

ANNUAL REPORT

2015-16

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Chairman's Letter



Dear Stakeholder,

I am happy to inform you that FY15-16 was a good year for Aurionpro. We had founded Aurionpro with the belief that substantial value could be created through IP driven offerings. We have moved significantly in realizing that vision. Through the years we have grown this business by building and acquiring strategic IPs that amplified the value we were delivering to customers. This has resulted in significant revenue growth and has also given rise to a diversified business that bore distinctly different characteristics in different markets and industries. In FY 2015-16 while our revenue growth was below par, our EBITDA growth was very healthy.

FY 2015-16 was a satisfactory year for Aurionpro as we advanced on our core strategy of 'simplifying and sharpening' our focus on three core businesses – *Enterprise Security, Digital Innovation & Banking*. Throughout the fiscal, we made considerable effort in eliminating inefficient operational models and establishing a unified, consistent business model that was geared for scale and accelerated growth in our various markets and industries. We appointed newer sales heads and operational heads and made investments in strengthening our portfolio of products. We also exited our IT Services business in North America and used the proceeds to reduce debt.

The IP and products that we added through the acquisition of Intellvisions Software Ltd. strengthened and helped accelerate revenue share of our Digital Innovation offerings. We also acquired majority stake in Spikes Security, a silicon-valley based pioneer in Malware Isolation technologies. We had announced that we will merge this company with our Enterprise Security Division to form a dedicated subsidiary focused on Cyber Security. We made several new client acquisitions in our supply chain and government verticals. In India and Middle East we continued to win some very large and prestigious engagements for our Kiosks and Customer Communication products. We delivered over 3000 Queue Management Systems to one of the largest banks in India and won the entire customer communications platform implementation for the launch of one of the largest mobile services player launch for an Indian conglomerate. This would be one of the largest in the entire world. We have also have consolidated our presence in Asia Pacific with our corporate banking products for Lending and Cash Management. We have a clear leadership position in the ASEAN region. Last year, we also drove an initiative to



Chairman's Letter

(continued)

consolidate our branding into a singular consistent message that holds true across geographies, across product lines and across industries. Aurionpro's core value proposition is clearly defined as an organization that helps clients accelerate digital innovation, securely and efficiently. This has helped us strengthen our brand value across stakeholders – customers, partners, employees and investors alike.

The strategy of simplifying and sharpening our focus means we continue to invest in building a global leadership team and enhancing strong domain expertise. We have aligned our offerings to help businesses accelerate digital innovation, secure enterprises and optimize business operations. Our revenues come from a healthy mix of industry leading IP, frameworks and services that drive expediency to clients realizing value. We have invested in technology and talent that will allow us to drive and de-risk innovation cycles while enhancing security. These initiatives will result in larger deal sizes and deeper client relationships. Our exit of the IT Services business in the US was towards the same purpose.

As we stay confident and steadfast in building a world-class business, we believe there is a lot of hidden value locked up in each of our core business that can yield greater return on investments to our stakeholders. In the coming months, we will announce significant steps to strengthen our positioning core IP business with an objective on unlocking and maximizing shareholder value. I am confident each of the core businesses have an opportunity for growth higher than the market average and we will put a structure in place to enhance and build on it strategically. I am thankful to each of you for your support and, along with the rest of the Aurionpro team, we will work to build the next version of Aurionpro for sustained revenue growth and margin growth.

Paresh Zaveri

Chairman



Executive Management

Paresh Zaveri

Chairman



Paresh Zaveri is the Chairman of Aurionpro's Board of Directors. He co-founded the company in 1997 and has been the strategic architect of its growth ever since. Paresh led the formulation of Aurionpro's incisive corporate strategy that included a balanced combination of organic and inorganic growth and was essential in identifying the markets to expand into and the acquisition targets that would both fit within Aurionpro's corporate culture and targeted growth plans. Having successfully performed several corporate roles, Paresh now focuses on providing day-to-day executive, financial, operational, and strategic oversight to the senior leadership team.

He brings 20+ years of experience in corporate finance, supply chain, general management, and strategic planning to his role with Aurionpro, and is also influential in advising a number of industry-related organizations and enterprises. Based in Singapore, Paresh holds a degree in engineering as well as an MBA in finance.

Amit Sheth

Co-Chairman & MD



Amit Sheth is Aurionpro's Co-Chairman & Managing Director. He was also a member of the team that co-founded the company. Amit has been the key driver of growth for the Banking & Financial Technologies Business Line and led the company's initial path of expansion across India and Southeast Asia. Amit is currently responsible for business development and strategic partnerships. He now continues to play an influential role in Aurionpro's geographic expansion into the Middle East and Africa.

He brings more than 22 years of experience in corporate finance, equities and technology to his role, as well as deep domain expertise in banking operations and cash management. Prior to Aurionpro, Amit held key positions at Twentieth Century Finance and Lloyds Securities. A recognized expert in the banking industry, Amit is a regular contributor to regional banking conferences, roundtables, and trade publications. Based in Mumbai, Amit is an engineering graduate and an MBA in finance.

Samir Shah

Chief Executive Officer (CEO)



One of the pioneering members of Aurionpro's management team, Samir has been a key driver of progressing Aurionpro's vision of becoming one of the world's most respected and innovative technology companies. Prior to his appointment as CEO, Samir had played a number of key roles in the organization, including establishing Aurionpro's North America operations, driving and integrating a number of strategic acquisitions, launching operational streamlining initiatives that have improved profitability, and reorganizing the company globally in order to improve sales effectiveness. Today, Samir leads the company from its North America headquarters in the Bay Area, CA and spearheads Aurionpro's aggressive expansion plans, promotes a customer-first philosophy, and fosters a united and collaborative corporate culture. A respected expert across the banking and electronic payments industries. He holds an engineering degree in computer science and an MBA in finance. Samir has previously served on the boards of PaySimple and PriorityCommerce.



ABOUT AURIONPRO

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Business Areas and Primary Offerings

Aurionpro is a global technology solutions leader that helps clients accelerate digital innovation, securely and efficiently. We combine core domain expertise with thought leadership in innovation & security. We leverage industry leading IP to deliver tangible business results for global corporations. Our cutting edge industry leading IP and products are designed to solve challenges for clients in areas of Enterprise Security, Customer Experience and Transaction Banking. In addition, we also offer technology solutions for the Logistics industry and Government PSUs in India.

Every Aurionpro employee brings with him or her, the resourcefulness, creativity and aptitude to find solutions that deliver 'more' with 'less'. Our track record of success is built upon the edifice of domain expertise that we bring to all of our engagements. Our core domain solutions are built across 600+ engagements delivered to businesses around the world over the last decade and a half. We pride our domain expertise across industries with a special focus on Banking and Financial Services.

Over the last one year, Aurionpro has empowered over 120 clients from across 22 countries to Innovate, Secure and Optimize their businesses. Employing more than 1,300 domain and technology experts across North America, Asia and Europe, Aurionpro has consistently been recognized amongst the top 100 technology solutions providers for Financial Services companies. The company is organized into three primary business lines:

Digital Innovation

We help clients de-risk innovation cycles and improve the speed of innovation. Using our frameworks and IP, clients can de-risk innovation cycles by eliminating execution risk, technology risk and time-to-market risk. Our offerings focus on helping enterprises that are already or going digital bring automation and immersive interactivity through digital experiences with their consumers in the areas of branch operations and customer communications. We help banks and enterprises elevate customer experience and deliver on the promise of the digital enterprise.

Our offerings include:

1. ACE – Aurionpro Customer Engagement

With ACE, Aurionpro aims to create unmatched customer experiences that are truly transformational. We offer an unrivalled range of touch points that are designed to automate transactions and migrate frontline activities into digital channels, resulting in higher efficiency and elevating the customer experience. The cornerstone of our offerings is the ACE platform, a high performance low latency middleware that can help organizations deliver innovative digital experiences.

It comes combined with multiple end-point products in the form of Kiosks that automate and elevate the experience as customers touch, click and feel their way through the service experience and transaction experience, thus amplifying the power of digital in customer experience.

ACE also includes in itself an industry leading IP – Interact DX – transforming customer experience through communications such bills, statements or receipts rendered across multiple end points - PDF, Email, Mobile, Web and Kiosk.

2. Digital Payments

Our Digital Payments practice leverages deep domain expertise to provide solutions that are tailor made to meet the diverse needs of payments processors, consumers and merchants. We offer innovation engineering, product engineering and development, product migration and geo-specific customizations for some of the leading start-ups and product companies in the payments space.

Enterprise Security

Today when the world has gone digital, CISOs and CIOs have to balance the need to capitalize on the opportunity that 'digital' provides while eliminating business risk arising from malware threats and unauthorized access. We design and implement Cyber Security and Identity Management solutions, bringing together cutting edge technology and industry expertise.

Our offerings include:

1. Identity and Governance

Aurionpro delivers end-to-end solutions combining its custom-tailored professional services with unique IPs, connectors and accelerators to meet complex business requirements. Our experts employ services and engineering capabilities to support the full lifecycle of Enterprise Security projects. We have formal tools and templates used throughout our projects for requirements, functional specifications, designs (high and low level), risk and status reporting during a project. We also provide a wide range of IAM services with over 20 years of unmatched professional services expertise, proven methodologies and technical resources to fulfill identity and access management needs of the organization.

2. Fine-grained Entitlements Authorization:

Powered by IP, Aurionpro's Authorization & Fine Grained Entitlements services allow enterprises to manage access to information assets as per their regulatory, compliance & business requirements. Going beyond paradigms such as Attribute Based (ABAC) and Role Based Access Control (RBAC), we develop centralized, simplified, extensible, adaptable & performant controls that closely model business & its processes. Be it Cloud or On-Premise, we can seamlessly integrate with industry leading IAM software to deliver a rapid go-to-market advantage. Enjoy the benefits of accelerated deployment, flexibility and responsive Authorization Services for the digital era, while making security a strategic enabler to business.

3. API Security Services

Our API Security services provide enterprises the ability to



shape their business models by making applications available as APIs for consumption in mobile applications, cloud applications and Internet of Things (IoT) space. With more than a decade of experience in designing and delivering API security solutions, Aurionpro provides services around API authentication, authorization, auditing and monetization. Every API security solution deployment is unique and we employ proprietary solutions along with professional services for all major API management products on the market to ensure that every enterprise has the best API security solution in place.

4. Advisory Services

Advisory Services help clients develop and maintain information security policies, processes, and procedures that address the natural evolution of the regulatory and technology landscape. Information security is the key enabler for users, vendors, management, customers, and partners to work seamlessly. Stated differently, information security, when done well, enables business growth. We work closely with clients to ensure that information security is well-managed, compliance is assured, and resources are optimally allocated at the right time to protect IT assets, regardless of location or platform.

5. Access management

Our team delivers unparalleled, design, custom-code, integration, and turnkey deployment services to both large and small organizations. With our next-generation automation utilities, Aurionpro enables businesses to deploy applications faster and operate with a lower TCO (total cost of ownership) than ever before.

6. Isla – Malware Isolation Solution

Isla is an advanced web malware isolation system that prevents all untrusted web code, including known and unknown web malware from entering the corporate network while delivering a familiar end user experience. Isla supports all enterprise endpoints and can either replace existing browsers, or isolate and secure individual tabs in current browsers.

Banking

Our solutions for transaction banking represent best practices across the industry gathered through more than 10 years of experience servicing well known banks in the region. Our Banking products and solutions represent an ideal combination of rich domain and functional knowledge and cutting edge technical expertise. This reflects our "Solutions for bankers, by bankers" philosophy. Our team is led by dynamic ex-bankers who are passionate about the success of our customers. Our proprietary engagement and implementation model is well accepted by multiple banks and we are proud of our perfect delivery track record. Our products include:

1. Smart Lender for Loan Origination

Loan Origination System product suite is an end-to-end integrated Credit Risk Management System which improves productivity, enhances credit quality, and reduces operational risks. The Credit Risk Management System

incorporates Basel II risk management framework as well as best-of-breed credit risk management practices from international banks. The solution is a strategic risk-based lending platform to enhance credit quality and improve productivity. It is also the data gathering infrastructure for all three credit risk management approaches of Basel II (Standardized, FIRB, and AIRB).

2. iCashPro for Cash Management

We help drive efficiencies by enabling our clients' corporate customers to manage their receivables and payables most efficiently. Our iCashPro product suite is a fully integrated, web-based, end-to-end banking solution. It consists of independently functioning Front-End Internet Banking and Back-End Banking Operations. The architecture enables centralized hosting with access from all branches or other operational centers. This enterprise-scale platform enables banks to process large volumes of transactions as well as multi-currency, multi-country, imaging and straight-through-processing (STP) capabilities.

3. Financial Supply Chain Management

Our Financial Supply Chain Management platform helps the banks in managing their working capital and funding requirements. It enables the banks and financial institutions to represent their financial information and cash flow efficiently across company boundaries, from credit checks to payment receipts. Our FSCMPro product suite integrates all the customers of a bank to share and exchange information seamlessly, providing a transparent workflow through all stages of the supply chain. The efficiencies gained by leveraging the platform improves business performance while reducing unnecessary costs that to ensure growth and innovation.

Industry Solutions

Aurionpro enables Logistics and Government organizations to optimize and scale business operations through our industry and domain solutions.

Our Offerings Include:

1. Government and PSU

Aurionpro aims to support the Government in its vision to build and sustain a Digital India. Our turnkey solutions, combined with delivery excellence and proven global best practices allow government organizations to expedite the process of ensuring that the benefits of government programs reach the common man. We work with various departments of the Government to create Smart Cities, Smart Surveillance through turnkey system integration and big data/ analytics

2. Logistics Solutions

Aurionpro's SCMPProFit product suite, enables end-to-end visibility of the supply chain and provides a platform for supply chain execution. The seamless integration with customs and carriers further helps in improving efficiency of the supply chain. It takes care of all the core areas of operations like Ocean freight management, Air freight management and Road transportation.



Offices

Corporate Headquarter

Aurionpro Solutions Limited
35th Floor, Sunshine Tower
Tulsi Pipe Road, Dadar (West),
Mumbai - 400013.
+91-22-6617 2600 / 2601
investor@aurionpro.com

US Headquarter

Aurionpro Solutions Inc
4000 Executive Parkway,
Suite 250 San Ramon,
CA 94583.
+1-925-242-0777
info-usa@aurionpro.com

North America

- Edison, NJ
- West Chester, Pennsylvania
- Mansfield, Massachusetts

Asia Pacific

- Singapore
- Hong Kong
- Jakarta, Indonesia
- Bangkok, Thailand
- Melbourne, Australia
- Kuala Lumpur, Malaysia
- Philippines

Europe, Middle East & Africa

- West Yorkshire, England
- North Yorkshire, England
- Frankfurt, Germany
- Nairobi, Kenya
- Manama, Kingdom of Bahrain
- Dubai, UAE

India

- Navi Mumbai, Maharashtra
- Pune, Maharashtra
- Jaipur, Rajasthan
- New Delhi
- Kolkata, West Bengal



Board of Directors

Mr. Paresh Zaveri

Chairman

Mr. Amit Sheth

Co- Chairman & Managing Director

Mr. Sambhashiva Hariharan (Hari Murthy)

Vice-Chairman

Mr. Samir Shah

CEO & Director

Mr. Sanjay Desai

Non- Executive Director

Ms. Carol Realini

Independent Director

Dr. Mahendra Mehta

Independent Director

Mr. Frank Osusky

Independent Director

Company Secretary

Mr. Ninad kelkar

Board Committees

Audit Committee

Dr. Mahendra Mehta (Chairman)

Mr. Frank Osusky

Mr. Amit Sheth

Nomination & Remuneration / Compensation Committee

Ms. Carol Realini (Chairperson)

Dr. Mahendra Mehta

Mr. Frank Osusky

Stakeholders Relationship / Investors Grievances & Share Transfer Committee

Mr. Frank Osusky (Chairman)

Dr. Mahendra Mehta

Mr. Amit Sheth

Mr. Sambhashiva Hariharan

Corporate Social Responsibility Committee (CSR)

Ms. Carol Realini (Chairperson)

Dr. Mahendra Mehta

Mr. Amit Sheth

Mr. Samir Shah

Bankers

HDFC Bank Ltd.

