



**INDEPENDENT AUDITOR'S REPORT**

**To the members of SYSTAT SOFTWARE ASIA PACIFIC LIMITED**

**Report on the Financial Statements**

We have audited the accompanying financial statements of Systat Software Asia Pacific Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2015, the Statement of Profit and Loss for the year then ended, and a summary of the 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 stated 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 and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these 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.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountant Of India. Those Standards and pronouncement require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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, of the state of affairs of the Company as at 31<sup>st</sup> March, 2015, and its Loss 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 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 it appears from our examination of those books;
  - (c) The Balance Sheet and the Statement of Profit and Loss, 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 the written representations received from the directors as on 31<sup>st</sup> March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) 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 does not have any pending litigations which would impact its financial position
    - 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 Sethia Prabhad Hegde and Co**

Chartered Accountants  
(Firm's Registration No 013367S.)

  
(Timmayya Hegde)  
(Partner)  
(Membership No. 226267)

Bangalore  
28<sup>th</sup> May 2015



#### Annexure to the Independent Auditors' Report

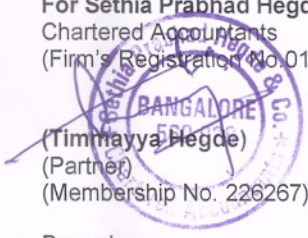
The Annexure referred to in our Independent Auditor's report to the members of **Systat Software Asia Pacific Limited** ('the Company') on the financial statements for the year ended on 31<sup>st</sup> March 2015.

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)
  - (a) The Company has no inventory during the year and hence provisions of clause (ii) of para (4) of Companies (Auditor's Report) Order, 2015 are not applicable.
- iii) The Company had not granted any loan secured or unsecured to any companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 except in the case of holding company wherein the company has granted trade advance in the nature of loan and hence the provisions of clause (iii) (a) and (d) said Order are not applicable.
- 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 the purchase of inventory and fixed assets and for the sale of goods and services. 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 as required under 148 (1) of the Companies Act 2013
- vii)
  - (a) According to the information and explanations given to us no undisputed amount payable in respect 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<sup>st</sup> 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 provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues with the appropriate authorities which have not been deposited on account of any dispute.
  - (c) According to the information and explanations given to us, the 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 has been transferred to such fund within time.
- viii) The Company does not have any accumulated losses, as at March 31, 2015. The Company has incurred cash loss of Rs 50,498/- in the financial year ended on that date and Rs 26,159/- in the immediately preceding the financial year.
- ix) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment dues to bank. There are no debenture holders during the year nor any dues to any financial institutions.
- x) In our opinion, and according to the information and explanation given to us, and as per examination of relevant records, the Company has not given any guarantee for loans taken by others from banks or Financial Institutions

- xi) Based on information and explanations given to us by the management, the Company has not borrowed any term loan during the year and hence the provisions of clause 4 (xi) of the said Order are not applicable.
- 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 Sethia Prabhad Hegde and Co**  
Chartered Accountants  
(Firm's Registration No. 013367S)

  
(Timmayya Hegde)  
(Partner)  
(Membership No. 226267)

Bangalore  
28<sup>th</sup> May 2015



**SYSTAT SOFTWARE ASIA PACIFIC LIMITED**

**Balance Sheet as at 31.03.2015**

	Note No.	31.03.2015 Rs.	31.03.2014 Rs.
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
(a) Share Capital	2.1	38,00,000	38,00,000
(b) Reserves and Surplus	2.2	14,70,765	15,21,263
<b>Non-current liabilities</b>			
(a) Deferred tax liabilities (Net)	2.3	51,535	51,535
<b>Current liabilities</b>			
(a) Trade payables	2.4	52,933	36,746
(b) Other current liabilities	2.5	-	7,733
<b>TOTAL</b>		<b>53,75,233</b>	<b>54,17,277</b>

