M/s ActiveCubes Solutions India Private Limited
No. 7, 18th Main Road, 7th Block, Koramangala, Bangalore - 560095

Balance Sheet as at 31 March, 2014

	Particulars	Note No.	As at 31 March, 2014	As at 31 March, 2013
			Rs	Rs
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	1	5,07,45,510	5,07,45,510
	(b) Reserves and surplus	2	(63,81,801)	(34,86,644)
			4,43,63,709	4,72,58,866
2	Current liabilities			
	(a) Short-term borrowings	3	1,35,672	1,39,480
	(b) Current liabilities			
	Trade payables	4	38,07,476	49,58,434
	(c) Other current liabilities	5	7,12,539	5,81,037
	(d) Short-term provisions	6	33,54,368	58,71,260
			80,10,055	1,15,50,211
	TOTAL		5,23,73,764	5,88,09,076
B	ASSETS			
1	Non-current assets			
	(a) Fixed assets	7		
	(i) Tangible assets		5,30,134	7,21,715
	(ii) Intangible assets under development		1,03,77,690	1,03,77,690
	(b) Deferred tax assets (net)		86,23,505	86,57,316
			1,95,31,329	1,97,56,721
2	Current assets			
	(a) Trade receivables	8	1,23,96,879	1,51,91,066
	(b) Cash and bank balances	9	1,21,61,001	1,18,70,690
	(c) Short-term loans and advances	10	82,84,554	1,03,46,348
	(d) Other current assets	11	-	16,44,250
			3,28,42,433	3,90,52,355
	TOTAL		5,23,73,764	5,88,09,076
	See accompanying notes forming part of the financial statements	17		

In terms of our report attached.
For SADASHIV PRASAD & CO.,
Chartered Accountants
Firm Reg No.: 010621S

[CHETAN KUMAR]
Senior Partner
M. No.: 209976

SADASHIV PRASAD & CO. Chartered Accountants BANGALORE-27

Place : Bangalore
Date :

For ActiveCubes Solutions India Pvt. Ltd.

Director

Director

Place : Bangalore
Date :

M/s ActiveCubes Solutions India Private Limited
No. 7, 18th Main Road, 7th Block, Koramangala, Bangalore - 560095

Statement of Profit and Loss for the year ended 31 March, 2014

	Particulars	Note No.	For the year ended 31 March, 2014	For the year ended 31 March, 2013
			Rs	Rs
A	CONTINUING OPERATIONS			
1	Revenue from operations (gross)	12	11,58,61,704	11,90,21,862
	Revenue from operations (net)		**11,58,61,704**	**11,90,21,862**
2	Other income	13	18,87,827	10,12,189
3	**Total revenue (1+2)**		**11,77,49,532**	**12,00,34,051**
4	**Expenses**			
	(a) Employee benefits expenses	14	5,47,80,933	4,73,45,850
	(c) Depreciation and amortisation expenses	7	2,69,123	3,30,385
	(d) Other expenses	15	6,54,41,039	6,18,66,930
	Total expenses		**12,04,91,095**	**10,95,43,165**
5	**Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)**		(27,41,563)	1,04,90,886
6	Exceptional items		-	-
7	**Profit / (Loss) before extraordinary items and tax (5 ± 6)**		(27,41,563)	1,04,90,886
8	Extraordinary items		-	-
9	**Profit / (Loss) before tax (7 ± 8)**		(27,41,563)	1,04,90,886
10	**Tax expense:**			
	(a) Current tax expense for current year		-	20,98,990
	(b) Deferred tax for current year		8,03,428	
	(c) Deferred tax for previous year		(8,37,239)	29,50,052
			(33,811)	**50,49,042**
11	**Profit / (Loss) from continuing operations (9 ±10)**		(27,75,374)	54,41,844
12	**Profit / (Loss) for the year**		**(27,75,374)**	**54,41,844**
13	**Earnings per share (of Rs.10/- each):**			
	(a) Basic			
	(i) Continuing operations		(1.07)	1.07
	(ii) Total operations		(1.07)	1.07
	(b) Diluted			
	(i) Continuing operations		(1.07)	1.07
	(ii) Total operations		(1.07)	1.07
	See accompanying notes forming part of the financial statements	17		

In terms of our report attached.
For **SADASHIV PRASAD & CO.**,
Chartered Accountants
Firm Reg No : 010621S

[CHETAN KUMAR]
Senior Partner
M No 209976

Place Bangalore
Date:

SADASHIV PRASAD & CO. Chartered Accountants BANGALORE-27

For **ActiveCubes Solutions India Pvt. Ltd.**

Director

Director

Place : Bangalore
Date:

M/s ActiveCubes Solutions India Private Limited
No. 7, 18th Main Road, 7th Block, Koramangala, Bangalore - 560095

Cash Flow Statement for the period April 2013 - March 2014

Indian Rupees (Rs.)