Axis Bank

State Bank of India

Yes Bank Limited

Bank of India

Registered Office

35th Floor,

Sunshine Tower,

Tulsi Pipe Road, Dadar – (W),

Mumbai – 400 013.

Statutory Auditors:

M/s. BSR & CO. LLP

Chartered Accountants, Mumbai

Registrars & Transfer Agents

Bigshare Services Private Limited

E-2, Ansa Industrial Estate, Saki Naka,

Andheri – (E), Mumbai – 400 072.

Internal Auditors

D. Kothary & Co.

Chartered Accountants, Mumbai



MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion & Analysis

1. Overview

The Aurionpro Solutions Limited ("Aurionpro") financial statements have been prepared under the historical cost convention, on an accrual basis of accounting, in compliance with the requirements of the Companies Act, 1956/2013, the Generally Accepted Accounting Principles (GAAP) in India and mandatory accounting standards issued by the Institute of Chartered Accountants of India (ICAI). The management of Aurionpro accepts responsibility for objectivity and integrity of these financial statements, as well as for various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, in order that the financial statements reflect in a true and fair manner, the state of affairs and profits for the year.

The management of Aurionpro is committed to continuously improving the level of transparency and disclosure. As such, an attempt has been made to fully and completely disclose information herewith about the company, its business, operations, outlook, risks, and financial condition. The forward looking statements contained herein are subject to certain risks and uncertainties, including, but not limited to, the risks inherent in the company's growth strategy, dependency on strategic clients, and dependency on availability of qualified technical personnel and other factors discussed in this report. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect Aurionpro management's analysis only as of the date hereof.

2. Industry Trends and Developments

Worldwide IT spending is on pace to total \$3.4 trillion in 2016-17, with a marginal rise from 2015-16, according to the latest forecast by Gartner, Inc. Analysts attribute this flat growth to the currency rate fluctuations. In constant-currency terms, the market is projected to grow 1.5 percent. And IT services spending in 2017 is projected to rise by 2.6 percent. The analysts predict the overall IT spend to rise to the tune of \$ 3.7 trillion by 2020 with a growth of 2.1% CAGR. Despite the lackluster macro-economic scenario, there are a number of trends that augur positively for Aurionpro. In the areas that Aurionpro is looking to scale and grow such as Customer Experience, Digital Payments and Enterprise Security, the market outlook is positive giving ample opportunity for growth and expansion. Global market for Digital Customer Experience is forecast to grow at 19.9% CAGR from \$4.6 billion in 2015 to \$10.77 billion in 2020 giving significant opportunity to Aurionpro to increase market share. The market for Digital Payments has exploded and is growing aggressively. Globally the mobile payments volume is seeking to exceed \$721.4 B by 2017. Global market for Identity and Access Management solutions is expected to grow from USD 7.20 billion in 2015 to \$12.78 billion by 2020, at an expected CAGR of 12.2%; while, the global cyber security market is estimated to grow from \$122.45 billion in 2016 to \$ 202.36 billion by 2021 at an estimated 10.6% CAGR.

Sources: (1) Gartner Research, 2015 (2) Markets and Markets research, 2015

3. Aurionpro Business Lines and Primary Offerings

Aurionpro is a global technology solutions leader that helps clients accelerate digital innovation, securely and efficiently. We combine core domain expertise, thought leadership in innovation, security and leverage industry leading IP to deliver tangible business results for global corporations. We leverage cutting edge industry leading IP and products to design and solve challenges for clients in areas of Enterprise Security, Customer Experience and Transaction Banking. In addition, we also offer technology solutions for Logistics industry and Government PSUs in India.

The company is organized into three primary business lines:

1. **Digital Innovation:** We help clients de-risk innovation cycles and improve the speed of innovation. Using our frameworks and IP, clients can de-risk innovation cycles by eliminating execution risk, technology risk and time-to-market risk. Our offerings focus on helping enterprises that are already or going digital bring automation and high interactivity through digital solutions with their consumers in the areas of Branch Operations, Endpoint interactions and Customer Communications. We can help Banks and Enterprises elevate Customer Experience and deliver on the promise of the digital enterprise
2. **Enterprise Security:** Today when the world has gone digital, CISOs and CIOs have to balance the need to capitalize on the opportunity that 'digital' provides while eliminating business risk arising from malware threats and unauthorized access. We design and implement Cyber Security and Identity Management Solutions, bringing together cutting edge technology and industry expertise.
3. **Banking Industry Solutions:** Our solutions for transaction banking represent best practices across the industry gathered through more than 10 years of experience servicing well known banks in the ASEAN region. Our Banking Products and Solutions represent an ideal combination of rich domain and functional knowledge and cutting edge technical expertise. This reflects our "Solutions for bankers, by bankers" philosophy. Our team is led by dynamic ex-Bankers who are passionate about the success of our customers. Our proprietary engagement and implementation model is well accepted by multiple banks and we are proud of our perfect delivery track record.

4. Opportunities and Threats

There continues to be guarded optimism about the state of IT spending in mature markets such as the US and Europe. The business factors that impact IT spending comes under the influence of the significant political events such as the US Presidential elections in 2016 and the ripple effect of Great Britain to leave the European Union, popularly termed, as 'Brexit'. These notwithstanding, the immediate market momentum for Aurionpro remains positive and encouraging.

The consistent growth of core product lines and positive year-over-year growth of these businesses outlines a robust business model and operational performance. There is visibility and indication that the coming year will continue to remain positive for revenue and margin growth.

This is due, in large part, to the company's unwavering focus on strengthening value through IP, its emphasis on building long lasting relationships with customers and partners, and investing in strengthening its products for the future.

Aurionpro's continued growth and expansion during FY 16-17 year will be determined by the following factors:

Simplify and Sharpen Focus

The management has decided to direct focus, strategy and investments to grow business towards steering Aurionpro to be a product centric company with leadership in three specific areas

1. **Enterprise Security** – Aurionpro enjoys pole position as industry leader in Enterprise Security, especially Identity and Access Management solutions and services. The company has built tremendous expertise in deploying multiple engagements in the area of Fine Grain Entitlements and looks to launching products in this area to continue building upon its leadership position. The company now looks to scale and amplify its impact on Enterprise Security by adding capabilities and products from the newly acquired Spikes Security. The acquisition is strategic as it addresses clear gaps in Enterprise Security within enterprises that have sprung with the advent of digital.
2. **Digital Innovation** – The company already has a business of offering Kiosk & Communications based customer experience solutions for Banks and other leading corporations in India and Middle East. The company will aggressively look to expand these product lines to the advanced markets such as USA, UK and Europe. The uniqueness and economic value of the products make them a compelling proposition to succeed in these markets.
3. **Banking & Industry solutions** – Aurionpro is a well-established leader in Transaction Banking with multiple industry leading banks in ASEAN Region already being Aurionpro customers. We look to launch newer products focused on Treasury Services for Banks, while strengthening offerings and client penetration for our Cash Management and Lending products.

Debt Reduction

The Aurionpro Executive Management team will continue to focus and accelerate aggressive Debt Reduction through operational optimization and efficiency building measures across the company.

Market Expansion

Aurionpro has grown over the last several years by acquiring and nurturing strong businesses. The attitude to scale through acquisitions will continue. While Aurionpro is global, there is

ample scope for expansion of the acquired product lines to go fully global.

Market expansion will also be strengthened by improved focus on building independent brands that unlock stakeholder value and create brand recognition of the Enterprise Security, Innovation and Banking businesses.

Partner Ecosystem Development

Aurionpro's partners have always been viable catalysts in its growth. Investments in partners especially in Enterprise Security partners to sustain and continue growth of practice, capability and recognition amongst large corporations. Partners have acted as valuable referrals driving and positioning Aurionpro as an important partner of growth for Enterprise Security and Payments. Through FY 15-16, Aurionpro continued to expand its partnerships for Enterprise Security adding as many as six new partnerships to strengthen go to market activities. Such investments and nurturing a partner ecosystem will put Aurionpro in a position of advantage to be able to service its clients' needs.

Client-centric Solutions depth

The IT solutions market has largely matured to become commoditized as strategic differentiators continue to erode and evade companies aiming to grow market share. This has driven players to adopt an IP driven approach to create stickiness and differentiation. Investing in IP also allows players to maintain price advantage versus offering services alone. Aurionpro enjoys a traditional culture of advantage having been a software and solutions player versus offering pure services. Globally, client demand augurs for a readymade solutions and IP while offering extreme customization in alignment with clients' present business and market needs. Aurionpro will be strengthening its product offerings by synergistically launching new product offerings to complement its exist set of IP based offerings.

Talent Retention

No business is strong without being able to build and leverage great talent to amplify the potential of its offerings. Aurionpro's sustained success has largely been attributed to its superior engineering teams that have consistently satisfied customers beyond their expectations. This is outlined by the numerous long and multi-year client relationships. To retain and nurture talent Aurionpro continues to adopt a culture of innovation, learning and contribution. An open and collaborative work environment where meritocracy and courage are rewarded is an important characteristic that marks the culture at Aurionpro. All structures and policies are designed to encourage employees to take advantage and solve real world business challenges through software and technology. Aurionpro's aim and endeavor has been to sustain its culture of continuous learning and leverage talent as the fundamental enabler of its business growth. This allows talent to grow and flourish even as they engage, amplify and accelerate value creation for clients and themselves.

5. Risks and Concerns

The IT industry is fiercely competitive and Aurionpro, like all vendors in the market, is subject to the inherent challenges, risks,

and uncertainties over the normal course of business. A fluctuating geographic demand and constantly changing economic conditions, the company is susceptible to variations in our operational results and our financial performance. To limit the company's exposure to unavoidable and unforeseen factors, the Aurionpro Executive Management team has employed disciplined risk management strategies in order to deliver the highest returns possible to our shareholders and customers.

The chief risks and uncertainties facing the company's business include:

- **Keeping pace with a rapidly advancing technology landscape:** The technology landscape is evolving at a rapid pace and digital technologies are fast gaining adoption. The digital consumer is leading this change. For Aurionpro to maintain its ability to stay competitive in the marketplace, we need to invest significantly to keep our offerings and talent in alignment with market and client expectations. All industry players face the same challenges. Customer attrition and failure to attract new business may result if Aurionpro is not able to maintain its current level of innovation and product and service level execution. Aurionpro aims to adopt a positive and proactive stance by doing two things – firstly, to launch newer, more relevant product offerings to market and secondly, by improving upon its customer-centricity to be the partner of choice in areas such as digital innovation and enterprise security.
- **Increasing competition:** Aurionpro faces strong competition in the markets and industries it serves. Its biggest vertical of focus – Financial Services has strong competitors who seek to win over Aurionpro's share of customer's budget. The most effective strategy has been to focus on providing exceptional customer experience and adopt a model of co-owning the customer's business objectives and rally to deliver, exceed them. Aurionpro is also looking to expand its IP footprint creating differentiation that is not replaceable by competitors.
- **Dependence on key personnel:** Aurionpro operations are dependent upon the company's ability to attract and retain highly skilled individual contributors and managers. The loss of key individuals, especially to one of our competitors, could materially impact our business. We adopt a risk-reward model for all our top management and managers thereby creating additional incentives for them to drive the company's objectives forward.

6. Research and Development

Aurionpro continues to maintain healthy levels of R&D investments of our products as well as our service offerings, which include valuable IP components that help to accelerate delivery of software implementations. This investment is absolutely critical for Aurionpro to remain relevant and competitive in the markets we serve.

7. Future Outlook

While global economy continues to oscillate, and the IT market globally shows signs of slow growth, Aurionpro's prospects look

positive considering the niche spaces it focuses and aspires to grow in. In the areas that Aurionpro is looking to scale and grow such as Customer Experience, Digital Payments and Enterprise Security, the market outlook is positive giving ample opportunity for growth and expansion. Global market for Digital Customer Experience is forecast to grow at 19.9% CAGR from \$4.6 billion in 2015 to \$10.77 billion in 2020 giving significant opportunity to Aurionpro to increase market share. The market for Digital Payments has exploded and is growing aggressively. Globally the mobile payments volume is seeking to exceed \$721.4 B by 2017. Global market for Identity and Access Management solutions is expected to grow from USD 7.20 billion in 2015 to \$12.78 billion by 2020, at an expected CAGR of 12.2%; while, the global cyber security market is estimated to grow from \$ 122.45 billion in 2016 to \$ 202.36 billion by 2021 at an estimated 10.6% CAGR.

Aurionpro will strive towards predictable, consistent and continuous growth by Simplifying and Sharpening its focus on its core strengths and thereby unlocking shareholder value for its investors and business value for its customers.

8. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Revenue from operations

Our revenues are derived from information technologies & consultancy services and sale of equipment and software licenses. During the year, the total revenue from operations was ₹ 71,042.94 Lakhs against ₹ 73,691.40 Lakhs for the previous year representing decrease of 3.59%.

Operating and other expense

Our operating and other expense comprises of Software licenses and material costs, Administration and other general functions, travelling, communication, legal and professional charges, rent, repairs and maintenance, recruitment and training and other allocated infrastructure expenses.

During the year, the operating and other expense were ₹ 31,460.47 Lakhs as against ₹ 33,508.01 Lakhs in the previous year.

Earnings before interest, taxes, depreciation and amortization (EBITDA) excluding other income

During the year, our operating Profit decreased by ₹ 3,181.25 Lakhs or 25.56 % from ₹ 12,447.64 Lakhs on 31 March 2015 to ₹ 9,266.39 Lakhs on 31 March 2016.

Depreciation and amortization expense

Depreciation on fixed assets was ₹ 1,653.44 Lakhs for the year as against ₹ 3,769.78 Lakhs during the previous year. As percentage of revenue, depreciation was 2.30 % and 5.00% for the year and previous year respectively.

Other Income

Other Income primarily consists of interest income, dividend income, Foreign exchange fluctuation gain, Rental income and

other miscellaneous income. Other income for the year was ₹ 924.22 Lakhs compared to ₹ 1,753.33 Lakhs for the previous year.

Tax expense

Provision for current tax was ₹ 478.22 Lakhs as against ₹ 348.49 Lakhs for the previous year. The Increase in provision for tax was due to increase in profits during the year.

Profit for the year (PBT)

Net Profit / (Loss) before tax for the year was ₹ 6,229.75 Lakhs, i.e. 8.77% of revenue, against the net income of ₹ (14,104.01) Lakhs, i.e. (19.14%) of revenue, during the previous year.

Profit for the year (PAT)

Net Profit / (Loss) after tax for the year was ₹ 5,509.02 Lakhs, i.e. 7.75% of revenue, against the net income/ (Loss) of ₹ (14,386.67) Lakhs, i.e. (19.52%) of revenue, during the previous year.

Reserves and Surplus

Reserves and Surplus as at 31 March 2016 increased to ₹ 56,560.09 Lakhs as compared with ₹ 46,384.92 Lakhs as at 31 March 2015.

Short-term and long-term borrowing

The total short-term and long-term borrowing as at 31 March 2016 was ₹ 15,139.08 Lakhs as against ₹ 17,781.78 as at 31 March 2015.

Trade Payable and other current liabilities

The total Trade Payable and other current liabilities increased by ₹ 1,015.56 Lakhs from ₹ 14,504.40 lakhs on 31 March 2015 to ₹ 15,519.96 Lakhs on 31 March 2016.

Fixed Assets

The Net Block of Fixed Assets increased by ₹ 1,608.62 Lakhs from ₹ 16,660.63 Lakhs as on 31 March 2015 to ₹ 18,269.25 Lakhs on 31 March 2016.

Non-current Investments (Net)

There were no change in the investments from ₹ 420.18 Lakhs on 31 March 2015 to ₹ 420.18 Lakhs on 31 March 2016.

Long-term Loans and Advances

There was an increase in Long-term loans and advances from ₹ 9,752.23 Lakhs on 31 March 2015 to ₹ 10,457.88 Lakhs on 31 March 2016.