**ASSETS**

<b>Non-current assets</b>			
		-	-
<b>Current Assets</b>			
(a) Cash and cash equivalents	2.6	48,018	56,062
(b) Short-term loans and advances	2.7	53,27,215	53,61,215
<b>TOTAL</b>		<b>53,75,233</b>	<b>54,17,277</b>

Notes 2.1 to 2.7 form an integral part of Balance Sheet

As per our report of even date

**For Sethia Prabhad Hegde & Co**

Chartered Accountants

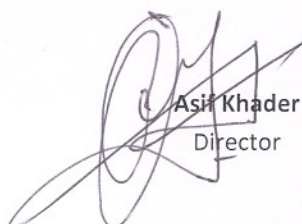
Firm Registration Number - 0133675

  
**Timmayya Hegde**  
 Partner  
 M.No-226267




Bangalore

,28/05/2015

**For and on behalf of the Board**

  
**Asif Khader**  
 Director

  
**Mueed Khader**  
 Director

SYSTAT SOFTWARE ASIA PACIFIC LIMITED			
Statement of Profit and Loss for the year ended 31.03.2015			
	Note No.	31.03.2015 Rs.	31.03.2014 Rs.
Income		-	-
<b>Total Revenue</b>		-	-
<b>Expenses:</b>			
Finance costs		-	-
Other expenses	2.8	50,498	26,159
<b>Total Expenses</b>		<b>50,498</b>	<b>26,159</b>
Profit/(Loss) before exceptional and extraordinary items and tax		(50,498)	(26,159)
Exceptional items		-	-
Profit/(Loss) before extraordinary items and tax		(50,498)	(26,159)
Extraordinary Items		-	-
Profit/(Loss) before Tax		(50,498)	(26,159)
Tax expense:			
Profit/(Loss) for the period		(50,498)	(26,159)
Earnings per share:			
(1) Basic		(0.13)	(0.07)
(2) Diluted		(0.13)	(0.07)
Notes 2.8 Form an integral part of Profit and Loss account			
As per our report of even date		<b>For and on behalf of the Board</b>	
<b>For Sethia Prabhadd Hegde &amp; Co</b>			
Chartered Accountants			
Firm Registration Number - 013367S			
			
		Asif Khader	
		Director	
			
		Mueed Khader	
Director			
Bangalore			
,28/05/2015			



**NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015**

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.

**2.1 SHARE CAPITAL**

Particulars	As at 31.3.2015	As at 31.3.2014
<b>Authorised</b>		
5,00,000 Equity Shares of Re.10/- each	50,00,000	50,00,000
<b>Issued and Subscribed and fully Paid-up</b>		
3,80,000 Equity Shares of Re.10/- each fully paid up	38,00,000	38,00,000
	<b>38,00,000</b>	<b>38,00,000</b>

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

The Company declares and pays dividend in Indian rupees. The Board of Directors have not proposed any dividend during the year. Dividend declared if any, if approved by the Shareholders, is payable to the shareholders in proportion to their shareholding. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Reconciliation of number of Shares**

Equity Shares:	As at 31st March 2015		As at 31st March 2014	
	Number of Shares	Amount	Number of Shares	Amount
Balance as at the beginning of the previous year	3,80,000	38,00,000	3,80,000	38,00,000
Add: Shares issued during the year	-	-	-	-
Balance as at the end of the year	3,80,000	38,00,000	3,80,000	38,00,000

Neither shares are reserved for issue under options nor securities have been issued, which are convertible into equity / preference shares in future as on the date of balance sheet.

**Details of Shares held by shareholders, holding more than 5% of the aggregate shares in the Company.**

	No. of shares	Percentage	No. of shares	Amount
Cranes Software International Limited	3,80,000	100	3,80,000	100

No shares have been allotted as fully paid up, by way of bonus shares during 5 years immediately preceding March 31, 2015.

