authorised share capital				
6,00,000 Equity shares of Rs.10 each	6,00,000	60,00,000	6,00,000	60,00,000
	6,00,000	60,00,000	6,00,000	60,00,000
Issued, subscribed and fully paid up				
5,88,236 Equity shares of Rs.10 each	5,88,236	58,82,360	5,88,236	58,82,360
(PY - No of Shares - 131500 Value of Shares - 13,15,000)				
Total	5,88,236	58,82,360	5,88,236	58,82,360

Particulars	As at 31/03/2015		As at 31/03/2014	
	Number	Amounts	Number	Amounts
Reconciliation of share capital (Equity)				
Balance at the beginning of the year	1,31,500	13,15,000	1,31,500	13,15,000
Add:				
Issued During the Year	4,56,736	45,67,360	4,56,736	45,67,360
Balance at the end of the year	5,88,236	58,82,360	5,88,236	58,82,360

Particulars	As at 31/03/2015		As at 31/03/2014	
	Number	Amounts	Number	Amounts
Shareholders holding more than 5% of the shares				
Mr. Satyajeet Prasad	86,253	8,62,530	86,253	8,62,530
Mr. Aravind Hiremath	86,053	8,60,530	86,053	8,60,530
Mr. Vishal Ranjan	86,053	8,60,530	86,053	8,60,530
Virinchi Technologies Ltd	3,00,000	30,00,000	3,00,000	30,00,000
	5,58,359	55,83,590	5,58,359	55,83,590

c) **Terms / rights attached to equity shares**

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/- each. Each holder of equity shares is entitled to one vote per share.

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

d) **Stock Option Plans**

The Company has no stock option Plans.

e) **Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date**

The Company has not issued any bonus shares or shares for consideration other than cash or bought back any shares during the period of five years immediately preceding the reporting date.

For Asclepius Consulting & Technologies Private Limited

Director

Asclepius Consulting & Technologies Private Limited
NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 2 : RESERVES AND SURPLUS

S.No	Particulars	As at 31/03/2015	As at 31/03/2014
	Reserves and Surplus	55,00,000	55,00,000
	Surplus in the statement of profit and loss		
	Balance at the beginning of the year	(158,62,630) -	109,56,317
	Add : Transferred from statement of profit and loss	(4,56,283)	(49,06,314)
	Total Reserves and Surplus	(108,18,913)	(103,62,630)

NOTE NO. 3 : LONG TERM BORROWINGS

S.No	Particulars	As at 31/03/2015	As at 31/03/2014
	Borrowings		
	Unsecured		
	Loans and advances from related parties		
	- Directors towards Director's Remuneration Payab	89,269	2,44,269
	Aravind Revanasiddayya Hiremath - Reimbursen	12,60,209	11,27,027
	Satyajeet Prasad - Reimbursement	3,66,745 -	1,13,730
	Vishal Ranjan - Reimbursement	- 39,442 -	39,442
	Other Long Term Borrowings	100,26,789	100,26,789
	Total Long Term Borrowings	117,03,570	112,44,913

NOTE NO. 4 : DEFERRED TAX LIABILITY

S.No	Particulars	As at 31/03/2015	As at 31/03/2014
	Deferred taxes		
	Opening Deferred Tax	2,58,634	1,28,619
	Deferred tax Asset		
	Timing difference depreciation	- 4,38,639	1,30,015
	Total Deferred Tax Liability	- 1,80,005	2,58,634

NOTE NO. 5 : TRADE PAYABLES

S.No	Particulars	As at 31/03/2015	As at 31/03/2014
	Trade payables		
	Datta Computer Solutions	-	8,459
	Greytip Software Pvt. Ltd.	-	1,253
	Vesoft Web	-	3,118
	Vivo BioTech Limited	12,34,968	
	Total Trade Payables	12,34,968	12,830

Asclepius Consulting & Technologies Private Limited
NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE NO. 6 : Other Current Liabilities

S.No	Particulars	As at 31/03/2015	As at 31/03/2014
	Other Current Liabilities		
	Virinchi Technologies	50,17,399	22,57,329
	Salary Payable	3,44,807	4,79,417
	Mobile Expenses Payable	38,695	24,626
	ESI Payable	-	650
	Provident Fund Payable	73,197	75,072
	Professional Tax Payable	2,600	3,350
	TDS	16,107	12,231
	Total Other Current Liabilities	54,92,804	28,52,675

NOTE NO. 7 : Short Term Provisions

S.No	Particulars	As at 31/03/2015	As at 31/03/2014
	Provisions		
	Audit Fees Payable	22,472	22,472
	Proffesional Charges Payable		
	Provision For Income Tax	2,36,847	
	Other Short Term Provisions	2,59,319	22,472