Inventories

Unbilled revenue represents amounts recognized based on services performed in accordance with contract terms and where invoices have not been raised. Unbilled revenue increased to ₹ 729.19 Lakhs at 31 March 2016 as against ₹ 670.20 Lakhs at 31 March 2015.

Trade receivables

Trade receivables as on 31 March 2016 was ₹ 18,224.13 Lakhs against ₹ 18,274.03 Lakhs on 31 March 2015. In the opinion of management, all the Trade receivables are good, recoverable and necessary provision has been made for debts considered to be bad and doubtful. The level of receivables is normal and is in tune with business requirements and trends.

Cash and bank balances

The cash and bank balances lying with the company as on 31 March 2016 were ₹ 3,152.07 lakhs as against ₹ 2,535.11 lakhs in the previous year.

9. Internal Control systems and their adequacy

Your Company has placed considerable emphasis and efforts on internal control systems. On the Finance part, the internal checks and balances are augmented by a formal system of internal audit. The Audit Committee of the Board reviews and will continue to review the adequacy and effectiveness of the internal control systems and suggest improvements for strengthening them. We also have a well-defined delegation of power with authority limits for approving revenue as well as expenditure.

The Company has reappointed M/s D. Kothary & Co. Chartered Accountant to oversee and carry out internal audit of the Company's activity. The audit is based on an internal audit plan, which is reviewed each year in consultation with the statutory auditors (B S R & Co. LLP) and the audit committee. The planning and conduct of internal audit is oriented towards the review of controls in the management of risks and opportunities in our Company's activities. The internal audit process is designed to review the adequacy of internal control checks in the system and covers all significant areas of our operations such as software delivery, accounting and finance, procurement, employee engagement and IT process. Safeguarding of assets and their protection against unauthorised use are also a part of these exercise.

We have an audit committee, the details of which are provided in the Corporate Governance Report which reviews audit reports submitted by the auditors of our Company. The committee also meets our Company's statutory auditors to ascertain their views on the adequacy of internal control system in the Company and keeps the board of Directors informed of its major observation from time to time.

Notice of Annual General Meeting

Notice is hereby given that, the Nineteenth Annual General Meeting of Aurionpro Solutions Limited will be held at Hotel Suncity Residency, 16th Road, MIDC, Marol, Andheri (E), Mumbai – 400093 on Thursday, 29 September 2016, at 11.00 A.M to transact the following businesses:

Ordinary Business:

1. To receive, consider, approve & adopt the Balance Sheet as at 31 March 2016, the Profit and Loss Account for the financial year ended on that date, along with the report of the Board of Directors & Auditors thereon.
2. To declare dividend for the year ended 31 March 2016.
3. To appoint a Director in place of Mr. Amit Sheth (DIN 00122623), who retires by rotation at this Annual General Meeting, being eligible offers himself for re-appointment.
4. To ratify the appointment of Auditors and to fix their remuneration and to pass the following resolution, with or without modification, as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013, and the Rules framed thereunder, as amended from time to time, the Company hereby ratifies the appointment of M/s B S R & Co., LLP, Chartered Accountants (LLP Registration No. AAB-8181), as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the second consecutive Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company.”

By Order of the Board of Directors

Ninad Kelkar
Company Secretary

Mumbai, 12 August 2016

Registered Office:

35th Floor,
Sunshine Tower,
Tulsi Pipe Road, Dadar (W),
Mumbai – 400 013.

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the company. The instrument(s) appointing the proxy, shall be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting and in default, the instrument of proxy shall be treated as invalid. Proxies shall not have any right to speak at the meeting except to vote on poll.
2. The brief profile of Mr. Amit Sheth, who is liable to retire by rotation and being eligible offered himself for re-appointment, has been given in the Annual Report.
3. The Members/Proxies should bring attendance slip sent herewith, duly filled in, for attending the meeting. The Members, who wish send their authorized representatives to attend and vote at the meeting are required to enclose necessary authorization in the form of Board Resolution, Letter of Authority, Power of Attorney.
4. The Register of Members and the Share Transfer Register shall remain closed from Saturday, 24 September 2016 to Thursday, 29 September 2016, both days inclusive.
5. Dividend for the year ended 31 March 2016, if declared at the Annual General Meeting, shall be paid within the prescribed time limit, to those members, whose names appear:
 - a. As beneficial owners at the end of business day on Friday, 23 September 2016, as per lists furnished by NSDL and CDSL in respect of shares held in electronic form.
 - b. On the register of members of the Company as on Friday, 23 September 2016, in respect of shares held in physical form.
6. The members are advised to encash dividend warrants promptly.
7. The members are advised to avail of nomination facility in respect of shares held by them.
8. Members are requested to:
 - a. Intimate the Registrar and Share Transfer Agents of the Company – Bigshare Services Pvt. Ltd., of any changes, in their registered addresses at an early date for shares held in physical form. For shares held in electronic form, changes if any may be communicated to respective DPs.
 - b. Quote ledger folio numbers/DP ID and Client ID numbers in all their correspondence.
 - c. To avoid inconvenience, get the shares transferred in joint names, if they are held in a single name and/or appoint a nominee.
 - d. Bring with them at the meeting a copy of the Annual Report and Attendance Slip.
9. Members desirous of obtaining any information concerning the accounts and operations of the Company, are requested to address their communications to the Registered Office of the Company, so as to reach at least seven days before the



date of the meeting, so that the required information can be made available at the meeting, to the extent possible.

10. Members, who hold shares in electronic form, are requested to bring their Client ID and DP ID numbers at the meeting for easier identification.
11. In terms of Section 205A and 205C of the Companies Act, 1956, the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund. Therefore, the members who have not en-cashed the dividend warrants for the previous financial years are requested to send back their warrants or make their claims to our Registrar & Share Transfer Agent viz., Bigshare Services Private Limited, E-2, Ansa Industrial Estate, Andheri (East), Mumbai – 400 072.
12. Pursuant to Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (the “AGM”) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (the “remote e-voting”) will be provided by National Securities Depository Limited (NSDL).

Instructions for remote e-voting are as under:

- (A) In case of shareholders receiving e-mail from NSDL:
 - (i) Open email and open PDF file viz; “Aurionpro Solutions Limited e-Voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - [Login](#)
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select “EVEN” of Aurionpro Solutions Limited.

- (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
 - (x) Upon confirmation, the message “Vote cast successfully” will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail at amit@csakta.com with a copy marked to evoting@nsdl.co.in
- B. (1) In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:
 - (i) Initial password is provided as below/at the bottom of the Attendance Slip:

| EVEN (Remote e-voting Event Number) | USER ID | PASSWORD/PIN |
|-------------------------------------|---------|--------------|
|-------------------------------------|---------|--------------|

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- (2) Voting at AGM: The members who have not casted their vote by remote e-Voting can exercise their voting rights at the AGM. The Company will make arrangements of ballot papers in this regard at the AGM Venue.

Other Instructions:

- I. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- II. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- III. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IV. The remote e-voting period will commence at 9.00 a.m. on Monday, 26 September 2016, and will end at 5.00 P.M. on Wednesday, 28 September 2016. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Thursday, 22 September 2016, may cast their vote

electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

- V. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of Thursday, 22 September 2016.
- VI. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Thursday, 22 September 2016, may obtain the login ID and password by sending a request at evoting@nsdl.com, by mentioning their Folio No./DP ID and Client ID No.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

- VII. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- VIII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- IX. Mr. Amit Trivedi, Practicing Company Secretary and failing him Mr. Ashish Patel, Practicing Company Secretary, has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

- X. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XI. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.aurionpro.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges.
13. All documents referred to in the Notice shall be open for inspection at the Registered Office of the Company on all working days (except Saturday) between 11 A.M. to 1 P.M. up to the date of the meeting.
14. Route Map for the venue of the proposed Annual General Meeting of the Company, is appearing at the back of the Attendance Slip (loose leaf), dispatched along with the Annual Report.

By Order of the Board of Directors

Ninad Kelkar
Company Secretary

Mumbai, 12 August 2016
Registered Office:
35th Floor,
Sunshine Tower,
Tulsi Pipe Road, Dadar (W),
Mumbai – 400 013.



Director's Report

To the Members of Aurionpro Solutions Limited,

The Directors are pleased to present Nineteenth Annual Report of the Company, together with its Audited financial statements for the year ended 31 March 2016:

1. FINANCIAL RESULTS

Consolidated Financials of the Company:

(₹ in Lakhs)

| | 31 March 2016 | 31 March 2015 |
|--|------------------|--------------------|
| Revenue | | |
| Revenue from operations | 71,042.94 | 73,691.40 |
| (Net of excise duty of ₹ 42.84 (31 March 2015: ₹ 124.09)) | | |
| Other income | 924.22 | 1,753.33 |
| Total revenue | 71,967.16 | 75,444.73 |
| Operating expenses | 23,949.42 | 26,065.74 |
| Change of Inventories of raw material, finished goods and stock-in-trade | (58.99) | 746.06 |
| Employee benefits expense | 30,375.07 | 26,989.69 |
| Finance costs | 2,307.42 | 2,241.73 |
| Depreciation and amortisation | 1,653.44 | 3,769.78 |
| Other expenses | 7,511.05 | 7,442.27 |
| Total expenses | 65,737.41 | 67,255.27 |
| Profit before tax, minority interest and exceptional item | 6,229.75 | 8,189.46 |
| Less: Exceptional item | - | 22,293.47 |
| Profit before tax and minority interest | 6,229.75 | (14,104.01) |
| Income tax expense: | | |
| (a) Current tax | 478.22 | 348.49 |
| (b) MAT credit utilised/entitlement | 203.20 | 290.16 |
| (c) Tax adjustment of earlier years | 248.94 | (2.82) |
| (d) Deferred tax credit | (209.62) | (353.17) |
| | 720.73 | 282.66 |
| Profit after tax but before minority interest | 5,509.02 | (14,386.67) |
| Less: Minority interest | 91.81 | (10.86) |
| Profit after tax and minority interest | 5,417.21 | (14,375.81) |

Total income decreased to ₹ 71,967.16 Lakhs from ₹ 75,444.73 lakhs in the previous year, at the rate of 4.61%.

Financials of the Company on a standalone basis

(₹ in Lakhs)

| | 31 March 2016 | 31 March 2015 |
|--|------------------|------------------|
| Revenue | | |
| Revenue from operations | 16,017.75 | 26,108.13 |
| (Net of excise duty of ₹ 42.84 (31 March 2015: ₹ 124.09)) | | |
| Other income | 1,572.45 | 1,319.11 |
| Total revenue | 17,590.20 | 27,427.24 |
| Expenses | | |
| Operating expenses | 3,223.13 | 13,994.49 |
| Change in inventories of raw material, finished goods and stock-in-trade | (87.46) | 774.53 |
| Employee benefits expense | 7,399.63 | 6,399.18 |
| Finance costs | 925.35 | 1,051.56 |
| Depreciation and amortisation | 929.15 | 905.90 |
| Other expenses | 3,231.61 | 2,910.38 |
| Total expenses | 15,621.41 | 26,036.04 |
| Profit before taxation | 1,968.79 | 1,391.20 |
| Income tax expense: | | |
| (a) Current tax | 450.23 | 341.92 |
| (b) MAT credit utilised/entitlement | 203.20 | 290.16 |
| (c) Tax adjustment of earlier years | 248.24 | 18.25 |
| (d) Deferred tax credit | (161.48) | (236.20) |
| | 740.19 | 414.13 |
| Profit for the year | 1,228.60 | 977.07 |

2. DIVIDEND

The Board of Directors ("the Board") has recommended dividend at the rate of ₹ 3/- per equity share (30%) for the financial year ended 31 March 2016. The total payout towards dividend and tax thereon will be ₹ 792.57. The Members may approve the proposed dividend.

3. STATE OF COMPANY'S AFFAIRS

The management has re-organized the company around its strategy of simplifying and sharpening its focus on three core businesses - Enterprise Security, Digital Innovation and Banking industry solutions. The businesses are so structured to give proper autonomy and empowerment to leaders leading the three core businesses. The year saw considerable strengthening of the management team with leadership hires in sales and marketing functions. The Organization has redefined its market positioning in keeping with high impact businesses namely - Digital Innovation, Enterprise Security and Business Optimization and corresponding changes in sales and delivery organization has been rolled out globally.

Aurionpro has also significantly invested in strengthening the company's infrastructure in markets as well as for its delivery capabilities. The entire sales operations operates out of Salesforce.com system today, allowing for real-time view into sales pipeline, billing and revenue accrual with predictive business analytics. Company now uses Netsuite for consolidating all of its accounting across business units and has invested in Pardot as its Marketing Automation Tool. Delivery teams have been strengthened in India and a new development center has been established in Leeds in the UK. Adding to its numerous technical and operational certifications, the company also attained PCMM Level 5 certifications for its India and Security practices. The certifications strengthen Aurionpro's credentials, and enable it to provide the highest levels of security and predictability through mature delivery processes.

4. FINANCIAL RESOURCES/FUND RAISING

(a) ESOP

The Company has Employee Stock Option Scheme 2010 ("the Scheme"), which has been approved by the Members at the Annual General Meeting held on 30 September 2009. The details of the options, granted, vested, exercised, lapsed and outstanding, as on the date of this Report, are as under.

| Particulars | Number of Options |
|--------------------------------------|-------------------|
| Options available under the Scheme | 10,00,000 |
| Options granted & vested | (5,00,000) |
| Options exercised | (2,50,000) |
| Options lapsed & forfeited | 2,50,000 |
| Options outstanding under the Scheme | 5,00,000 |

During the year, the Company has not granted any fresh options under the Scheme.

(b) Issue of Preferential Shares:

During the year, the Company raised capital through the issuance of equity shares / convertible share warrants pursuant to the approval of the Members obtained at the previous Annual General Meeting dated 22 September 2015, and in terms of the provisions of the Act and the SEBI (Issue of Capital and Disclosure Requirements) 2009 as amended from time to time ("SEBI Regulations"). The details of the equity shares / share warrants issued during the year are as under:

i) Equity Shares:

The details of equity shares allotted are as under:

| Date of Allotment | Name of the Allottee & category | Number of equity shares allotted (face value ₹ 10/- each) | Issue Price |
|--------------------------------|--|--|-------------|
| 15 th October, 2015 | Ajay Sarupria – Non Promoter | 2,00,000 | 220/- |
| 15 th October, 2015 | SAM Financial Services Pvt. Ltd – Non Promoter | 4,00,000 | 220/- |
| 15 th October, 2015 | Lakshmi Family Private Trust – Non Promoter | 2,00,000 | 220/- |
| 27 th October, 2015 | Paresh Zaveri – Promoter | 5,00,000 | 220/- |
| 27 th October, 2015 | Amit Sheth – Promoter | 2,00,000 | 220/- |
| 27 th October, 2015 | Indusvaley Holdings Pte Ltd – Non Promoter | 5,95,983 | 220/- |

The equity shares so allotted and subject to lock-in and have been priced as stipulated under the SEBI Regulations.

ii) Convertible Share Warrants:

| Date of Issuance | Name of the Allottee & category | Number of Warrants Issued | Issue / conversion Price |
|--------------------------------|---|---------------------------|--------------------------|
| 15 th October, 2015 | Ajay Sarupria – Non Promoter | 5,40,000 | 220/- |
| 15 th October, 2015 | Lakshmi Family Private Trust – Non Promoter | 2,00,000 | 220/- |
| 27 th October, 2015 | Paresh Zaveri – Promoter | 3,00,000 | 220/- |
| 27 th October, 2015 | Amit Sheth – Promoter | 2,00,000 | 220/- |

The convertible share warrants so issued have been priced in conformity with the formula stipulated in the SEBI Regulations and the said warrants can be converted into equity shares (face value of ₹ 10/- each) within a period of 18 months from the issue date.

5. MATERIAL CHANGES & COMMITMENTS

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of financial year of the Company to which the financial statement relates and the date of this report.

6. SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES

The details of Subsidiaries/Joint Ventures/Associate Companies and changes thereto, if any, has been provided in MGT -9, which forms part of Directors Report.

7. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in the prescribed form MGT 9 is annexed herewith as "Annexure 1".