**2.2 RESERVES AND SURPLUS**

Particulars	As at 31.3.2015	As at 31.3.2014
<b>(a) Surplus in Statement of Profit and Loss</b>		
Opening balance	15,21,263	15,47,422
Loss for the year	(50,498)	(26,159)
Amount available for appropriation	14,70,765	15,21,263
Balance as at the end of the year	14,70,765	15,21,263
<b>TOTAL</b>	<b>14,70,765</b>	<b>15,21,263</b>

**2.3 DEFERRED TAXES LIABILITY (NET)**

Particulars	As at 31.3.2015	As at 31.3.2014
Deferred Tax Liability (Attributable to Depreciation)	51,535	51,535
	<b>51,535</b>	<b>51,535</b>

**2.4 TRADE PAYABLE**

Particulars	As at 31.3.2015	As at 31.3.2014
Trades payables	52,933	36,746
<b>TOTAL</b>	<b>52,933</b>	<b>36,746</b>

Refer Note: (reg Micro, Small and Medium Enterprises)

**2.5 OTHER CURRENT LIABILITIES**

Particulars	As at 31.3.2015	As at 31.3.2014
<u>Current maturities of Long term debt:</u>		
Statutory dues (Including Provident Fund, Withholding and other taxes payable)	-	1,654
Other payables	-	-
Advance received	-	6,079
<b>TOTAL</b>	<b>-</b>	<b>7,733</b>

**2.6 CASH AND BANK BALANCES**

Particulars	As at 31.3.2015	As at 31.3.2014
Bank balances:		
: in current Account	48,018	56,062
<b>TOTAL</b>	<b>48,018</b>	<b>56,062</b>

**2.7 SHORT TERM LOANS AND ADVANCES**

Particulars	As at 31.3.2015	As at 31.3.2014
Unsecured, considered good		
Balances with group Companies	53,27,215	53,61,215
Other Advances	-	-
<b>TOTAL</b>	<b>53,27,215</b>	<b>53,61,215</b>

**2.8 OTHER EXPENSES**

Particulars	Year ended 31st March 2015	Year ended 31st March 2014
Rates and Taxes	34,000	-
Statutory Auditors : Audit fees	16,584	16,584
Bank Charges	8,044	-
Professional charges	-	-
Miscellaneous writeoff	(8,130)	9,575
<b>TOTAL</b>	<b>50,498</b>	<b>26,159</b>

**2.9 EARNINGS PER SHARE**

Particulars	Year ended 31st March 2015		Year ended 31st March 2014	
	Before extraordinary items	After extraordinary items	Before extraordinary items	After extraordinary items
<b>Basic</b>				
Profit/(loss) after tax	(50,498)	(50,498)	(26,159)	(26,159)
Weighted average number of shares outstanding	3,80,000	3,80,000	3,80,000	3,80,000
Basic EPS	(0.13)	(0.13)	(0.07)	(0.07)



**OTHER DISCLOSURES**

**Particulars**

Year ended 31st March 2015

Year ended 31st March 2014

**2.10 RELATED PARTY TRANSACTIONS**

Particulars	Year ended 31st March 2015		Year ended 31st March 2014	
	Holding Company	Other Related Parties	Holding Company	Other Related Parties
Balance as on 31.03.14 receivable	-	-	53,61,215	-
Balance as on 31.03.14 payable	-	-	-	-
<b>Name of the related Parties and description of relationship</b>				
Holding Company	Cranes Software International Limited			
Key Management Personnel	Mr Asif Khader Mr Mueed Khader			

**2.11 DUES TO MICRO AND SMALL ENTERPRISES**

Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	Nil	Nil
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	Nil	Nil
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	Nil	Nil
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	Nil	Nil
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	Nil	Nil
Interest due and payable towards suppliers registered under MSMED Act, for payments already made.	Nil	Nil
Further interest remaining due and payable for earlier years.	Nil	Nil

**For and on behalf of the Board**

As per our report of even date  
**For Sethia Prabhakar Hegde & Co**  
 Chartered Accountants  
 Firm Registration Number - 0133675



Timmayya Hegde  
 Partner  
 M.No-226267  
 Bangalore  
 ,28/05/2015

*(Signature)*  
**Asif Khader**  
 Director

*(Signature)*  
**Mueed Khader**  
 Director