NOTE NO. 10 : Long Term Loans and Advances

S.No	Particulars	As at 31/03/2015	As at 31/03/2014
	Loans and advances		
	Unsecured, Considered good		
	LPG Connection Deposit	5,500	5,500
	Rent Deposit	20,613	20,613
	E.M.D. for Tender	50,000	50,000
	Total Long Term Loans and Advances	76,113	76,113

NOTE NO. 11: Other Non-Current Assets

S.No	Particulars	As at 31/03/2015	As at 31/03/2014
	Other non-current assets		
	Tax Deducted at Source A.Y. 2010-11	3,352	3,352
	Tax Deducted at Source A.Y. 2013-14		3,3[illegible]
	Tax Deducted at Source A.Y. 2014-15		2,33,989
	Tax Deducted at Source A.Y. 2015-16	2,46,178	
	Total Other Non Current Assets	2,49,530	6,19,653

NOTE NO. 12: Trade Receivables

S.No	Particulars	As at 31/03/2015	As at 31/03/2014
	Trade receivables		
	Outstanding for a period exceeding six months from the date they are due for payment		
	Unsecured considered good		
	Other debts	80,30,555	25,60,845
	Unsecured considered good		
	Total Trade Receivables	80,30,555	25,60,845

NOTE NO. 13: Cash and Cash Equivalents

S.No	Particulars	As at 31/03/2015	As at 31/03/2014
	Cash and cash equivalents		
	a. Cash on hand	[illegible]	[illegible]
	b. Balances with banks		
	- in HDFC Bank (Current Account	1,31,308	72,318
	Bank of America US	11,04,196	1,30,683
	- Fixed Deposit	64,400	64,400
	Total Cash and Cash Equivalents	13,34,960	3,04,926

NOTE NO. 14: Other Current Assets

S.No	Particulars	As at 31/03/2015	As at 31/03/2014
	Other Current Assets		
	Preliminary Expenses to the extent not written off		-
	Unbilled Revenue		
	Service Tax Input Credit	1,479	9,022
	Total Other Current Assets	1,479	9,022

For [illegible]

Director

Asclepius Consulting & Technologies Private Limited

NOTE NO. 15: Revenue from Operations

S.No.	Particulars	Year ended 31-03-2015	Year ended 31-03-2014
	Revenue from operations		
	a) Sale of products		
	i) Domestic	3,75,000	26,10,000
	b) Sale of services		
	i) Export	154,12,016	4,22,451
	ii) Domestic	32,74,373	24,95,625
	Total Revenue from operations	**192,61,389**	**55,28,076**

NOTE NO. 16 : Other Income

S.No.	Particulars	Year ended 31-03-2015	Year ended 31-03-2014
	Other income		
	Interest income	51,337	14,558
	- Interest on IT Refund	-	6,59,281
	- Other Income		
	Total Other Income	**51,337**	**6,73,839**

NOTE NO. 17 : Employee Benefit Expenses

S.No.	Particulars	Year ended 31-03-2015	Year ended 31-03-2014
	Employee benefit expense		
	Salaries, Wages and Bonus	89,43,735	66,97,074
	Remuneration to Directors	-	8,87,526
	Stipend	-	95,096
	Employer Contributions to PF & ESI	2,85,895	2,86,882
	Staff Welfare Expenses	14,816	12,381
	ADP Taxes	11,02,856	-
	Payroll Fee	52,687	-
	Total Employee Benefit Expenses	**103,99,989**	**79,78,959**

For Asclepius Consulting & Technologies Private Limited

Director

Asclepius Consulting & Technologies Private Limited

NOTE NO. 18 : Other Expenses

S.No.	Particulars	Year ended 31-03-2015	Year ended 31-03-2014
	Rent	10,75,958	4,42,730
	Repairs and maintenance		
	- *Plant and equipment*		775
	- *Others*	-	2,500
	Rates and taxes	22,472	22,472
	Payments to auditors	-	180
	Advertisement	-	2,817
	Bank Charges & Commission	-	1,76,588
	Computer Maintenance	-	56,840
	Conveyance	7,210	13,744
	Computer Accessories	-	980
	Courier Charges	-	70,194
	Electricity Charges	-	19,263
	Food Expenses	38,560	736
	Foreign exchange Gain / Loss	644	38,855
	Internet Expenses	-	50,000
	Legal Charges	4,03,451	58,473
	Office Maintenance	92,268	1,32,144
	Registration & Renewals	-	41,020
	Penal Charges	-	26,548
	Printing & Stationery	24,935	[illegible]
	Professional Charges	[illegible]	
	Outsourcing Expenses	64,205	[illegible]
	Telephone Expenses	37,286	1,40,816
	Travelling Expenses	-	8,269
	Water Charges	-	5,000
	Website Recurring Costs	92,400	91,987
	Web Server Rental Charges	1,24,460	1,43,796
	Miscellaneous Expenses	5,027	88,821
	Interest Charges - Taxes	2,27,529	
	Baddebts		
	Total Other Expenses	**71,02,581**	**18,93,169**