8. CORPORATE GOVERNANCE

The Report on corporate governance as per the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms part of this Annual Report. Further, the requisite Certificate from M/s. Milind Nirkhe & Associates, Practicing Company Secretaries, confirming the compliance with the conditions of Corporate Governance has been included in the said Report.

9. MANAGEMENT'S DISCUSSION AND ANALYSIS (MDA)

Management's Discussion and Analysis for the year under review, as required under Regulation 34 (2) (e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, has been covered in a separate section forming part of the Annual Report.

10. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company is committed to the noble spirit of giving back to the society and has been contributing to the various charitable initiatives aimed at improving the social good. After coming into effect of the Section 135 of the Companies Act, 2013, (the "Act") and rules made thereunder, the Company has formalized a structure for undertaking such CSR activities in more organized manner by formulating a CSR Policy and Committee of the Board ("the CSR Committee") for this purpose. The CSR Policy of the Company sets out the broad social objectives towards the accomplishment of which the Company would undertake initiatives. The Board has constituted a CSR Committee, as per Companies (Corporate Social Responsibility Policy) Rules, 2014, which performs the functions as contemplated under the CSR Policy.

CSR Committee comprises of following:

| | | |
|--------------------|---|-------------|
| Ms. Carol Realini | - | Chairperson |
| Dr. Mahendra Mehta | - | Member |
| Mr. Amit Sheth | - | Member |
| Mr. Samir Shah | - | Member |

Further, the disclosures as required under Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 has been enclosed to this Report in "Annexure 2".

11. INTERNAL CONTROL SYSTEM & THEIR ADEQUACY

The Company has an internal control system which commensurate with the size, scale and nature of its operations. The Internal Audit Team monitors and evaluates the efficacy and adequacy of internal control system in the Company, its

compliance with operating systems, accounting procedures and policies of the Company.

12. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of the provisions of Section 134(3)(c) of the Act, the Directors confirm that:

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 31 March 2016 and of the profit and loss of the Company for that period;
- iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the Directors have prepared the annual accounts on a going concern basis; and
- v) the Directors, have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- vi) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

13. DIRECTORS/KEY MANAGERIAL PERSONNEL (KMP)**(a) Board of Directors:**

Pursuant to the provision of Section 152(6) of the Companies Act, 2013, and article 127 of the Articles of Association of the Company, Mr. Amit Sheth, Co-Chairman & Managing Director, retire by rotation and being eligible, offers himself for reappointment at the ensuing Annual General Meeting.

None of the Independent Directors have had any pecuniary relationship or transactions with the Company during Financial Year 2015-16, except to the extent of their directorship. None of the Directors or KMP of the Company is related inter-se. All Independent Directors have given declarations affirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(b) Appointment/Resignation of KMP:

Mr. Mehul Raval resigned as the Company Secretary and Compliance Officer w.e.f 20 November 2015. Subsequently, Mr. Ninad Kelkar has been appointed as the Company Secretary and Compliance Officer with effect from 12 January 2016.

14. PERFORMANCE EVALUATION

The Company's policy relating to appointment and remuneration of Directors, KMPs and other employees including criteria for determining qualifications, positive attributes and independence of Directors are covered under the Corporate Governance Report which forms part of this Annual Report.

It's a practice of Board of Directors to annually evaluate its own performance and that of its committees and individual Directors.

15. MEETINGS

During the year 2015 – 16, the Board met five times on 28 May 2015, 11 August 2015, 17th August 2015, 05 November 2015, and 12 February 2016. The gap between two meetings did not exceed 120 days.

16. COMMITTEES

As on date of this report, the Board has four committees-

- i) Audit Committee
- ii) Nomination and Remuneration/Compensation Committee
- iii) Stakeholder Relationship/Investor Grievance and Share Transfer Committee.
- iv) Corporate Social Responsibility Committee.

The detailed information in relation to these committees, including composition and the terms of reference and other details are provided in Corporate Governance Report.

17. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established the necessary vigil mechanism and put in place a Whistle Blower mechanism in order to enable the employees and Directors to report their concerns about the management, operations and other affairs of the Company. In terms of the Whistle Blower Policy, the whistle blowers are provided an access to the Audit Committee to lodge their concerns. This policy is available on the website of the company at <http://www.aurionpro.com/investors/>.

18. RISK MANAGEMENT POLICY

The Company has formulated a comprehensive Risk Management Policy to identify, assess and mitigate various risks associated with the Company.

19. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013, are given under the notes to the standalone financial statements forming part of this annual report.

20. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions entered into during the financial year were on an arm's length basis and were in the ordinary course of business. During the financial year, the Company has not entered into any contract/arrangement, transactions with related parties which could be considered material in accordance with the policy of the Company as to related party transactions. The details of all related party transactions are placed before the Audit Committee for approval. The policy as to Related Party Transactions, as approved by the Board, is available on the Company's website at <http://www.aurionpro.com/investors/>.

The details of transactions entered into with the related parties are disclosed in the notes to the stand alone financial statements forming part of this Annual Report.

21. PUBLIC DEPOSITS

During the year, the Company has not invited or accepted any public deposits.

22. AUDITORS AND AUDIT REPORT

M/s BSR & Co., LLP, Chartered Accountants (LLP Regn No. AAB-8181), has been appointed as Statutory Auditors at the 17th Annual General Meeting ("the AGM") held on 30 September 2014, to hold office for a period of five years till conclusion of the 22nd Annual General Meeting of the Company. As per the provision of Section 139 of the Act, the said appointment is subject to ratification by the members at every AGM. Accordingly, an item for the ratification of appointment of M/s BSR & Co., LLP, Chartered Accountants has been taken up in the notice of the forth coming AGM for the approval of members. Necessary confirmation regarding eligibility and willingness to accept office has been received from the Statutory Auditors.

The Statutory Auditor of the Company has stated in their report that, during the course of Audit no fraud on or by the Company has been noticed or reported.

23. SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013, and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Secretarial Audit was carried out by M/s. Milind Nirkhe & Associates, Company Secretary in Practice. The Report of the Secretarial Audit is annexed herewith as "Annexure 3".

The Following Qualifications have been observed by the secretarial Auditor during the Audit Period.

- (a) The Company is not having designated Chief Financial Officer; and
- (b) The composition of the Board of Directors is not in conformity with Regulation 17 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015

Directors Reply on the qualifications in Secretarial Audit Report are as follows:

The Company is in search of a suitable candidate who can be

appointed as a Chief Financial Officer and an Independent Director and we are hopeful of restoring the composition of Board as per the requirement of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

24. PARTICULARS OF EMPLOYEES

In terms of the provision of Section 197(12) of the Act read with the Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules is provided in a separate annexure forming part of this Report. Having regard to the provision of the first proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the Members of the Company. In terms of Section 136, the said annexure is open for inspection at the Registered Office of the Company. Any Member interested in obtaining a copy of the same may write to the Company Secretary.

Disclosures pertaining to the remuneration and other details as required under section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, have been provided in the Annual Report as "Annexure 4".

25. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

In terms of section 134(3)(m) of the Companies Act, 2013, read with rule 8 of the Chapter IX The Companies (Accounts) Rules, 2014, the Directors furnish herein below the required additional information:

► Conservation of Energy:

Although the operations of the Company are not energy intensive, the management is highly conscious of the criticality of the conservation of energy at all operational levels. The requirement of disclosure of particulars with respect to conservation of energy as prescribed in Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is not applicable to the Company and hence are not provided.

► Technology Absorption:

The Company continues to latest technologies and innovations for improving the productivity and quality of its products and service offerings. The Company is also partnering with major technology providers in global markets.

► Foreign Exchange Earnings and Outgo:

The details of foreign exchange earned and spent by the Company during the year are given below:

Earnings in foreign currency (₹ In lakhs)

| Particulars | 31 March 2016 | 31 March 2015 |
|---|-----------------|-----------------|
| Information technologies and consultancy services | 6,041.50 | 7,691.25 |
| Interest income on working capital loan | 298.69 | 309.10 |
| Total | 6,340.19 | 8,000.35 |

a. Expenditure in foreign currency (on accrual basis)

(₹ In lakhs)

| Particulars | 31 March 2016 | 31 March 2015 |
|---|---------------|-----------------|
| Software consultancy and development and other expenses | 586.44 | 753.06 |
| Foreign Travel | 144.45 | 332.51 |
| Total | 730.89 | 1,085.57 |

b. Value of Import on C.I.F. basis

| Particulars | 31 March 2016 | 31 March 2015 |
|---|---------------|---------------|
| Software consultancy and development and other expenses | 929.61 | 425.29 |
| Total | 929.61 | 425.29 |

26. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. The Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year 2015-16, the Company has not received any sexual harassment complaints.

27. ACKNOWLEDGEMENTS

The Directors would like to place on record their sincere appreciation for the continued co-operation, support and assistance provided by the financial institutions, banks, customers, vendors, members and other government departments and authorities.

For and on behalf of the Board of Directors

Amit Sheth
Co-Chairman & Managing Director

Mahendra Mehta
Director

Mumbai,
Registered Office:

35th Floor,
Sunshine Tower, Tulsi Pipe Road,
Dadar (W), Mumbai – 400 013.

Annexure - 1

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31 March 2016

[Pursuant to section 92(3) of the Companies Act, 2013, and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

| | | |
|------|---|---|
| i | CIN | L99999MH1997PLC111637 |
| ii | Registration Date | 31 st October, 1997 |
| iii | Name of the Company | Aurionpro Solutions Limited |
| iv | Category / Sub-Category of the Company | Company Limited by shares |
| v | Address of the Registered office | 35 th Floor, Sunshine Tower, Tulsi Pipe Road, Dadar (W), Mumbai – 400013 |
| vi | Contact details | Tel: 022 – 6617 2600 Fax: 022 – 6617 2666 |
| vii | Whether listed company | Yes (BSE, NSE) |
| viii | Name, Address and Contact details of Registrar and Transfer Agent, if any | Bigshare Services Pvt Ltd E-2, Ansa Industrial Estate, Saki Naka, Andheri – (E), Mumbai – 400 072. Tel: 022 - 4043 0200 FAX: 022 - 2847 5207 |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

| Sl. No. | Name and Description of main products / services | NIC Code of the Product/ service | % to total turnover of the company |
|---------|---|----------------------------------|------------------------------------|
| 1 | Information technologies and consultancy services | 8920 | 68.63 |
| 2 | Sale of equipment and Software Licenses | 8920 | 31.37 |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

| Sr. No | Name and Address of the Company | CIN/GLN | SUBSIDIARY / ASSOCIATE | % of Shares held | Applicable Section |
|--------|--|-----------------------|------------------------|------------------|--------------------|
| 1 | Aurionpro Solutions INC, USA | Foreign Company | Subsidiary | 100% | 2(87) |
| 2 | Auroscient Outsourcing Ltd., India | U74999MH2006PLC163024 | Subsidiary | 100% | 2(87) |
| 3 | Aurofidel Outsourcing Ltd., India | U72900MH2008PLC179836 | Subsidiary | 100% | 2(87) |
| 4 | Intellvisions Solutions Private Ltd., India | U72900MH2011PTC222917 | Subsidiary | 100% | 2(87) |
| 5 | Servopt Consulting Private Ltd., India | U74900MH2012PTC238704 | Subsidiary | 100% | 2(87) |
| 6 | AurionPro Solutions SPC,Bahrain | Foreign Company | Subsidiary | 100% | 2(87) |
| 7 | Aurionpro Solutions Pte. Ltd., Singapore | Foreign Company | Subsidiary | 100% | 2(87) |
| 8 | Aurionpro SCM Pte. Ltd. Singapore | Foreign Company | Subsidiary | 100% | 2(87) |
| 9 | PT Aurionpro, Indonesia | Foreign Company | Subsidiary | 80% | 2(87) |
| 10 | Intellvisions Software LLC, UAE | Foreign Company | Joint Venture | 49% | -- |
| 11 | Intellvisions Security & Surveillance LLC | Foreign Company | Joint Venture | 49% | -- |
| 12 | SENA Systems Pvt. Ltd India (Subsidiary of Aurionpro Solutions INC, USA) | U72900PN2005PTC020913 | Subsidiary | 100% | 2(87) |
| 13 | Aurionpro SCM, INC, USA (Subsidiary of Aurionpro Solutions INC, USA) | Foreign Company | Subsidiary | 60% | 2(87) |
| 14 | Aurionpro Solutions PLC, United Kingdom (Subsidiary of Aurionpro Solutions INC, USA) | Foreign Company | Subsidiary | 100% | 2(87) |
| 15 | Aurionpro Holdings Pte Ltd., Singapore (Subsidiary of Aurionpro Solutions INC, USA) | Foreign Company | Subsidiary | 100% | 2(87) |
| 16 | Aurionpro Solutions PTY Ltd., Australia (Subsidiary of Aurionpro Holdings Pte Ltd., Singapore) | Foreign Company | Subsidiary | 100% | 2(87) |
| 17 | Aurionpro Solutions (Africa) Ltd., Kenya (Subsidiary of Aurionpro Holdings Pte Ltd., Singapore)* | Foreign Company | Subsidiary | 50% | 2(87) |
| 18 | Integro Technologies Pte. Ltd., Singapore (Subsidiary of Aurionpro Holdings Pte Ltd., Singapore) | Foreign Company | Subsidiary | 100% | 2(87) |
| 19 | Integro Technologies SDN. BHD Malaysia (Subsidiary of Integro Technologies Pte. Ltd., Singapore) | Foreign Company | Subsidiary | 100% | 2(87) |
| 20 | Integro Technologies Co. Ltd., Thailand (Subsidiary of Integro Technologies Pte. Ltd., Singapore) | Foreign Company | Subsidiary | 100% | 2(87) |
| 21 | Centrolene Pte Limited, Singapore** | Foreign Company | Subsidiary | 100% | 2(87) |

*On 17 November 2015, Aurionpro Holdings Pte Ltd., a wholly owned subsidiary of the Aurionpro Solutions Ltd., acquired 50% stake in Auriopro Solutions (Africa) Ltd.

**During the year, investment of Aurionpro Holdings Pte. Ltd. in Centrolene Pte Limited, Singapore, has been reduced to less than 50%.