	Particulars	31.03.14	31.03.13
1	**Cash Flow from Operating Activities**		
	Net Profit before tax as per Profit & Loss account	(27,41,563)	1,04,90,886
	Adjustments for:		
	- Depreciation	2,15,123	3,12,385
	- Preliminary Expenses	54,000	18,000
	- Interest on Fixed deposits	(3,61,873)	(9,61,791)
	Operating profit before working capital changes	(28,34,313)	98,59,481
	(Increase) / Decrease in trade and other receivables	27,94,187	14,41,046
	(Increase) / Decrease in Short term loans and advances	19,42,012	(49,81,815)
	(Increase) / Decrease in Other Current Assets	15,90,250	10,89,455
	Increase / (Decrease) in trade payables	(11,50,958)	(14,58,859)
	Increase / (Decrease) in Short term borrowings	(3,808)	8,308
	Increase / (Decrease) in Short term provisions	(25,16,892)	34,32,620
	Increase / (Decrease) in Other Current liabilities	1,31,502	15,408
	Cash generated from operations	(48,020)	94,05,643
	Direct taxes paid	-	(20,98,990)
	Cash flow before extraordinary item	(48,020)	73,06,653
	Extraordinary item	-	-
	Net Cash Flow from Operating Activities (A)	***(48,020)***	**73,06,653**
2	**Cash Flow from Investing Activities**		
	Investment in Fixed Assets	(23,541)	(1,54,110)
	Investment in Intangible assets under development		(52,31,623)
	Receipts from (Investment in) Fixed Deposits	68,19,914	2,87,86,164
	Interest received on Fixed deposits	3,61,873	9,61,791
	Net Cash flow from Investing Activities (B)	***71,58,246***	**2,43,62,222**
3	**Cash Flow from Financing Activities**		
	Redemption of Preference Share Capital	-	(4,59,96,500)
	Additional Share Capital raised	-	1,40,00,000
	Net Cash Flow from Financing Activities (C)	-	**(3,19,96,500)**
	Net Cash Flow (A+B+C)	**71,10,226**	**(3,27,625)**
	Add: Cash and Cash equivalents at the beginning	50,50,776	53,78,401
	Cash and Cash Equivalents at the end	**1,21,61,001**	**50,50,776**

NOTES

1. Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard (AS) 3 " Cash Flow Statements" issued under the Companies (Accounting Standard) Rules, 2006.
2. Cash and cash equivalents represent bank balances.

In terms of our report attached.

For **SADASHIV PRASAD & CO.,**
Chartered Accountants
Firm Reg No.: 010621S

[CHETAN KUMAR]
Partner
M. No.: 209976

Place : Bangalore
Date :

For **ActiveCubes Solutions India Pvt. Ltd.**

Director

Director

Place : Bangalore
Date :

M/s ActiveCubes Solutions India Private Limited
No. 7, 18th Main Road, 7th Block, Koramangala, Bangalore - 560095

Notes forming part of Balance Sheet

Particulars	Notes No.	As at 31 March, 2014		As at 31 March, 2013	
		Number of shares	Rs.	Number of shares	Rs.
Note 1 Share capital	1				
(a) Authorised Share Capital					
Equity shares of Rs.10/- each with voting rights		69,80,000	6,98,00,000	69,80,000	6,98,00,000
Cumulative Compulsorily convertible preference shares of Rs.10/- each		5,20,000	52,00,000	5,20,000	52,00,000
(b) Issued Share Capital					
Equity shares of Rs.10/- each with voting rights		50,74,551	5,07,45,510	50,74,551	5,07,45,510
Cumulative Compulsorily convertible preference shares of Rs.10/- each			-	-	-
(c) Subscribed and fully paid up Share Capital					
Equity shares of Rs.10/- each with voting rights		50,74,551	5,07,45,510	50,74,551	5,07,45,510
Cumulative Compulsorily convertible preference shares of Rs.10/- each			-	-	-
TOTAL		**50,74,551**	**5,07,45,510**	**50,74,551**	**5,07,45,510**

A. Share Capital
(a) Reconciliation of number of shares outstanding at beginning & end of the reporting period

Particulars	Outstanding as at beginning of the Reporting period	Allotment/ (Buy Back) during the Period	Outstanding as at end of the Reporting period
Equity shares with voting rights			
Year ended 31 March, 2014			
- Number of shares	50,74,551	-	50,74,551
- Amount (Rs.10/- each)	5,07,45,510	-	5,07,45,510
Year ended 31 March, 2013			
- Number of shares	45,94,551	4,80,000	50,74,551
- Amount (Rs.10/- each)	4,59,45,510	48,00,000	5,07,45,510
Cumulative Compulsorily convertible preference shares			
Year ended 31 March, 2014			
- Number of shares	5,10,505	-5,10,505	-
- Amount (Rs.10/- each)	51,05,050	-51,05,050	-
Year ended 31 March, 2013			
- Number of shares	-	-	-
- Amount (Rs.10/- each)	-	-	-

SADASHIV PRASAD & CO. Chartered Accountants BANGALORE

M/s ActiveCubes Solutions India Private Limited
No. 7, 18th Main Road, 7th Block, Koramangala, Bangalore - 560095

Notes forming part of Balance Sheet

Note 1 Share capital (contd..)