NOTE NO. 8&9 : Fixed Assets and Depreciation

DESCRIPTION	RATES	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		AS AT 01.04.2014	ADDITIONS	DELETIONS	AS AT 31.03.2015	AS AT 01.04.2014	Depn During the Year	DELETIONS	AS AT 31.03.2015	AS AT 31.03.2015	AS AT 31.03.2014
a) Tangible Assets											
Computers	63.16%	7,29,879	-	-	7,29,879	6,38,318	57,830	-	6,96,148	33,731	91,561
UPS	45.07%	1,06,383		-	1,06,383	43,608	28,292		71,901	34,482	62,775
Furniture & Fittings	25.89%	8,21,889			8,21,889	3,33,779	1,26,372	-	4,60,151	3,61,738	4,88,110
Printer / Scanner	63.16%	65,949		-	65,949	36,990	18,291	-	55,281	10,668	28,959
Office Equipments	45.07%	8,500			8,500	1,378	3,210		4,588	3,912	7,122
Sub Total (a)		**17,32,600**	-	-	**17,32,600**	**10,54,073**	**2,33,995**	-	**12,88,068**	**4,44,532**	**6,78,527**
b) Intangible Assets											
Software	39.30%	9,37,349		-	9,37,349	4,90,237	1,75,715	-	6,65,952	2,71,397	4,47,112
Product Development	39.30%	61,00,000		-	61,00,000	8,84,945	20,49,517	-	29,34,462	31,65,538	52,15,055
Sub Total (b)		**70,37,349**	-	-	**70,37,349**	**13,75,182**	**22,25,232**	-	**36,00,414**	**34,36,935**	**56,62,167**
Grand Total (a+b)		**87,69,949**	-	-	**87,69,949**	**24,29,255**	**24,59,226**	-	**48,88,481**	**38,81,468**	**63,40,694**

A. SIGNIFICANT ACCOUNTING POLICIES:

1. General:

- These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis, exception for certain tangible assets which are being carried at revalued amounts. Pursuant to Section 133 of the Companies Act,2013 read with Rule 7 of the Companies (Accounts) Rule,2014,till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act 1956, shall continue to apply. Consequently these financial statements have been prepared to comply in all material aspects with the accounting standards notified under section 211(3C) of Companies Act , 1956 [Companies(Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act ,2013.

  All the assets and liabilities have been classified as current and noncurrent as per the companies' normal operating cycle and other criteria set out in schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalent, the company has ascertained its operating cycle to be 12 months for the purpose of current - non current classification of assets and liabilities.

- **Use of Estimates**

  The preparation of Financial Statements in conformity with Generally Accepted Accounting Principles (GAAP) in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of income and expenses during the period.

2. Cash and Cash Equivalents

Cash comprises Cash on hand and Demand Deposits with Banks.

3. Tangible and Intangible Assets

i) Tangible Fixed Assets

Tangible fixed assets are carried at the cost of acquisition or construction, less accumulated depreciation and impairment, if any. The cost of fixed assets includes taxes (other than those subsequently recoverable from tax authorities), duties, freight and other directly attributable costs related to the acquisition or construction of the respective assets. Direct costs are capitalized until fixed assets are ready for use.

ii) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any. Profit or Loss on disposal of intangible assets is recognized in the Statement of Profit and Loss.

Product development Expenditure is written off over a period of 10 years. Products which are considered as redundant due to Technological advancement would be written off immediately.

Depreciation and Amortization:

I. Effective 1st April, 2014, Company depreciates the Fixed Assets over the useful life in the manner prescribed in Schedule II of The Companies Act, 2013 as against the earlier practice of depreciating at the rates prescribed in Schedule XIV of The Companies Act 1956.

II. Depreciation for additions to Fixed Assets of the Company is provided as per Schedule II of the Companies Act, 2013 on pro-rata basis.

4. Revenue Recognition:

(i) Revenue is not recognized on the grounds of prudence, until realized in respect of liquidated damages, delayed payments as recovery of the amounts are not certain.

5. Earnings per Share

The Basic and Diluted Earnings Per Share (EPS) is computed by dividing the net profit after tax for the year by weighted average number of equity shares outstanding during the year.

6. Taxes on Income

To provide Current tax as the amount of tax payable in respect of taxable income for the period, measured using the applicable tax rates and tax laws.

To provide deferred tax on timing differences between taxable income and accounting income subject to consideration of prudence, measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Not to recognize Deferred tax assets on unabsorbed depreciation and carry forward of losses unless there is virtual certainty that there will be sufficient future taxable income available to realize such assets.