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
|---|---|----------|----------------|-------------------|---|----------|----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A) Promoter | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual / HUF | 2597701 | - | 2597701 | 13.08 | 2833598 | - | 2833598 | 12.91 | (0.17) |
| b) Central Govt. | - | - | - | - | - | - | - | - | - |
| c) State Govt.(s) | - | - | - | - | - | - | - | - | - |
| d) Bodies Corporate | - | - | - | - | - | - | - | - | - |
| e) Banks / FI | - | - | - | - | - | - | - | - | - |
| f) Any Other.... | - | - | - | - | - | - | - | - | - |
| Sub-Total (A)(1): | 2597701 | - | 2597701 | 13.08 | 2833598 | - | 2833598 | 12.91 | (0.17) |
| (2) Foreign | | | | | | | | | |
| a) NRIs – Individuals | 2961301 | - | 2961301 | 14.92 | 3451301 | - | 3451301 | 15.72 | 0.80 |
| b) Other - Individuals | - | - | - | - | - | - | - | - | - |
| c) Bodies Corporate | 774047 | - | 774047 | 3.90 | 774047 | - | 774047 | 3.53 | (0.37) |
| d) Banks / FI | - | - | - | - | - | - | - | - | - |
| e) Any Other.... | - | - | - | - | - | - | - | - | - |
| Sub-Total (A)(2): | 3735348 | - | 3735348 | 18.82 | 4225348 | - | 4225348 | 19.25 | 0.43 |
| Total Shareholding of Promoters (A) = (A)(1)+(A)(2) | 6333049 | - | 6333049 | 31.90 | 7058946 | - | 7058946 | 32.16 | 0.26 |
| B. Public Shareholding | | | | | | | | | |
| (1) Institutions | | | | | | | | | |
| a) Mutual Funds / UTI | 156250 | - | 156250 | 0.79 | - | - | - | - | (0.79) |
| b) Banks / FI | 61827 | - | 61827 | 0.31 | 66164 | - | 66164 | 0.3 | (0.01) |
| c) Central Govt. | - | - | - | - | - | - | - | - | - |
| d) State Govt.(s) | - | - | - | - | - | - | - | - | - |
| e) Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| f) Insurance Companies | - | - | - | - | - | - | - | - | - |
| g) FIs | 140648 | - | 140648 | 0.71 | 50948 | - | 50948 | 0.23 | (0.48) |
| h) Foreign Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| i) Others (specify) | - | - | - | - | - | - | - | - | - |
| Sub-Total (B)(1): | 358725 | - | 358725 | 1.81 | 117112 | - | 117112 | 0.53 | (1.28) |
| (2) Non-Institutions | | | | | | | | | |
| a) Bodies Corporate | | | | | | | | | |
| i) Indian | 3217302 | - | 3217302 | 16.20 | 3445962 | - | 3445962 | 15.70 | (0.50) |
| ii) Overseas | 1816 | 600000 | 601816 | 3.03 | 1816 | 1195983 | 1197799 | 5.46 | 2.43 |
| b) Individuals | | | | | | | | | |
| i) Individual Shareholders holding nominal share capital upto 1 lakh | 1986236 | 19008 | 2005244 | 10.10 | 2817642 | 12294 | 2829936 | 12.89 | 2.79 |
| ii) Individual Shareholders holding nominal share capital in excess of 1 lakh | 4812076 | 10375 | 4822451 | 24.29 | 4308808 | 202000 | 4510808 | 20.55 | (3.74) |

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
|--|---|---------------|-----------------|-------------------|---|----------------|-----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| c) Others (specify) | | | | | | | | | |
| NRIs | 1525187 | 80000 | 1605187 | 8.08 | 1524221 | 90375 | 1614596 | 7.36 | (0.72) |
| Clearing Member | 158721 | - | 158721 | 0.80 | 48319 | - | 48319 | 0.22 | (0.58) |
| Directors/Relatives | 566338 | - | 566338 | 2.85 | 541338 | - | 541338 | 2.46 | (0.39) |
| Trust | - | - | - | - | 400000 | - | 400000 | 1.82 | 1.82 |
| Foreign Trust | 181485 | - | 181485 | 0.91 | 181485 | - | 181485 | 0.83 | (0.08) |
| Foreign Nationals | - | 4000 | 4000 | 0.02 | - | 4000 | 4000 | 0.02 | - |
| Sub-Total (B)(2): | 12449161 | 713383 | 13162544 | 66.30 | 13269591 | 1504652 | 14774243 | 67.31 | 1.01 |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | 12807886 | 713383 | 13521269 | 68.10 | 13386703 | 1504652 | 14891355 | 67.84 | (0.26) |
| C. Shares held by Custodian for GDRs & ADRs | - | - | - | - | - | - | - | - | - |
| Grand Total (A+B+C) | 19140935 | 713383 | 19854318 | 100 | 20445649 | 1504652 | 21950301 | 100 | - |

(ii) Shareholding of Promoters

| Sl No. | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in shareholding during the year |
|--------|----------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|--|--|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | |
| 1 | Mr. Amit Sheth | 1166804 | 5.88 | 5.11 | 1376804 | 6.27 | 84.62 | 0.39 |
| 2 | Mr. Sanjay Desai | 597631 | 3.01 | - | 547631 | 2.49 | 45.65 | (0.52) |
| 3 | Mr. Bhavesh Talsania | 484240 | 2.44 | - | 484240 | 2.21 | 56.79 | (0.23) |
| 4 | Mr. Paresh Zaveri | 2704301 | 13.62 | 9.44 | 3244301 | 14.78 | 62.39 | 1.16 |

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

| Sl. No. | | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|---|--|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1) | Mr. Amit Sheth-Promoter and Co Chairman & Managing Director | | | | |
| | At the beginning of the year | 1166804 | 5.88 | NA | NA |
| | Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc): | | | | |
| | 27 October 2015 | Subscribed 2,00,000 equity shares in Preferential allotment. | 0.91 | 1366804 | 6.23 |
| | 18 Feb 2016 | Market Purchase of 10,000 equity shares | 0.05 | 1376804 | 6.27 |
| | At the End of the year | NA | NA | 1376804 | 6.27 |

| Sl. No. | | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 2) | Mr. Paresh Zaveri - Promoter and Chairman | | | | |
| | At the beginning of the year | 2704301 | 13.62 | NA | NA |
| | Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc): | | | | |
| | 27 October 2015 | Subscribed 5,00,000 equity shares in Preferential allotment | 2.28 | 3204301 | 14.6 |
| | 17 Feb 2016 | Market Purchase of 30,000 equity shares | 0.14 | 3234301 | 14.73 |
| | 18 Feb 2016 | Market Purchase of 10,000 equity shares | 0.05 | 3244301 | 14.78 |
| | At the End of the year | NA | NA | 3244301 | 14.78 |
| 3) | Mr. Sanjay Desai – Promoter and Director | | | | |
| | At the beginning of the year | 597631 | 3.01 | NA | NA |
| | Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc): | | | | |
| | 22 December 2015 | Market Sale of 50,000 equity shares | 0.23 | 547631 | 2.49 |
| | At the End of the year | NA | NA | 547631 | 2.49 |
| 4) | Mr. Bhavesh Talsania - Promoter | | | | |
| | At the beginning of the year | 484240 | 2.44 | NA | NA |
| | Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc): | - | - | - | - |
| | At the End of the year | NA | NA | 484240 | 2.21 |

iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

| Sl. No. | Shareholder's Name | Shareholding at the beginning of the year | | Shareholding at the end of the year | | % change in shareholding during the year |
|---------|--------------------------------|---|----------------------------------|-------------------------------------|----------------------------------|--|
| | | No. of Shares | % of total Shares of the company | No. of Shares | % of total Shares of the company | |
| 1 | Reliance Capital Limited | 1306906 | 6.58 | 1306906 | 5.95 | (0.63) |
| 2 | NareshNagpal | 948365 | 4.78 | 948365 | 4.32 | (0.46) |
| 3 | SAM Financial Services Pvt Ltd | 398265 | 2.01 | 798265 | 3.64 | 1.63 |
| 4 | Insight Holdings Pte Ltd | 600000 | 3.02 | 600000 | 2.73 | (0.29) |
| 5 | Indusvalley Holdings Pte Ltd | - | - | 595983 | 2.72 | 2.72 |
| 6 | NaishadhPaleja | 580000 | 2.92 | 580000 | 2.64 | (0.28) |
| 7 | Ajay Sarupria | 358094 | 1.8 | 558094 | 2.54 | 0.74 |
| 8 | Sandeep Daga | 344940 | 1.74 | 344544 | 1.57 | (0.17) |
| 9 | R P Seth | 262084 | 1.32 | 262084 | 1.19 | (0.13) |
| 10 | Atul Bharani | 221087 | 1.11 | 221087 | 1.01 | (0.10) |

(v) Shareholding of Directors and Key Managerial Personnel:

| Sl. No. | | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1) | Mr. Samir Shah - Director | | | | |
| | At the beginning of the year | 288500 | 1.45 | NA | NA |
| | Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc): | - | - | - | - |
| | At the End of the year | NA | NA | 288500 | 1.31 |
| 2) | Dr. Mahendra Mehta - Independent Director | | | | |
| | At the beginning of the year | 277838 | 1.4 | NA | NA |
| | Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc): | | | | |
| | 31 July 2015 | Market Sale of 25000 equity shares | 0.13 | 252838 | 1.15 |
| | At the End of the year | NA | NA | 252838 | 1.15 |
| 3) | Mr. Ninad Kelkar - Company Secretary | | | | |
| | At the beginning of the year | 0 | 0 | NA | NA |
| | Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc): | | | | |
| | February 2016 | Market Purchase of 10 Equity Shares | 0 | 10 | 0 |
| | At the End of the year | NA | NA | 10 | 0 |

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Rs. In Lacs)

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|-------------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 4,897.76 | 1,235.83 | - | 6,113.59 |
| ii) Interest due but not paid | 19.01 | - | - | 19.01 |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | 4,916.77 | 1,235.83 | - | 6,152.60 |
| Change in Indebtedness during the financial year | | | | |
| · Addition | 1,500.00 | - | - | 1,500.00 |
| · Reduction | (1,049.16) | (101.13) | - | (1,150.29) |
| Net Change | 450.84 | (101.13) | - | 349.71 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 5,348.59 | 1,134.70 | - | 6,483.29 |
| ii) Interest due but not paid | 24.64 | - | - | 24.64 |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | 5,373.23 | 1,134.70 | - | 6,507.93 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

| Sl. no. | Particulars of Remuneration | Name of MD/ WTD/ Manager | Total Amount |
|------------------|---|---|--------------------|
| | | Amit Sheth - Co - Chairman & Managing Director | |
| 1 | Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | 73,38,404/- | 73,38,404/- |
| 2 | Stock Option | Nil | NA |
| 3 | Sweat Equity | Nil | NA |
| 4 | Commission - as % of profit - others, specify... | Nil | NA |
| 5 | Others, please specify | Nil | Nil |
| Total (A) | | 73,38,404/- | 73,38,404/- |

Ceiling as per the Act

₹ 116.82 lakhs as (being 10% of Net Profit of the Company has calculated as per section 198 of the Companies Act, 2013)

B. Remuneration to other directors: NIL**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

| Sl. no. | Particulars of Remuneration | Key Managerial Personnel | | | |
|---------|---|--------------------------|--------------------|-----|--------------------|
| | | CEO | Company Secretary | CFO | Total |
| 1 | Gross salary | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | NA | 34,00,000/- | NA | 34,00,000/- |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | | - | | - |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | | - | | - |
| 2 | Stock Option | | - | | - |
| 3 | Sweat Equity | | - | | - |
| 4 | Commission | | - | | - |
| | - as % of profit | | | | |
| | - others, specify... | | | | |
| 5 | Others, please specify | | - | | - |
| | Total | | 34,00,000/- | | 34,00,000/- |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

For and on behalf of the Board of Directors

Amit Sheth
Co-Chairman &
Managing Director

Mahendra Mehta
Director

Mumbai, 30 May 2016

Annexure - 2

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

- 1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.**
The CSR Policy of the Company has been framed upon the recommendation of the Corporate Social Responsibility Committee. The CSR policy is uploaded on the web-link: <http://www.aurionpro.com/investors/>.
- 2. Composition of the CSR Committee:**
Ms. Carol Realini – Chairperson, Independent Director
Dr. Mahendra Mehta - Independent Director
Mr. Amit Sheth – Co-Chairman & M.D.
Mr. Samir Shah –Director
- 3. Prescribed CSR Expenditure :**
Two percent of the average net profit of the company for the last three financial year.
- 4. Details of CSR spend for the financial year – 2015-16**
 - a) Total amount spent for the financial year: ₹ 30 lacs
 - b) Amount unspent, if any: NIL

Manner in which the amount spent during the financial year is detailed below:-

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
|--------------|--|--|---|---|--|--|---|
| Sr. No. | CSR project or activity identified | Sector in which the Project is covered | Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken | Amount outlay (budget) project or programs wise | Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Overheads: | Cumulative expenditure upto to the reporting period. | Amount spent: Direct or through implementing agency |
| 1 | In field of promoting education through Primary, Secondary or Higher Education | Cl. 2. Work actively in the areas of preventive health and sanitation, education, eradication of poverty, hunger, malnutrition Cl. 3. Contributing or collaborating with registered trust | Bandra, Mumbai, Maharashtra. | 30,00,000/- | 30,00,000/- | 30,00,000/- | Contribution to Kasegaon Education Society |
| TOTAL | | | | 30,00,000/- | 30,00,000/- | 30,00,000/- | |

The CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

30 May 2016
Mumbai

Amit Sheth
Co- Chairman & Managing Director

Carol Realini
Chairperson, CSR Committee

Annexure - 3

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2016.

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
AURIONPRO SOLUTIONS LIMITED
35th Floor, Sunshine Towers,
Tulsi Pipe Road, Near Flower Market,
Dadar (West), Mumbai, Maharashtra - 400013

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by the AURIONPRO SOLUTIONS LIMITED (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the AURIONPRO SOLUTIONS LIMITED's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period, covering the financial year ended on 31 March 2016 ('Audit Period'), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by AURIONPRO SOLUTIONS LIMITED ("the Company") for the financial year ended on 31 March, 2016 Audit Period, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; (from 1 April 2015 to 14 May 2015) and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (from 15 May 2015 to 31 March 2016);
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not Applicable to the Company during the Audit Period under Review)
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable to the Company during the Audit Period under Review)
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable to the Company during the Audit Period under Review)

- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not Applicable to the Company during the Audit Period under Review)
- vi. Other law specifically applicable to the Company namely
 - 1) Information Technology Act, 2000

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (From 1 July 2015 to 31 March 2016).
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges (from 1 April 2015 to 30 November 2015) i.e BSE Ltd. & The National Stock Exchange of India Ltd.
- (iii) The SEBI (Listing Obligation & Disclosure Requirements) entered into by the Company with Stock Exchanges (from 1 December 2015 to 31 March, 2016).

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines and Standards etc. as mentioned above.

As informed to us by the Management, the Company is not having designated Chief Financial Officer, has been searching for the suitable candidate to be appointed as a Chief Financial Officer.

I further report that

- The Board of Directors of the Company consist of Eight (8) Directors, with 1 Executive Director, 3 Independent Directors and 4 Non-Executive Directors. Last year one of the Independent Director ceased to fulfill the criteria of Independent and then was designated as Non-Executive director. Consequently the composition of the Board of Directors is not in conformity with Regulation 17 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015. The Management has informed that they are searching for suitable candidate who can be appointed as Independent Director.
- Adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed notes wherever necessary on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meetings and for meaningful participation at the meeting.
- All decisions at Board Meetings and Committee Meetings were carried out with requisite majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period there are no events having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines and standards etc. referred to above.

Place: Mumbai
Date: 30 May, 2016

Signature:
CS. MILIND NIRKHE
FCS No: 4156
CP No.: 2312

'Annexure A'

To,
The Members
AURIONPRO SOLUTIONS LIMITED
Office No. 35, 35th Floor, Sunshine Towers,
Tulsi Pipe Road, Near Flower Market,
Dadar (West), Mumbai, Maharashtra - 400013

Our report of even date is to be read along with this letter.

1. The maintenance of secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Mumbai
Date: 30 May 2016

Signature:
CS. MILIND NIRKHE
FCS No: 4156
CP No.: 2312

Annexure - 4

PARTICULARS OF EMPLOYEES:

Disclosures pertaining to the remuneration and other details as required under section 197(12) of the Act read with Rule 5(1) of the of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are as follows:

1) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:

Remuneration to Executive Director:

| Name of the Director | Ratio to median remuneration |
|----------------------|------------------------------|
| Amit Sheth | 13.64 : 1 |

Only Independent Directors of the Company were paid sitting fees during the financial year:

| Name of the Director | Ratio to median remuneration |
|----------------------|------------------------------|
| Mahendra Mehta | 0.20 : 1 |
| Carol Realini | 0.16 : 1 |
| Frank Osusky | 0.22 : 1 |

2) the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

| Name of the Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager | Percentage Increase in Remuneration |
|--|-------------------------------------|
| Amit Sheth Co-Chairman and Managing Director | 11% |
| Mehul Raval (Resigned w.e.f 20 Nov. 2015) Company Secretary | 7% |
| Ninad Kelkar (Appointed w.e.f 12 Jan. 2016) Company Secretary | NA |

3) The percentage increase in the median remuneration of employees in the financial year: (15%)

4) The number of permanent employees on the rolls of company: 956

5) The explanation on the relationship between average increase in remuneration and company performance:

The increase in remuneration is based on the Company's performance, individual performance, inflation, prevailing industry trends and benchmarks.