(b) Rights, preferences & restrictions including restrictions on the distribution of dividends & the repayment of capital
REFER ANNEXURE 1

(c') Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Ajay Pulpa	2,26,310	4.46%	2,56,310	5.05
Anand Ganapathy Chennira	4,16,000	8.20%	5,00,000	9.85
Prabhu Kishore Gutta	4,75,942	9.38%	6,00,000	11.82
Rajesh Varrier	3,51,681	6.93%	3,57,500	7.04
Ramachandran K	2,75,465	5.43%	2,94,000	5.79
Vijayalakshmi Gutta	2,50,000	4.93%	2,50,000	4.93
Trinity Infratech Private Limited	-	0.00%	4,00,000	7.88
Blue Star Infotech Limited	24,84,909	48.97%	-	-
Cumulative Compulsorily convertible preference shares	-	-	-	-

(d) Terms of any securities convertible into equity/preference shares issued along with the earliest date of conversion in descending orders starting from the farthest such date.
Cumulative Compulsorily convertible preference sl Earliest date of conversion is on or after 31st March 2015, but not later than 30th June 2015

SADASHIV PRASAD & CO. Chartered Accountants BANGALORE

M/s ActiveCubes Solutions India Private Limited
No. 7, 18th Main Road, 7th Block, Koramangala, Bangalore - 560095

Notes forming part of Balance Sheet

Particulars	As at 31 March, 2014	As at 31 March, 2013
	Rs	Rs
Note 2 Reserves & Surplus		
(a) Securities premium account		
Opening balance	1,66,21,115	4,83,12,565
Add : Premium on shares issued during the year	-	92,00,000
Less : Utilised during the year for:	-	4,08,91,450
Closing balance	**1,66,21,115**	**1,66,21,115**
(b) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	(2,34,49,173)	(2,88,91,016)
Add: Profit / (Loss) for the year	(27,75,374)	54,41,843
Closing balance	(2,62,24,547)	(2,34,49,173)
(c) MAT Credit entitlement		
Opening balance	33,41,414	15,39,617
Less: MAT Credit utilised during the year	(1,19,782)	18,01,797
Closing balance	32,21,631	33,41,414
TOTAL	**(63,81,801)**	**(34,86,644)**
Note 3 Short-term borrowings		
(a) Loans repayable on demand		
From banks - Unsecured		
(i) Chase credit card	1,35,672	1,39,480
TOTAL	**1,35,672**	**1,39,480**
Note 4 Current liabilities		
(a) Trade Payables:		
(i) Acceptances	21,69,053	49,58,434
(ii) Inter Company payables	16,38,423	-
TOTAL	**38,07,476**	**49,58,434**
Note 5 Other Current liabilities		
(i) Share application money received & due for refund		
(ii) Other payables		
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service		
- Contribution to Provident Fund	1,83,433	1,99,470
- Professional tax payable	5,200	7,050
- Service Tax payable	1,22,178	37,089
- TDS payable on computer hire charges	-	1,872
- TDS payable on contractors	-	680
- TDS payable on office rent	25,181	25,200
- TDS payable on professional charges	72,563	50,559
- TDS payable on salary	3,03,984	2,59,117
TOTAL	**7,12,539**	**5,81,037**

SADASHIV PRASAD & CO. Chartered Accountants BANGALORE-21

M/s ActiveCubes Solutions India Private Limited
No. 7, 18th Main Road, 7th Block, Koramangala, Bangalore - 560095

Notes forming part of Balance Sheet

Particulars	As at 31 March, 2014	As at 31 March, 2013
	Rs	Rs
Note 6 Short-term provisions		
(a) Provision for employee benefits:		
(i) Provision for gratuity (net)	6,67,422	10,42,540
(ii) Provision for other employee benefits		
- Incentive Payable	14,50,887	79,969
- Salary Payable	-	12,00,193
	21,18,309	**23,22,702**
(b) Provision - Others:		
(i) Provision for tax (net of advance tax)	-	20,98,990
(ii) Provision - others		
- Audit Fee payable	2,99,687	1,51,686
- Consultation charges payable	-	41,503
- Consultation charges payable - US	-	6,38,799
- Commission charges payable - US	-	5,61,401
- Internet Charges payable	30,000	-
- Electricity charges payable	-	38,850
- Professional Charges payable	-	8,090
- Telephone charges payable	-	8,327
- Travelling Charges payable - US	9,06,372	-
- Water charges payable	-	912
	12,36,059	**35,48,558**
TOTAL	**33,54,368**	**58,71,260**
Note 8 Trade Receivables		
(i) Others - outstanding for a period exceeding six months from the date when they were due for payment		
Secured, considered good		
Services Provided in India:	-	17,64,800
(i) Others - outstanding for a period not exceeding six months from the date when they were due for payment		
Secured, considered good		
Exports others:	82,88,613	1,25,50,103
Exports with Inter-Company	19,90,010	
Services Provided in India	8,82,646	8,76,163
Services Provided in India - Inter-company	12,35,610	-
Less: Provision for doubtful trade receivables	-	-
TOTAL	**1,23,96,879**	**1,51,91,066**

SADASHIV PRABAD & CO. Chartered Accountants BANGALORE

M/s ActiveCubes Solutions India Private Limited
No. 7, 18th Main Road, 7th Block, Koramangala, Bangalore - 560095

Notes forming part of Balance Sheet

Note 7 Fixed Assets

Tangible Assets	Gross Block			Depreciation Block				Net Block	
	01.04.2013	Additions/ Deletions	Total	Rate of Deprn.	01.04.2013	Current period	Total	31.03.2014	31.03.2013
(i) Computer & Peripherals Owned	15,64,673	14,541	15,79,214	40.00%	12,93,649	1,14,150	14,07,799	1,71,415	2,71,024
(ii) EPABX Owned	47,840	-	47,840	13.91%	25,681	3,082	28,763	19,077	22,159
(iii) Office Equipments Owned	1,43,879	9,000	1,52,879	13.91%	44,936	14,932	59,869	93,010	98,942
(iv) Projector Owned	30,315	-	30,315	13.91%	17,946	1,721	19,667	10,648	12,369
(v) Software Owned	6,99,707	-	6,99,707	40.00%	5,57,462	56,898	6,14,360	85,346	1,42,244
(vi) UPS Owned	3,27,015	-	3,27,015	13.91%	1,52,039	24,339	1,76,378	1,50,637	1,74,976
TOTAL	**28,13,429**	**23,541**	**28,36,970**		**20,91,714**	**2,15,123**	**23,06,836**	**5,30,134**	**7,21,715**
Previous Year	28,13,429	1,54,110	26,59,319		17,79,328	3,12,385	20,91,714	7,21,715	8,79,991

Intangible Assets	Gross Block			Depreciation Block				Net Block	
	01.04.2013	Additions	Total	Rate of Deprn.	01.04.2013	Current period	Total	31.03.2014	31.03.2013
(i) Intellectual property under development Owned	1,03,77,690	-	1,03,77,690		-	-	-	1,03,77,690	-
TOTAL	**1,03,77,690**	-	**1,03,77,690**		-	-	-	**1,03,77,690**	-
Previous Year	-	-	-		-	-	-	-	

For ActiveCubes Solutions India Pvt. Ltd.

Director

Director

M/s ActiveCubes Solutions India Private Limited
No. 7, 18th Main Road, 7th Block, Koramangala, Bangalore - 560095

Note 7(a) Fixed Assets Sub-schedule

31-03-2014

Computer & Peripherals

Date of Purchase	Amount	No. of days	Rate	Depreciation
O/B	2,71,024	365	40.00%	1,08,410
01-04-2013	6,858	365	40.00%	2,743
09-04-2013	7,683	356	40.00%	2,997
TOTAL	**2,85,565**			**1,14,150**

EPABX

Date of Purchase	Amount	No. of days	Rate	Depreciation
O/B	22,159	365	13.91%	3,082
TOTAL	**22,159**			**3,082**

Office Equipments

Date of Purchase	Amount	No. of days	Rate	Depreciation
O/B	98,942	365	13.91%	13,763
24-04-2013	9,000	341	13.91%	1,170
TOTAL	**1,07,942**			**14,932**

Projector

Date of Purchase	Amount	No. of days	Rate	Depreciation
O/B	12,369	365	13.91%	1,721
TOTAL	**12,369**			**1,721**

Software

Date of Purchase	Amount	No. of days	Rate	Depreciation
O/B	1,42,244	365	40.00%	56,898
TOTAL	**1,42,244**			**56,898**

UPS

Date of Purchase	Amount	No. of days	Rate	Depreciation
O/B	1,74,976	365	13.91%	24,339
TOTAL	**1,74,976**			**24,339**