6) Comparison of the remuneration of the Key Managerial Personnel against the performance of the company:

(₹ In Lakhs)

| | |
|--|----------|
| Aggregate remuneration of the key managerial personnel (KMP) in FY 2016 (Rs. In Lakhs) | 123.00 |
| Revenue | 16017.75 |
| Remuneration of KMPs as a % of revenue | 0.77 |
| Net Profit | 1228.60 |
| Remuneration of KMPs as a % of Net Profit | 10.01 |

7) Variation in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year:

(Rs. In Lakhs)

| Particulars | 31 March 2016 | 31 March 2015 | % Change |
|-----------------------|---------------|---------------|----------|
| Market Capitalisation | 27942.73 | 38030.95 | (26.53) |
| Price Earning Ration | 21.58 | 38.62 | (44.12) |

8) Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

| Particulars | 31 March 2016 | 25 October 2005 | % Change |
|--------------------|---------------|-----------------|----------|
| Market Price (NSE) | 127.30 | 106.55 | 19.47 |
| Market Price (BSE) | 129.40 | 106.75 | 21.22 |

9) Average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average percentile increase in remuneration of employees (other than KMP) was (12%). The remuneration of KMP was increased by 18%.

The increase in remuneration is based on the Company's performance, individual performance, inflation, prevailing industry trends and benchmarks.

10) Comparison of each remuneration of the KMP against the performance of the Company:

(Rs. In Lakhs)

| | Mr. Amit Sheth, Co-Chairman and Managing Director | Mr. Mehul Raval, Company Secretary (Resigned w.e.f 20 Nov. 2015) | Mr. Ninad Kelkar, Company Secretary (Appointed w.e.f 12 Jan. 2016) |
|---|---|---|---|
| Remuneration in FY 2016 | 75,00,000 | 14,00,000 | 34,00,000 |
| Revenue | 16017.75 | 16017.75 | 16017.75 |
| Remuneration of KMPs as a % of revenue | 0.77 | 0.77 | 0.77 |
| Net Profit | 1228.60 | 1228.60 | 1228.60 |
| Remuneration of KMPs as a % of Net Profit | 10.01 | 10.01 | 10.01 |

11) The key parameters for any variable component of remuneration availed by the Director:

None of the directors of the company are eligible for any variables component of remuneration.

12) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: 1: 1.45**13) Affirmation that the remuneration is as per the remuneration policy of the Company:**

The Company affirms remuneration is as per the remuneration policy of the Company.

Corporate Governance Report

1. Company's Philosophy on Corporate Governance

The Corporate Governance is guided by three key elements viz: 'accountability', 'fairness' and 'transparency'. The Board of Directors ("the Board") and the Executive Management, at the core of the corporate governance, are accountable to the various stakeholders and responsible to uphold the spirit of corporate governance. Aurionpro has created a framework of policies, code of conduct and procedures for its Board and Executive Management which seeks to ensure that the affairs of the Company are conducted in a fair, transparent and ethical manner and caters to the interests of the various stakeholders.

2. Composition and Category of Board of Directors:

Composition and Category of Directors:

As on the date of this Report, the Board consists of 8 (Eight) Directors. None of the Directors or KMP of the Company is related inter-se.

The Details of attendance of Directors at Board Meeting, last Annual General Meeting (AGM) and number of other directorships and the Committee positions of each Director in various companies are as under:

| Sl. No. | Name of the director | Category | No. of Board Meetings held during the year | | Attendance at the last AGM | Number of Directorships in other companies@ | Member/ Chairman of Committees other than those of the Company# |
|---------|---|--------------------------------------|--|----------|----------------------------|---|---|
| | | | held | attended | | | |
| 1. | Mr. Paresh Zaveri | Chairman & Non Executive Director | 5 | 3 | No | 3 | - |
| 2. | Mr. Amit Sheth | Co-Chairman & Managing Director | 5 | 5 | Yes | 3 | 1 |
| 3. | Mr. Sambhashiva Hariharan (Hari Murthy) | Vice- Chairman | 5 | 2 | No | Nil | - |
| 4. | Mr. Samir Shah | CEO & Director | 5 | 5 | No | 2 | - |
| 5. | Mr. Sanjay Desai | Non- Executive Director | 5 | 3 | Yes | Nil | - |
| 6. | Dr. Mahendra Mehta | Non Executive & Independent Director | 5 | 5 | Yes | 1 | - |
| 7. | Ms. Carol Realini | Non Executive & Independent Director | 5 | 4 | No | Nil | - |
| 8. | Mr. Frank Osusky | Non Executive & Independent Director | 5 | 4 | No | Nil | - |

Notes: -

@ The Directorship held by the Directors as mentioned above, do not include alternate directorships, directorships of foreign companies, Section 8 companies and private limited companies.

The membership/chairmanship of the Directors in Foreign Companies, Section 8 Companies and Private Limited Companies has not been considered.

Board Training and Induction

At the time of appointing a Director, a formal letter of appointment is given which inter alia explains the role, function, duties and responsibilities expected of him as a director of the Company. The familiarization program is conducted to provide insights into the Company to enable the Directors to understand its business and contribute significantly to the Company. The details of familiarization program imparted to Independent Directors is available on following web link: <http://www.aurionpro.com/wp-content/uploads/2016/04/Details-of-Familiarization-Programmes-imparted-to-Independent-Directors-....pdf>.

Board Meetings

Five Board Meetings were held during the Financial Year 2015-16 on 28 May 2015, 11 August 2015, 17 August 2015, 05 November 2015 and 12 February 2016 and the gap between two meetings did not exceed 120 days.

Board meetings are generally held at the registered office of the Company. In order to facilitate participation, the Company makes available video/audio conferencing facility to its outstation Directors. Necessary compliances as required under the Companies Act, 2013, ("the Act") and the Companies (Meetings of the Board and its Powers) Rules, 2014, were followed in this regard. The participation through tele conferencing is not considered for the purpose of quorum as per the provisions of the Act. The dates of the Board meetings are fixed in advance and in order to facilitate informed deliberations, necessary information along with the agenda is sent to the Board members before the meeting. Further, presentations made by the executive management on various strategic and operational matters.

Remuneration to Directors:**a) Payment to Managing Director:**

The remuneration paid to Mr. Amit Sheth during the year was as per the terms of the Service Agreement dated 01 April 2015 ("the Agreement") entered into between the Company and Mr. Amit Sheth, approved by the Members at the Annual General Meeting held on 22 September 2015. The remuneration so paid is in accordance with and within the overall limits as prescribed under the section 197 read schedule V of the Act.

The Agreement is for a period of five (5) years effective 01 April 2015. The terms of remuneration as stated in the Agreement were also approved by the Nomination and Remuneration Committee of the Board. The details of remuneration paid to Mr. Amit Sheth, Co-Chairman & Managing Director are given below.

| Particulars of Remuneration (Fixed Component) | Amount in ₹ |
|---|------------------|
| Basic | 29,12,004 |
| HRA | 14,55,996 |
| Conveyance | 19,200 |
| Lunch Allowance | 18,000 |
| Other allowances | 27,13,200 |
| Medical | 15,000 |
| LTA | 2,00,004 |
| Festival Bonus | 5,000 |
| Total | 73,38,404 |

In terms of the Agreement, the services may be terminated by either party by giving 3 month's advance notice in writing or three month's salary in lieu thereof. The Agreement does not provide for any severance benefit.

As on 30 May 2016, no options have been granted to Directors of the Company.

b) Payments to the Non-Executive Directors and Independent Directors:

During the year ended 31 March 2016, the Company did not pay any remuneration by way of commission or sitting fees to the Non-Executive Directors. The Independent Directors are paid sitting fees of ₹ 30,000 per meeting, for each of the Board Meetings attended by them. The details of the sitting fees paid to the Independent Directors during the year 2015 - 16 are given as follows

| Name of the Directors | Total Sitting Fees (In ₹) |
|-----------------------|---------------------------|
| Dr. Mahendra Mehta | 1,50,000/- |
| Ms. Carol Realini | 1,20,000/- |
| Mr. Frank Osusky | 1,20,000/- |

None of the Independent/Non-Executive Directors have been granted any stock options in the Company

Number of Equity Shares held by Directors as on 31 March 2016 are as follows.

| | No of Shares | % of Holding |
|---------------------------|--------------|--------------|
| Mr. Paresh Zaveri | 3244301 | 14.78 |
| Mr. Amit Sheth | 1376804 | 6.27 |
| Mr. Samir Shah | 288500 | 1.31 |
| Mr. Sanjay Desai | 547631 | 2.49 |
| Mr. Sambhashiva Hariharan | 0 | 0 |
| Dr. Mahendra Mehta | 252838 | 1.15 |
| Ms. Carol Realini | 0 | 0 |
| Mr. Frank osusky | 0 | 0 |

BOARD COMMITTEES

Currently, the Board has four Committees, viz. a. Audit Committee; b. Stakeholders' Relationship/Investor Grievances and Share Transfer Committee; c. Nomination and Remuneration/ Compensation Committee and d. Corporate Social Responsibility Committee. The Committees of the Board at present, their constitution and terms of reference are set out below:

3. Audit Committee:

Brief description of terms of reference:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:



- a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
 8. Approval or any subsequent modification of transactions of the company with related parties;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of the company, wherever it is necessary;
 11. Evaluation of internal financial controls and risk management systems;
 12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

The Committee also reviews other matters as required by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other laws, rules and regulations.

The Composition of the Audit Committee as on 31 March 2016, are as follows.

| Sr. No | Name | Category | Designation |
|--------|--------------------|----------------------|-------------|
| 1 | Dr. Mahendra Mehta | Independent Director | Chairman |
| 2 | Mr. Frank Osusky | Independent Director | Member |
| 3 | Mr. Amit Sheth | Managing Director | Member |

The qualifications and expertise of the Committee members are as per the Regulation 16(1)(b) of the LODR and Section 177 of the Act. The Chairman of the Committee is an Independent Director, the Executive Management and the Statutory Auditors attends the meeting as invitees. The Company Secretary is the Secretary to the Committee. The Chairman of the Audit Committee had attended the previous Annual General Meeting held on 22nd September, 2015, to respond to the queries of the Members.

Details of Audit Committee Meetings

Audit Committee meetings are generally held at the registered office of the Company. In order to facilitate participation, the Company makes available video/audio conferencing facility to the outstation committee members. The dates of the meetings are fixed in advance and in order to facilitate informed deliberations necessary information along with agenda is sent to the Committee Members before the meetings.

During the year, four (4) meetings of the Audit Committee were held on 28 May 2015, 11 August 2015, 05 November 2015, and 12 February 2016 and the attendance was as follows: -

| Sl. No. | Name of the director | No. of Meetings | |
|---------|----------------------|-----------------|----------|
| | | Held | Attended |
| 1. | Dr. Mahendra Mehta | 4 | 4 |
| 2. | Mr. Frank Osusky | 4 | 4 |
| 3. | Mr. Amit Sheth | 4 | 4 |

4. Stakeholders Relationship/Investors Grievances & Share Transfer Committee:

The Committee reviews matters involving the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends.

The composition of Stakeholders Relationship/Investors Grievances & Share Transfer Committee as on 31 March 2016, is as follows.

| Sr. No. | Name | Category | Designation |
|---------|---------------------------|----------------------|-------------|
| 1 | Mr. Frank Osusky | Independent Director | Chairman |
| 2 | Dr. Mahendra Mehta | Independent Director | Member |
| 3 | Mr. Sambhashiva Hariharan | Director | Member |
| 4 | Mr. Amit Sheth | Managing Director | Member |

Mr. Ninad Kelkar, Company Secretary acts as the Compliance officer of the Company.

During the year, the Company received 10 complaints from the Investors, all of which were promptly resolved and as on 31 March 2016, no complaints were pending to be resolved.

5. Nomination & Remuneration/ Compensation Committee:

Brief description of reference of terms:

The Committee performs, inter alia, the functions specified in Reg. 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 178 of the Companies Act, 2013. The Company has framed Remuneration policy and following are the significant features:

- To consider and determine the Remuneration, based on the principles of (i) pay for responsibilities, (ii) pay for performance and potential and (iii) pay for growth and ensure that the remuneration fixed is reasonable and sufficient to attract, retain and motivate the members.
- To take into account, financial position of the Company, trend in the Industry, appointee's qualification, experience, past performance, past remuneration, etc.
- To bring about objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Shareholders.
- Evaluating the performance of the Independent Director and a Board as a whole and Senior Management in the context of the Company's performance from business and compliance perspective.

The terms of reference of the Committee also includes formulation of Employees Stock Option Scheme and considering grant of stock options to the employees of the Company and its subsidiaries under the Employees Stock Option Scheme(s) approved by the members of the Company.

The composition of Nomination & Remuneration/ Compensation Committee as on 31 March 2016, is as follows.

| Sr. No. | Name | Category | Designation |
|---------|--------------------|----------------------|-------------|
| 1 | Ms. Carol Realini | Independent Director | Chairperson |
| 2 | Dr. Mahendra Mehta | Independent Director | Member |
| 3 | Mr. Frank Osusky | Independent Director | Member |

Details of Nomination & Remuneration/Compensation Committee meetings:

During the year, the Committee met once on 05 November 2015. The details of attendance are as follows: -

| Sl. No. | Name of the director | No. of Meetings | |
|---------|----------------------|-----------------|----------|
| | | Held | Attended |
| 1. | Ms. Carol Realini | 1 | 1 |
| 2. | Dr. Mahendra Mehta | 1 | 1 |
| 3. | Mr. Frank Osusky | 1 | 1 |

6. Corporate Social Responsibility (CSR) Committee.

Apart from above referred committees, the Board has also constituted Corporate Social Responsibility Committee, to

contribute to sustainable economic development and to produce an overall positive impact on society. The details of such committee are given under point 10 of the Directors Report.

The Committee shall perform the functions contemplated under the Companies (Corporate Social Responsibility Policy) Rules, 2014 or as may be amended from time to time.

CSR Committee comprises of Ms. Carol Realini (Chairperson), Dr. Mahendra Mehta, Mr. Amit Sheth and Mr. Samir Shah as members of the Committee.

During the year, one meeting was held on 05 November 2015 and the same was attended by Ms. Carol Realini, Dr. Mahendra Mehta, Mr. Amit Sheth and Mr. Samir Shah.

7. Equity Shares in the Suspense Account

In terms of Clause F of the Schedule V of the of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details in respect of equity shares lying in the suspense accounts which were issued in demat form and physical form, respectively, are as under:

| Particulars | Demat | | Physical | |
|---|------------------------|-------------------------|---|-------------------------|
| | Number of Shareholders | Number of equity shares | Number of Shareholders (phase wise transfers) | Number of equity shares |
| Aggregate Number of shareholders and the outstanding shares in the suspense account lying as on 1 April 2015 | 1 | 70 | Nil | NA |
| Number of shareholders who approached the Company for transfer of shares and shares transferred from suspense account during the year | Nil | NA | Nil | NA |
| Number of shareholders and aggregate number of shares transferred to the Unclaimed Suspense Account during the year | Nil | NA | Nil | NA |
| Aggregate Number of shareholders and the outstanding shares in the suspense account lying as on 31 March 2016 | 1 | 70 | Nil | NA |

Note: The voting rights on the shares in the suspense accounts as on 31 March 2015, shall remain frozen till the rightful owners of such shares claim the shares.

8. General Body Meetings:

Details of the last three Annual General Meetings are given below:-

| Year | Day, Date and Time | Location | No. of Special Resolutions passed |
|-----------|--|---|-----------------------------------|
| 2012 – 13 | Friday, 20 September 2013 at 11.00 A.M. | Hotel Suncity Residency, 16 th Road, MIDC, Marol, Andheri – (East), Mumbai – 400 093 | One |
| 2013 – 14 | Tuesday, 30 September 2014 at 11.00 A.M. | Hotel Suncity Residency, 16 th Road, MIDC, Marol, Andheri – (East), Mumbai – 400 093 | Nil |
| 2014 – 15 | Tuesday, 22 September 2015 at 11.00 A.M. | Hotel Suncity Residency, 16 th Road, MIDC, Marol, Andheri – (East), Mumbai – 400 093 | Three |

During the year no resolution was passed through postal ballot and No business is required to be transacted through postal ballot at the forthcoming Annual General Meeting.