SADASHIV PRASAD & CO. Chartered Accountants BANGALORE-27

M/s ActiveCubes Solutions India Private Limited
No. 7, 18th Main Road, 7th Block, Koramangala, Bangalore - 560095

Notes forming part of Balance Sheet

Particulars	As at 31 March, 2014	As at 31 March, 2013
	Rs	Rs
Note 9 Cash & Bank Balances		
(a) Cash on hand		
Cash USD	-	381
(b) Balances with banks		
(i) In current accounts		
Chase Bank	1,02,93,838	47,58,933
Chase Payroll Bank	-	83,039
Citi Bank	4,40,476	1,80,411
Corporation Bank	12,044	12,044
State Bank of India	14,012	14,562
(ii) In EEFC accounts		
Citi Bank - AUD	-	95
Citi Bank - USD	14,00,631	1,311
(iii) In deposit accounts	-	68,19,914
TOTAL	**1,21,61,001**	**1,18,70,690**
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 *Cash Flow Statements* is	1,21,61,001	50,50,776

SADASHIV PRASAD & CO. Chartered Accountants BANGALORE-27

M/s ActiveCubes Solutions India Private Limited
No. 7, 18th Main Road, 7th Block, Koramangala, Bangalore - 560095

Notes forming part of Balance Sheet

Particulars	As at 31 March, 2014	As at 31 March, 2013
	Rs	Rs
Note 10 Short-term loans & advances		
(a) Loans and advances to related parties (give details @)		
Secured, considered good		
Rajesh Warrier	-	10,000
(b) Loans and advances to employees		
Secured, considered good		
Salary advance	2,01,317	30,000
Ajay Kumar Singh		
Travel advance	9,06,372	7,71,496
(c) Loans and advances to Creditors/parties		
Mahiti Software	-	6,00,000
(d) Prepaid expenses - Unsecured, considered good		
General Insurance	-	4,54,771
Internet & broadband charges	-	97,404
Repairs & maintenance	-	15,068
Software renewal charges	-	9,349
Other Expenses	1,74,354	-
(d) Balances with government authorities		
Unsecured, considered good		
(i) Income tax refund receivable	40,404	49,250
(ii) Income tax refund receivable FY 2010-11	-	18,495
(iii) Income tax refund receivable FY 2011-12	-	3,68,228
(iii) Income tax refund receivable FY 2012-13	60,163	
(iv) Service Tax credit receivable	28,88,207	23,87,997
(v) Service Tax credit as service provider	-	2,195
(vi) Advance Tax F.Y 2012-13	-	15,95,530
## (vii) TDS Receivable F.Y 2013-14	7,92,105	-
(viii) TDS receivable F.Y 2012-13	-	5,95,151
(ix) MAT Credit Entitlement	32,21,631	33,41,414
TOTAL	82,84,554	1,03,46,348

SADASHIV PRASAD & CO. Chartered Accountants BANGALORE-27

M/s ActiveCubes Solutions India Private Limited
No. 7, 18th Main Road, 7th Block, Koramangala, Bangalore - 560095

Notes forming part of Balance Sheet

Particulars	As at 31 March, 2014	As at 31 March, 2012
	Rs	Rs
Note 11 Other current assets		
(a) Unamortised expenses		
(i) Preliminary expenses to the extent not written off	54,000	72,000
Less :10% Written off during the Current Year	54,000	18,000
	-	54,000
(b) Others		
(i) Others		
Deposits		
Rental deposit	-	15,84,400
Telephone deposit with TATA Indicom	-	4,500
Water deposit	-	1,350
TOTAL	-	**16,44,250**

SADASHIV PRASAD & CO. Chartered Accountants BANGALORE

M/s ActiveCubes Solutions India Private Limited
No. 7, 18th Main Road, 7th Block, Koramangala, Bangalore - 560095

Notes forming part of Profit and Loss Account

	Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
		Rs	Rs
	Note 12 Revenue from operations		
(a)	Sale of services comprises		
	Business support services		
	- Export	10,75,39,967	11,44,74,434
	- Domestic	83,41,737	45,47,428
	TOTAL	**11,58,81,704**	**11,90,21,862**
	Note 13 Other income		
(a)	Interest income		
	Interest from banks on deposits	3,61,523	9,61,791
	Interest on income tax refund	29,777	
(b)	Net gain on foreign currency transactions and translation (other than considered as finance cost)	1,90,841	
(c)	Other non-operating income		
	Miscellaneous income		
	Discount Received	3,276	3,590
	Reimbursement of facilities expenses	13,90,163	-
	US - SEI Stock Encashment income (net)	-	49,506
	TOTAL	**18,87,027**	**10,12,189**
	Note 14 Employee benefits expenses		
	Salaries and wages	4,29,25,638	4,38,52,548
	Contributions to provident and other funds	17,29,067	29,21,068
	Staff welfare expenses	4,04,036	6,65,436
	TOTAL	**4,47,00,933**	**4,73,45,050**

M/s ActiveCubes Solutions India Private Limited
No. 7, 18th Main Road, 7th Block, Koramangala, Bangalore - 560095

Notes forming part of Profit and Loss Account

	Particulars	For the year ended 31 Mar, 14	For the year ended 31 Mar, 13
		Rs	Rs
	Note 15 Other expenses		
	Commission Charges	-	32,44,392
	Rent including lease rentals	37,67,330	33,47,746
	Travelling & Conveyance	74,92,365	88,98,177
	Professional & Legal Charges	1,90,23,774	4,40,86,189
	Payment to Auditors comprises		
	As auditors - statutory audit	2,00,000	1,90,000
	For taxation matters	59,000	
	For company law matters		
	For other services	29,000	
	Reimbursement of expenses	-	-
	Net Foreign Exchange	-	5,85,000
	Miscellaneous expenses		
	Bad & Doubtful Debts	27,53,000	
	- Bank Charges	1,09,216	2,56,063
	Balances written off	21,123	
	- Business promotion	1,07,647	4,00,167
	- Computer hire charges	8,07,356	2,79,042
	- Donations & Contributions		1,000
	- Interest on Professional Tax	666	
	- Interest on Income Tax	31,756	-
	- Interest on service tax	627	54,293
	- Interest on TDS	1,473	11,343
	Internet & Broad band charges	10,05,405	3,66,688
	Insurance	5,75,676	6,47,022
	- News papers & periodicals	564	1,476
	- Office expenses	69,520	1,70,193
	- Online service	1,34,599	99,781
	Payroll processing fee	2,51,368	3,64,093
	Postage & telegram	1,13,990	11,400
	- Power & Electricity Charges	1,11,990	3,79,107
	- Printing & Stationery	7,420	10,561
	Rates & Taxes	90,675	7,500
	- Recruitment charges	2,10,262	6,61,500
	Registration charges	-	10,254
	- Reimbursement of expenses		40,000
	- Repairs & Maintenance - Building	2,43,010	2,23,120
	- Repairs Building Maintenance - Am	-	1,29,627
	- Repairs & Maintenance - Others	92,191	1,48,362
	Sales discount		2,54,159
	- Security charges	65,000	2,33,329
	- Service charges		1,742
	- Service tax input written off		109
	- Software licence charges	55,003	48,682
	- Software Lease Charges	22,472	86,000
	- Statutory charges	2,25,000	3,40,000
	- Telephone expenses	4,87,327	6,60,364
	Training & Seminar	624	
	- Water charges	13,084	19,563
	- Website creation charges	2,13,574	4,31,120
	- Work Permit & Visa Processing charges	4,33,950	
	TOTAL	**6,54,41,039**	**6,18,16,930**

NOTES

Any item of expenditure which exceeds 1% of the revenue from operations or Rs 100,000/- whichever is higher should be disclosed. Items which do not meet the criteria may be included as part of Miscellaneous expenses.

1% of the Revenue from operations	10,75,390	11,44,744
Rs 100,000/- whichever is higher	1,00,000	1,00,000
	10,75,390	11,44,744

SADASHIV PRABAD & CO. Chartered Accountants BANGALORE-27

M/s ActiveCubes Solutions India Private Limited
No. 7, 18th Main Road, 7th Block, Koramangala, Bangalore - 560095

Tax Audit under Section 44AB of the Income Tax Act, 1961, for the period ended March 31, 2014
Fixed Assets Schedule as per Income Tax Act, 1961

Clause 14 **Assessment Year 2014-15**

Particulars	WDV as on 01.04.2013	Additions/ Deletions	Total	Rate of Deprn.	Deprn.	WDV as on 31.03.2014
(i) Computer & Peripheral	89,309		89,309	60%	53,585	35,724
Before 27.09.2013		14,541	14,541	60%	8,725	5,816
(ii) EPABX	22,077	-	22,077	15%	3,312	18,765
(iii) Office Equipments	62,657		62,657	15%	9,399	53,258
Before 27.09.2013		9,000	9,000	15%	1,350	7,650
(iv) Projector	11,433	-	11,433	15%	1,715	9,718
(v) Software	52,572	-	52,572	60%	31,543	21,029
(vi) UPS	1,65,376	-	1,65,376	15%	24,806	1,40,570
Total	**4,03,425**	**23,541**	**4,26,966**		**1,34,435**	**2,92,531**

Adjustments to additions on account of:

I) Modified Value Added Tax credit claimed and allowed under the Central Excise Rules, 1944, in respect of assets acquired after March 31, 1994

ii) Change in ratio of exchange currency: Nil

iii) Subsidy or grant or reimbursement by whatever name called: Nil

SADASIVA PRASAD & CO. Chartered Accountants BANGALORE-27

M/s ActiveCubes Solutions India Private Limited

No. 7, 18th Main Road, 7th Block, Koramangala, Bangalore - 560095

Computation of DTA / DTL as per AS 22 - Accounting for taxes on income

Particulars	Rs.
Depreciation as per Companies Act	2,15,123
Depreciation as per Income tax Act	1,34,435
Timing Difference due to Depreciation	(80,688)
Income Tax @ 30%	(24,206)
Education Cess @ 3%	(726)
Reversal of DTL	**(24,933)**
Total Loss carried for this AY 2013-14	2,99,75,702
(i) Loss of Current yearTaxable Income	29,94,520
Income Tax @ 30%	8,98,356
Education Cess @ 3%	26,951
Total DTA created to the extent loss in current year	**9,25,307**
DTA reversal Adjustments to July 2013 financials	**8,37,239**
Gratuity Provision reversed	4,75,118
Income Tax @ 30%	1,42,535
Education Cess @ 3%	4,276
Total DTL	**1,46,811**
Net DTA to be created on Profit & Loss A/c	**8,03,428**
DTA reversal Adjustments to July 2013 financials	**8,37,239**
Net DTA to be Reversed	**33,811**

SADASHIV PRASAD & CO. Chartered Accountants BANGALORE

M/s ActiveCubes Solutions India Private Limited
No. 7, 18th Main Road, 7th Block, Koramangala, Bangalore - 560095

STATUS	:	PRIVATE LIMITED COMPANY
ACCOUNTING YEAR	:	2013-14
ASSESSMENT YEAR	:	2014-15
PAN	:	AAGCA 0786 Q

STATEMENT OF TOTAL INCOME AND TAX THEREON

I. PROFITS & GAINS OF BUSINESS:		
Net Profit as per Profit & Loss a/c		(27,41,563)
Add: a) Depreciation as per Companies Act	2,15,123	
b) Preliminary Expenses Written off	54,000	2,69,123
		(24,72,440)
Less: (a) Depreciation as per Income Tax Act U/s 32(1)	1,34,435	
(b) Income chargeable separately		
(i) Interest from banks on Fixed deposits	3,61,873	
(ii) Interest on Income tax refund	25,772	5,22,080
Income from business		(29,94,520)
Loss Carried forward for next 8 subsequent Asst years upto 2022-23		**(29,94,520)**
II. INCOME FROM OTHER SOURCES		
(i) Interest from banks on Fixed deposits	3,61,873	
(ii) Interest on Income tax refund	25,772	3,87,645
Total taxable income		3,87,645
Income Tax thereon under normal provisions (a)		1,19,782
As per Section 115JB		
Profit as per Books of Account		(27,41,563)
Add/Less: Adjustments		-
Book Profits		(27,41,563)
MAT @ 18.5% (b)		-
Income Tax Payable (a) or (b) whichever is higher		**1,19,782**
Less: *MAT Credit Eligible for Set off during the current A.Y 2014-15*		1,19,782
Difference of (A) and (B)	1,19,782	
Balance in MAT Credit as per sec 115JAA	33,41,414	
Income Tax payable after MAT Set off		-
Add: Education Cess @ 2%		-
Secondary & Higher Edu. Cess @1%		-
Tax + Cess Payable		-
Rounded off U/s 288B		-
Less: TDS	7,92,105	
Less: Advance Tax Paid	-	7,92,105
Balance Tax Payable(Refundable)		**(7,92,105)**

For **ActiveCubes Solutions India Pvt. Ltd.**

Director **Director**

M/s ActiveCubes Solutions India Private Limited

No. 7, 18th Main Road, 7th Block, Koramangala, Bangalore - 560095

STATEMENT OF TOTAL INCOME AND TAX THEREON(cntd)

MAT Credit arising for A.Y 2012-13 U/s 115JAA	15,39,617
MAT Credit arising for A.Y 2013-14 U/s 115JAA	18,01,797
Available MAT credit for Set-off	**33,41,414**
Less: MAT credit utilised u/s 115JAA	1,19,782
Available MAT credit	**32,21,631**

M/s ActiveCubes Solutions India Private Limited
No. 7, 18th Main Road, 7th Block, Koramangala, Bangalore - 560095