9. Other Disclosures:

- **Related Party Transactions:** During the year there are no material significant transactions with the related parties viz. Promoters, Directors and their relatives, their Subsidiaries, conflicting with the Company's interest. Necessary disclosures as to related party transactions, as required by the Accounting Standard (AS18), have been made in the standalone notes to accounts of the Annual Report. The policy as to Related Party Transactions, is approved by the Board, is available on the Company's website at <http://www.aurionpro.com/wp-content/uploads/2015/09/Related-Party-Transactions-Policy.pdf> and the policy for determining material subsidiaries is disclosed on the Company's website at <http://www.aurionpro.com/wp-content/uploads/2015/09/POLICY-ON-MATERIAL-SUBSIDIARY.pdf>.
- **Details of Non-compliance, Penalties etc.:** During the last three years the Company has not been subjected to any penalties or strictures of the stock exchanges, SEBI or any other statutory/regulatory authority on any matters relating to capital markets. However, in February, 2015, Mr. Sambhashiva Harharan was re designated as non-independent and non-executive director and consequently the Company is required to induct more independent directors on the Board in order to comply with the requirement of Reg.17 of the LODR. The Company is making all efforts to induct Independent Directors except the said non-compliance, the Company has complied with all the mandatory requirements of the Listing Regulations relating to Corporate Governance and also complied with Clause (b)

to (i) of Regulation 46(ii) relating to the dissemination of information on the website of the Company. A certificate from the Practicing Company Secretary to this effect forms part of annual report.

- **Vigil Mechanism / Whistle Blower Policy:** The Company has in place Vigil Mechanism/Whistle Blower policy pursuant to which employees can raise their concerns about the management, operations and other affairs of the Company which is against the Company's interest. No employees have been denied access to the Audit Committee in this regard.
- **Adoption of New Policies:** During the year, your company has adopted new policies such as Policy for Disclosure of Event or Information and Determination of Materiality, Policy on Preservation of Documents and Archival Policy under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 These policies are available on the website of the company at <http://www.aurionpro.com/investors/>.
- **Code of Conduct for prevention of Insider Trading:** The Code of Conduct pursuant to the provisions of the SEBI (Prohibition of Insider Trading) Regulations 2015 has been put in place and followed in spirit.
- **Commodity Price Risks or Foreign Exchange Risks and Hedging Activities:** The details of foreign currency exposure are disclosed in standalone notes to account of the Annual Report.
- **Compliance with Schedule V:** The Company is in compliance of all the requirements mentioned in sub-paras (2) to (10) of section C of Schedule V.
- **Declaration regarding Compliance with the Company's Code of Conduct:** A Code of Business Conduct and Ethics has been adopted for Directors and the Senior Management and posted on the website of the Company (www.aurionpro.com). All Board member and Senior Management have affirmed compliance with the code for the period ended 31st March 2016.
- **Adoption of the Discretionary Requirements:** The Company is committed to implement the best governance practices in addition to the mandatory requirements as stated above, the Board and the Management shall strive to implement other non-mandatory requirements in future.
- **Compliance Certificate:** Pursuant to the provisions of Clause 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Managing Director has issued a certificate to the Board, for the year ended 31st March 2016.

The Company is committed to implement the best governance practices and in addition to the mandatory requirements as stated above the Board and the management shall strive to implement other non-mandatory requirements in future.

10. Means of Communication:

Quarterly, half-yearly and annual financial results of the Company

are communicated to the stock exchanges immediately after the Board takes them on record and thereafter published in prominent English (Free Press Journal) and Marathi (Nav Shakti) newspapers. The results and other news releases are also posted on the Company's website namely, www.aurionpro.com.

11. General Information:

- **Company Registration Details:** The Company is registered in the State of Maharashtra. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L99999MH1997PLC111637.
- **Impact of Convertible Instruments:** As on 31 March 2016, there are 12,40,000 outstanding warrants, which may be converted into Equity Shares, within 18 months from the date of its issuance. The said warrants, if converted will dilute the capital further.
- **Annual General Meeting:** The 19th Annual General Meeting will be held at 11.00 a.m. on Thursday, 29 September 016 at Hotel Suncity Residency, 16th Road, MIDC, Marol, Andheri (East), Mumbai – 400 093
- **Financial Year:** 01 April 2016 to 31 March 2017
- **Financial Calendar: (tentative)**

| | | |
|------------------------|---|------------------|
| First quarter results | : | 14 August 2016 |
| Second quarter results | : | 14 November 2016 |
| Third quarter results | : | 14 February 2017 |
| Fourth quarter results | : | 30 May 2017 |
| Annual General Meeting | : | September 2017 |
- **Book Closure:** The Register of Members and the Share Transfer Register will remain closed from Saturday, 24th September, 2016 to Thursday, 29th September, 2016, both days inclusive.

Dividend for the year ended 31st March 2016, if declared at the Annual General Meeting, shall be paid to:

- a) beneficial owners at the end of business day on Friday, 23rd September, 2016 as per lists furnished by NSDL and CDSL in respect of shares held in electronic form; and
 - b) The members whose names would appear on the Register of Members as at the end of the business day on Friday, 23rd September, 2016 in respect of shares held in physical form.
- **Dividend Payment Date:** Dividend, if declared, shall be paid within the prescribed time limit. Dividend shall be remitted through Electronic Clearing Service (ECS) at approved locations, wherever ECS details are available with the Company, and in other cases, through demand drafts/warrants payable at par.

➤ Payment of Listing Fees

Annual listing fee for the year 2016-17 has been paid by the Company to BSE Limited and National Stock Exchange of India Limited.

➤ Shares Listed At:

The equity shares of the Company are listed at:

| BSE Limited (BSE) | National Stock Exchange of India Ltd (NSE) |
|--|--|
| Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai Samachar Marg, Mumbai - 400 001. | Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051. |

➤ Stock Code:

| | |
|--|--------------|
| BSE Limited (BSE) | 532668 |
| National Stock Exchange of India Limited (NSE) | AURIONPRO |
| Demat ISIN Number in NSDL & CDSL for Equity Shares | INE132H01018 |

➤ Market Price Data

| Month | BSE | | NSE | |
|-------------|------------|-----------|------------|-----------|
| | High (Rs.) | Low (Rs.) | High (Rs.) | Low (Rs.) |
| April- 2015 | 154.00 | 128.50 | 270.90 | 191.80 |
| May- 2015 | 216.95 | 175.00 | 214.90 | 160.10 |
| June- 2015 | 203.30 | 163.00 | 205.00 | 166.00 |
| July- 2015 | 224.50 | 165.00 | 225.00 | 165.60 |
| Aug- 2015 | 251.00 | 185.00 | 251.00 | 186.00 |
| Sep- 2015 | 205.90 | 181.50 | 205.35 | 181.50 |
| Oct- 2015 | 260.00 | 195.00 | 262.00 | 192.25 |
| Nov- 2015 | 235.00 | 182.50 | 234.80 | 194.75 |
| Dec- 2015 | 237.00 | 200.00 | 237.00 | 198.45 |
| Jan- 2016 | 216.40 | 139.00 | 214.30 | 142.00 |
| Feb- 2016 | 154.00 | 103.00 | 154.70 | 103.00 |
| March-2016 | 138.40 | 120.00 | 140.00 | 117.20 |

(Source: BSE & NSE websites)

➤ Share Price Performance in comparison to broad-based indices – BSE Sensex and NSE Nifty (Month-end closing)

Aurionpro share price compared with BSE Sensex and NSE Nifty (Month-end closing)

| Month | BSE | | NSE | |
|-------------|-------------|-----------|-------------|-----------|
| | Share Price | Sensex | Share Price | NSE Nifty |
| April- 2015 | 209.20 | 27,011.31 | 210.30 | 8181.50 |
| May- 2015 | 200.60 | 27,828.44 | 199.65 | 8433.65 |
| June- 2015 | 173.80 | 27,780.83 | 174.00 | 8368.50 |
| July- 2015 | 215.00 | 28,114.56 | 214.15 | 8532.85 |
| Aug- 2015 | 205.10 | 26,283.09 | 205.40 | 7971.30 |
| Sep- 2015 | 194.70 | 26,154.83 | 195.35 | 7971.30 |
| Oct- 2015 | 220.00 | 26,656.83 | 220.35 | 8065.80 |
| Nov- 2015 | 228.90 | 26,145.67 | 229.10 | 7935.25 |
| Dec- 2015 | 208.00 | 26,117.54 | 207.05 | 7946.35 |
| Jan- 2016 | 150.70 | 24,870.69 | 151.00 | 7563.55 |
| Feb- 2016 | 118.20 | 23,002.00 | 117.00 | 6987.05 |
| March-2016 | 129.40 | 25,341.86 | 127.30 | 6987.05 |

(Source: BSE & NSE websites)

➤ **Registrar and Transfer Agent**

Bigshare Services Private Limited,
E/2, Ansa Industrial Estate,
Sakivihar Road, Sakinaka,
Andheri – 400 072
Tel: +91-22-28470652, 40430200
Fax: +91-22-2847 5207
Website: www.bigshareonline.com

➤ **Share Transfer System:**

The Stakeholders Relationship/Investors Grievances & Share Transfer Committee approve transfer of shares.

Valid share transfer documents, if any, are processed and duly endorsed share certificate are dispatched to the respective transferees, within prescribed time. In terms of Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, a practicing Company Secretary audits share transfer process, every six months, and issues a certificate, which is submitted to the stock exchanges.

➤ **Shareholding Profile as on 31 March 2016:**

i) Distribution of Shareholding:

| Range (in Rs.) | Holders | % of Total Holders | Total capital in Rupees | % of Total Capital |
|----------------|-------------|--------------------|-------------------------|--------------------|
| 1 - 5000 | 5452 | 82.27 | 6154410 | 2.80 |
| 5001 - 10000 | 410 | 6.19 | 3382510 | 1.54 |
| 10001 - 20000 | 273 | 4.12 | 4244060 | 1.93 |
| 20001 - 30000 | 112 | 1.69 | 2880530 | 1.31 |
| 30001 - 40000 | 62 | 0.94 | 2205640 | 1.00 |
| 40001 - 50000 | 51 | 0.77 | 2407840 | 1.10 |
| 50001 - 100000 | 105 | 1.58 | 7765420 | 3.54 |
| 100001 - above | 162 | 2.44 | 190462600 | 86.77 |
| TOTAL | 6627 | 100.00 | 219503010 | 100.00 |

ii) Shareholding Pattern

| Category of members | % of shares held |
|--|------------------|
| Promoters & Promoter Group | 32.16 |
| Mutual Funds | 0 |
| Financial Institutions / Banks | 0.30 |
| Foreign Institutional Investors | 0.23 |
| Bodies Corporate | 15.70 |
| Public (including non-promoter Director, Employees and clearing members) | 36.12 |
| NRIs | 7.36 |
| NRIs Company | 5.46 |
| Trust (Including Foreign Trust) | 2.65 |
| Foreign Nationals | 0.02 |
| Total | 100 |

iii) Holding Profile

| Mode | Demat | (%) | Physical | (%) | Total |
|---------|----------|-------|----------|------|----------|
| Shares | 21241632 | 96.77 | 708669 | 3.23 | 21950301 |
| Members | 6575 | 99.22 | 52 | 0.78 | 6627 |

➤ **Dividend Profile**

| Financial Year | Dividend Declared | Date of declaration | Dividend Payment Date |
|----------------|--|---------------------|-----------------------|
| 2014 - 15 | Rs.3/- per equity share of Rs.10/- each | 22.09.2015 | 06.10.2015 |
| 2013 - 14 | Rs. 2/- per equity share of Rs.10/- each | 30.09.2014 | 10.10.2014 |
| 2012 - 13 | Rs. 1.25/- per equity share of Rs.10/- each. | 20.09.2013 | 12.11.2013 |

➤ **Dematerialization of Shares and Liquidity**

The Company's shares are traded compulsorily in dematerialized form and are available for trading with both the depositories, namely, National Securities Depository Limited (NSDL) and Central Depository Services of (India) Limited (CDSL).

➤ **Plant Locations**

In view of the nature of the Company's business viz. Information Technology Services, the Company operates from various offices in India and abroad and does not have any manufacturing plant.

➤ **Contact Person for Enquires**

Mr. Ninad Kelkar
Email: investor@aurionpro.com

The above email address is a designated email address where investors can mark their grievances.

➤ **Address for Correspondence**

Aurionpro Solutions Limited

Registered Office:
35th Floor,
Sunshine Tower,
Tulsi Pipe Road,
Dadar – (West),
Mumbai – 400 013.

Tel: +91 22-6617 2600
Fax: +91 22-6617 2666

For and on behalf of the Board of Directors

Amit Sheth
Co - Chairman & Managing Director

Place: Mumbai

Certificate on Corporate Governance

To,
The Members of Aurionpro Solutions Limited

We have examined the compliance of conditions of Corporate Governance by **Aurionpro Solutions Limited** ('the Company') for the year ended 31 March 2016 as stipulated on Clause 49 of the Listing Agreement ('Listing Agreement') of the Company with the Stock Exchanges for the period 1 April 2015 to 30 November 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations for the period 1 December 2015 to 31 March 2016.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement / Listing Regulations, subject to the following observations:

Last year one of the Independent Director ceased to fulfill the criteria of Independent and then was designated as Non-Executive director. Consequently, the composition of the Board of Directors is not in conformity with Regulation 17 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015. The Management has informed that they are searching for suitable candidate who can be appointed as Independent Director.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Milind Nirkhe & Associates
Company Secretaries

MILIND NIRKHE
FCS No: 4156
CP No: 2312

Place: Mumbai
Date: 30 May 2016

Managing Director's Certificate

**The Board of Directors
Aurionpro Solutions Limited**

I, Amit Sheth, Co- Chairman & Managing Director do hereby certify to the Board that: -

- a) I have reviewed (Standalone and Consolidated) financial statements and the cash flow statements, for the year ended 31st March, 2016 and that to the best of my knowledge and belief: -
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- b) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year that are fraudulent, illegal or violative of the Company's code of conduct.
- c) I accept responsibility for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- d) I have indicated to the Auditors and the Audit Committee: -
 - (i) there has been no significant changes in internal control during the year.
 - (ii) there has been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) there has been no commitment of any fraud, whether or not significant, that involves management or other employees who have significant role in the company's internal controls.

For Aurionpro Solutions Limited

Amit Sheth
Co - Chairman & Managing Director

Place: Mumbai
Date: 30 May 2016



STANDALONE FINANCIALS

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Independent Auditors' Report

To the Members of
Aurionpro Solutions Limited

Report on the Standalone Financial Statements

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

Management's Responsibility for the Standalone Financial Statements

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

Auditor's Responsibility

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

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

We conducted our audit in accordance with the Standards on Auditing issued by Institute of Chartered Accountants of India specified under sub-section 10 of Section 143 of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial

statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of 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 standalone 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 standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016, and 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, 2016 ("the Order"), issued by the Central Government of India in exercise of powers conferred by sub-section (11) of Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by sub-section (3) of Section 143 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 purpose of our audit of the aforesaid standalone financial statements;
 - 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, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the aforesaid standalone 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 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of sub-section (2) of Section 164 of the Act;

- f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and
- g) 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 standalone financial statements – Refer Note 30 to the standalone financial statements;

- ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2016.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Bhavesh Dhupelia

Partner

Membership No: 042070

Mumbai

30 May 2016

Annexure A to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2016, we report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified annually. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification during the year.
- (c) In our opinion and according to the information and explanations given to us and on the basis of an examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. The inventory, except goods-in-transit and stocks lying with third parties, have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with third parties at the year-end, written confirmations have been obtained. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been dealt with in the books of account.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraphs (iii) (a) and (b) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and Section 186 of the Act, with respect to the loans, investments and guarantees made.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public as per the directives issued by the Reserve Bank of India in accordance with the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. As informed to us by the management, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the goods sold and services/activities 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, Employees' State Insurance, Income-tax, Sales tax, duty of Customs, duty of Excise, Value added tax, Cess and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities *except for Service tax where there have been significant delays in number of cases.*

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Sales-tax, duty of Customs, duty of Excise, Value added tax, Cess and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable *except for Service tax details of which is as follows:*

| Name of the statute | Nature of dues | Amount (₹ in lakhs) | Period to which the amount relates | Due date | Date of payment |
|-----------------------|----------------------------------|---------------------|------------------------------------|------------------|-----------------|
| The Finance Act, 2004 | Service tax (including interest) | 0.96 | August 2015 | 5 September 2015 | Not paid |
| | | 32.61 | September 2015 | 5 October 2015 | Not paid |

- (b) According to the information and explanations given to us, there are no dues of Income-tax, Sales tax, Service tax, duty of Customs and Value added tax which have not been deposited with the appropriate authorities on account of any disputes.