Statement of Set off and carry forward of losses as on 31st March 2014

As per The Income Tax Act, 1961									
Sl. No.	Financial Year	Business loss			Carried forward to next Asst. year	Unabsorbed depreciation			Carried forward to next Asst. year
		Rs	Set off			Rs	Set off		
			Asst. Yr	Rs	Rs		Asst. Yr	Rs	Rs
1	2006-07	10,73,159		Since, the prov. of S.79 of IT Act are not met, loss is not claimed		45,043			
2	2007-08	1,08,55,263	2011-12	1,06,46,655	2,08,608	2,80,349		-	2,80,349
		2,08,608	2012-13	2,08,608	-	-		-	-
3	2008-09	2,20,15,574	2012-13	17,23,634	2,02,91,940	6,19,878		-	6,19,878
		2,02,91,940	2013-14	96,56,221	1,06,35,719				
4	2009-10	1,64,79,898	-	-	1,64,79,898	4,94,237		-	4,94,237
5	2013-14	28,60,085		-	28,60,085	1,34,435		-	1,34,435

SADASHIV PRASAD & CO. Chartered Accountants BANGALORE

Sadashiv Prasad & Co
Chartered Accountants

AUDITOR'S REPORT

To,
The Members of
ACTIVECUBES SOLUTIONS INDIA PVT. LTD.
BANGALORE.

We have audited the attached Balance Sheet of **M/S ACTIVECUBES SOLUTIONS INDIA PRIVATE LIMITED** as at 31st March 2014 and the Profit & Loss Account for the period ended on that date annexed thereof.

The financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted the audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements show a true and fair view of the company and are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order, issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956, we enclose a statement on the matters specified in the said order.

2. 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.

3. In our opinion, proper books of accounts as required by Law have been kept by the Company, so far as appears from our examination of those books.

4. The Balance Sheet and the Profit & Loss Account referred to in the report are in agreement with the books of account; and

5. The Balance Sheet and the Profit & Loss Account dealt with by this report have been prepared in compliance with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act 1956, to the extent applicable.

6. On the basis of written representations received from the directors of the company as at March 31st 2014 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2014, from being appointed as director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

SADASHIV PRASAD & CO. Chartered Accountants BANGALORE-27

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AUDITOR'S REPORT

7. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with notes and schedules appearing thereon subject to paragraph 4(vii) to the Annexure, give the information required by the Companies Act, 1956, in the manner so required and give true and fair view:

   i. in so far as it relates to the Balance Sheet, of the state of affairs of the Company as at 31st March 2014, and

   ii. in the case of Profit & Loss Account, of the income for the year ended on above date.

For **SADASHIV PRASAD & CO.,**
Chartered Accountants
FRN: 010621S

[CHETAN KUMAR]
Senior Partner
M.No.209976

SADASHIV PRASAD & CO. Chartered Accountants BANGALORE-27

Place: Bangalore
Date:

Annexure

Referred to in our audit report of even date,

(i)

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

(b) All the assets have been physically verified by the management during the year. No material discrepancies were noticed on such verification.

(c) During the year, the company has not disposed off any major portion of the assets.

(ii) Inventory Valuation – Not Applicable

(iii)

(a) In our opinion, the rate of interest and other terms and conditions on which loans have been taken from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the company.

(b) There is no overdue amount of loans taken from or granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.

(iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.

(v)

(a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.

(b) In our opinion and according to the information and explanations given to us, no transactions are made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year.

(vi) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public during the year.

(vii) In our opinion, the company does not have an internal audit system commensurate with the size and nature of its business.

(viii)

(a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other material statutory dues applicable to it.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty, excise duty and cess were in arrears, as at 31.03.2014 for a period of more than six months from the date they became payable.

Chartered Accountants

(c) According to the information and explanation given to us, there are no dues of sale tax, income tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute.

(ix) In our opinion and according to the information and explanations given to us the accumulated losses of the Company are not more than fifty percent of its networth. Further, the Company has incurred Cash Losses during the Financial year is Rs.28,60,085/- covered by our audit and the total accumulated losses of the company as on 31.03.2014 is Rs.2,62,24,547/- and current year Loss before tax expenses is Rs. 27.41,1563/-

(x) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.

(xi) We are of the opinion and according to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xii) In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.

(xiii) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.

(xiv) In our opinion and according to the information and explanations given to us the company has not given any guarantees for loans taken by others.

(xvi) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long term Investment. No long-term funds have been used to finance short-term assets except permanent working capital.

(xvii) According to the information and explanations given to us, the company has not made any preferential allotment of shares to any related parties.

(xviii) According to the information and explanations given to us, during the period covered by our audit report, the company has not issued any debentures.

(xix) The Company is a Private Limited Company within the meaning of sec.3 of the Companies Act, 1956 and as such has not raised any money through public issues.

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

For **SADASHIV PRASAD & CO.,**
Chartered Accountants
Firm Reg. No.; 010621S

SADASHIV PRASAD & CO. Chartered Accountants BANGALORE-27

[CHETAN KUMAR]
Senior Partner
M. No.: 209976

Place : Bangalore
Date :