According to the information and explanations given to us, the following statutory dues have not been deposited by the Company on account of disputes:

| Name of the statute | Nature of dues | Amount under dispute (₹ in lakhs) | Amount paid under protest (₹ in lakhs) | Period to which the amount relates | Forum where dispute is pending |
|--------------------------|----------------|-----------------------------------|--|------------------------------------|--------------------------------|
| Central Excise Act, 1944 | Excise Duty | 410.52 | - | January 2004 to January 2007 | CESTAT |
| | | 23.57 | - | February 2007 to January 2008 | CESTAT |

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted during the year in repayment of loans or borrowings to financial institutions and banks. The Company does not have any loans or borrowings from government and has not issued any debentures.
- ix. In our opinion and according to the information and explanations given to us, the term loans taken by the Company have been applied for the purpose for which they were raised. The Company has not raised money by way of initial public



offer or further public offer (including debt instruments) during the year.

- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company as specified in the Nidhi Rules, 2014. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with Section 177 and Section 188 of the Act, where applicable and the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us, the Company has made preferential allotment of shares during the year. In our opinion, the Company has complied with the requirement of Section 42 of the Act and the amounts raised have been used for the purposes for which the funds were

raised. The Company has not made any private placement of shares or fully or partly convertible debentures during the year.

- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- xvi. According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Bhavesh Dhupelia

Partner

Membership No: 042070

Mumbai

30 May 2016

Annexure B to the Independent Auditors' Report – 31 March 2016

(Referred to in our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Aurionpro Solutions Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under sub-section (10) of Section 143 of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial

reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **BSR & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Bhavesh Dhupelia

Partner

Membership No: 042070

Mumbai

30 May 2016

Balance Sheet as at 31 March 2016

| | Note | 31 March 2016 | 31 March 2015 |
|--|------|------------------|------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' funds | | | |
| Share capital | 3 | 2,195.03 | 1,985.43 |
| Reserves and surplus | 4 | 39,210.73 | 34,373.01 |
| Money received against shares warrants (refer Note 45) | | 682.00 | - |
| | | 42,087.76 | 36,358.44 |
| Non-current liabilities | | | |
| Long-term borrowings | 5 | 1,240.45 | 751.81 |
| Deferred tax liabilities (net) | 6 | - | - |
| Other long-term liabilities | 7 | 66.21 | 39.86 |
| Long-term provisions | 8 | 231.12 | 211.43 |
| | | 1,537.78 | 1,003.10 |
| Current liabilities | | | |
| Short-term borrowings | 9 | 4,364.50 | 5,240.31 |
| Trade payables | | | |
| - Due to Micro and Small Enterprises | 10 | 3.38 | - |
| - Due to Others | 10 | 1,339.94 | 3,030.29 |
| Other current liabilities | 11 | 4,405.54 | 2,925.23 |
| Short-term provisions | 12 | 1,523.27 | 1,115.39 |
| | | 11,636.63 | 12,311.22 |
| TOTAL | | 55,262.17 | 49,672.76 |
| ASSETS | | | |
| Non-current assets | | | |
| Fixed assets | 13 | | |
| - Tangible fixed assets | | 4,427.38 | 2,759.11 |
| - Intangible fixed assets | | 48.19 | 94.27 |
| - Capital work-in-progress | | 189.56 | 69.12 |
| | | 4,665.13 | 2,922.50 |
| Non-current investments | 14 | 18,276.46 | 12,192.86 |
| Deferred tax assets (net) | 6 | 275.04 | 113.55 |
| Long-term loans and advances | 15 | 2,535.02 | 2,630.61 |
| Other non-current assets | 16 | 232.74 | 313.14 |
| | | 21,319.26 | 15,250.16 |
| Current assets | | | |
| Current investments | 17 | - | 12.39 |
| Inventories | 18 | 729.19 | 641.73 |
| Trade receivables | 19 | 6,913.42 | 6,960.15 |
| Cash and bank balances | 20 | 1,029.35 | 803.32 |
| Short-term loans and advances | 21 | 20,406.59 | 22,973.26 |
| Other current assets | 22 | 199.23 | 109.25 |
| | | 29,277.78 | 31,500.10 |
| TOTAL | | 55,262.17 | 49,672.76 |

Significant accounting policies

2

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of Aurionpro Solutions Limited

CIN- L99999MH1997PLC111637

Amit Sheth

Co-Chairman and Managing Director
DIN : 00122623

Paresh Zaveri

Chairman
DIN : 01240552

Mahendra Mehta

Director
DIN : 00376396

Bhavesh Dhupelia

Partner

Membership No: 042070

Mumbai

30 May 2016

Ninad Kelkar

Company Secretary

Membership No: ACS 17824

Mumbai

30 May 2016

Statement of Profit and Loss for the year ended 31 March 2016

| | Note | 31 March 2016 | 31 March 2015 |
|--|------|------------------|------------------|
| Revenue | | | |
| Revenue from operations (Net of excise duty of ₹ 42.84 (31 March 2015: ₹ 124.09)) | 23 | 16,017.75 | 26,108.13 |
| Other income | 24 | 1,572.45 | 1,319.11 |
| Total revenue | | 17,590.20 | 27,427.24 |
| Expenses | | | |
| Operating expenses | 25 | 3,223.13 | 13,994.49 |
| Change in inventories of raw material, finished goods and stock-in-trade | 26 | (87.46) | 774.53 |
| Employee benefits expense | 27 | 7,399.63 | 6,399.18 |
| Finance costs | 28 | 925.35 | 1,051.56 |
| Depreciation and amortisation | 13 | 929.15 | 905.90 |
| Other expenses | 29 | 3,231.61 | 2,910.38 |
| Total expenses | | 15,621.41 | 26,036.04 |
| Profit before taxation | | 1,968.79 | 1,391.20 |
| Income tax expense: | | | |
| (a) Current tax | | 450.23 | 341.92 |
| (b) MAT credit utilised/entitlement | | 203.20 | 290.16 |
| (c) Tax adjustment of earlier years | | 248.24 | 18.25 |
| (d) Deferred tax credit | | (161.48) | (236.20) |
| | | 740.19 | 414.13 |
| Profit for the year | | 1,228.60 | 977.07 |
| Earnings per equity share of face value of Rs 10 each - basic and diluted | 32 | 5.90 | 4.96 |

Significant accounting policies

2

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of Aurionpro Solutions Limited

CIN- L99999MH1997PLC111637

Amit Sheth

Co-Chairman and Managing Director
DIN : 00122623

Paresh Zaveri

Chairman
DIN : 01240552

Mahendra Mehta

Director
DIN : 00376396

Bhavesh Dhupelia

Partner

Membership No: 042070

Mumbai

30 May 2016

Ninad Kelkar

Company Secretary

Membership No: ACS 17824

Mumbai

30 May 2016



Cash Flow Statement for the year ended 31 March 2016

| | 31 March 2016 | 31 March 2015 |
|--|-------------------|-------------------|
| A Cash flows from operating activities | | |
| Net profit before tax | 1,968.79 | 1,391.20 |
| Adjustments : | | |
| Depreciation and amortisation | 929.15 | 905.90 |
| Interest expenses | 608.24 | 837.80 |
| Loss on disinvestment of subsidiaries | 0.35 | - |
| Interest income | (664.63) | (485.72) |
| Dividend income from current investments | (0.09) | (2.70) |
| Bad debts | 68.28 | 140.51 |
| Provision for doubtful debts | 130.94 | 242.43 |
| Provision for Tender deposit | 9.98 | - |
| Credit balances written-back | (37.46) | (63.94) |
| Sundry balance w/off | 14.22 | 2.08 |
| Loss / (gain) on sale/discarding of fixed assets (net) | 148.63 | (7.48) |
| Loss / (gain) on sale/discarding of investment (net) | 0.07 | (0.01) |
| Unrealised foreign exchange differences (net) | (814.13) | (521.55) |
| Operating cash flow before working capital changes | 2,362.34 | 2,438.52 |
| Movements in working capital | | |
| (Decrease) in trade payables, current liabilities, provisions and other long-term liabilities | (819.20) | (1,759.38) |
| (Increase) in loans and advances, current and non-current assets | (2,832.11) | (5,449.71) |
| (Increase) / decrease in inventories | (87.46) | 774.53 |
| (Increase) / decrease in trade receivables | (113.18) | 2,646.92 |
| Cash (used in) operating activities | (1,489.61) | (1,349.12) |
| Income taxes paid (net of refund) | (811.48) | (501.54) |
| Net cash (used in) operating activities (A) | (2,301.09) | (1,850.66) |
| B Cash flows from investing activities | | |
| Purchase of fixed assets | (2,653.97) | (520.74) |
| Sale of fixed assets | 106.56 | 21.61 |
| Proceeds from sale/disinvestment of equity instruments of wholly owned subsidiaries | 13.05 | 3,726.19 |
| Proceeds from sale of investments | 12.31 | 7.28 |
| Dividend income | 0.09 | 2.70 |
| Interest received | 657.98 | 497.61 |
| Bank deposits movement (having original maturity more than 3 months), net | (104.04) | (141.24) |
| Net cash (used in)/ generated from investing activities (B) | (1,968.02) | 3,593.41 |
| C Cash flows from financing activities | | |
| Proceeds from long-term borrowings | 1,500.00 | 540.00 |
| Repayment of long-term borrowings | (293.29) | (1,443.35) |
| Movement in short-term borrowings (net) | (875.81) | (1,249.51) |
| Proceeds from issue of equity shares (including security premium) | 4,611.20 | 500.00 |
| Proceeds from issue of equity shares warrant | 682.00 | - |
| Dividend paid on equity shares | (595.94) | (422.83) |
| Tax paid on dividend | (121.93) | (71.61) |
| Interest paid | (602.62) | (843.53) |
| Net cash generated from / (used in) financing activities (C) | 4,303.61 | (2,990.83) |
| Net increase/ (decrease) in cash and cash equivalents (A+B+C) | 34.50 | (1,248.08) |
| Cash and cash equivalents at the beginning of the year | 611.09 | 1,186.28 |
| Less : Exchange difference on translation of foreign currency cash and cash equivalents | 4.33 | 7.94 |
| Cash and cash equivalents acquired on amalgamation of Intellvisions Software Limited (refer Note 41) | - | 664.94 |
| Cash and cash equivalents at the end of the year | 649.92 | 611.09 |
| | 34.50 | (1,248.08) |

Notes:

1. The above Cash flow statement has been prepared under the indirect method set out in Accounting Standard-3, Cash Flow Statement prescribed under Section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014.
2. Cash and cash equivalents consists of cash on hand and balances with banks. Refer Note 19 for details of cash and cash equivalents at the beginning and end of the year.
3. Previous year's figures have been regrouped, wherever necessary.

As per our report of even date attached.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Bhavesh Dhupelia

Partner

Membership No: 042070

Mumbai

30 May 2016

For and on behalf of the Board of Directors of Aurionpro Solutions Limited

CIN- L99999MH1997PLC111637

Amit Sheth

Co-Chairman and Managing Director

DIN : 00122623

Paresh Zaveri

Chairman

DIN : 01240552

Mahendra Mehta

Director

DIN : 00376396

Ninad Kelkar

Company Secretary

Membership No: ACS 17824

Mumbai

30 May 2016



Notes to the financial statements

1. Background

Aurionpro Solutions Limited ('Aurionpro' or 'the Company') was incorporated on 31 October 1997 as a private limited company under the Companies Act, 1956. The Company was converted into public limited company with effect from 9 March 2005. The Company is engaged in the business of providing solutions in corporate banking, treasury, fraud prevention and risk management, internet banking, governance and compliance. The Company is a leading provider of intellectual property led Information Technology solutions for the banking and financial service insurance segments.

The Company also provides self-service technologies which enables financial institutions, utilities, telecom and government organizations to migrate, automate and manage customer facing business process to self-service channels.

2. Significant accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting, in accordance with the accounting principles generally accepted in India ('Indian GAAP') and comply with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Act, to the extent notified and applicable. Accounting policies have been consistently applied except 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. The financial statements are presented in Indian Rupees rounded off to the nearest lakhs upto two decimals except per share data and where mentioned otherwise.

2.2 Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosures of contingent liabilities at the end of reporting period. Management believes that the estimates made in the preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

2.3 Current / Non-current classification

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i. it is expected to be realized or settled or is intended for

sale or consumption in the company's normal operating cycle;

- ii. it is expected to be realized or settled within twelve months from the reposting date;
- iii. in the case of an asset,
 - It is held primary for the purpose of being traded; or
 - It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date
- iv. in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months from the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current /non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

2.4 Revenue recognition

Revenue from software development and consulting services is recognized either on time and material basis or fixed price basis, as the case may be. Revenue on time and material contracts is recognized as and when the related services are performed. Revenue on fixed price contracts is recognized on the percentage of completion method under which the sales value of performance, including earnings thereon, is recognized on the basis of cost incurred in respect of each contract as a proportion of total cost expected to be incurred.

Revenue from sale of licenses of software products and other products/equipments is recognized on transfer of title to the customer. Maintenance revenue in respect of software products and other products/equipments is recognized on pro rata basis over the period of the underlying maintenance agreement. Revenue is net of excise duty, taxes, rebates and discounts.

Revenue from leasing income is recognised on pro-rata basis over the period of the contract.

Unbilled receivables represent costs incurred and revenues recognised on contracts to be billed in subsequent periods as per the terms of the contract.

Income received in advance represents contractual billings/money received in excess of revenue recognized as per the terms of the contract.



Dividend income is recognised when the Company's right to receive payment is established.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

2.5 Fixed assets and depreciation/amortisation

Tangible fixed assets

Tangible fixed assets are carried at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment loss, if any. The cost of fixed assets comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditures related to an item of tangible fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Advances paid/expenditure incurred on acquisition/construction of fixed assets which are not ready for their intended use at each balance sheet date are disclosed under loans and advances on capital account or capital work-in progress respectively.

Profit or loss on disposal of tangible assets is recognised in the Statement of Profit and Loss. Tangible fixed assets retired from active use and held for disposal are stated at the lower of their net book value and net realisable value and are disclosed separately under 'Other current assets'. Any expected loss is recognized immediately in the Statement of Profit and Loss.

Intangible fixed assets

Intangible assets comprises of goodwill on amalgamation in the nature of merger and computer software acquired separately and are recognised when the asset is identifiable, is within the control of the Company, it is probable that the future economic benefits that are attributable to the asset will flow to the Company and cost of the asset can be reliably measured. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment loss, if any. Profit and loss on disposal of intangible assets is recognised in the Statement of Profit and Loss.

Depreciation and amortisation

Depreciation on tangible fixed assets, except Computers, Plant and machinery and Leasehold improvements is provided using the Straight Line Method based on the useful lives of the assets as estimated by the management and is charged to the Statement of Profit and Loss as per the requirement of Schedule II of the Act.

The residual value useful life and method of depreciation of an asset is reviewed at each financial year end and adjusted prospectively.

For class of assets categorised under "Computers", based on internal assessment and independent technical evaluation carried out by external valuers, the management believes that useful life of 6 years best represents the period over which management expects to use these assets. Hence, the useful life of Computers is different from the useful life as prescribed under Part 'C' of Schedule II of the Act.

For class of assets categorised under "Plant and machinery", the management on internal assessment believes that useful life of 5 years best represent the period over which management expects to use these assets. Hence, the useful life of Plant and machinery is different from the useful life as prescribed under Part 'C' of Schedule II of the Act.

Leasehold improvements are amortized over the period of lease term or useful life, whichever is lower.

Individual assets costing up to Rupees five thousand are depreciated in full in the period of purchase.

Intangible assets are amortised on a Straight Line basis over the estimated useful economic life.

Goodwill on merger is amortised over a period of 5 years or estimated useful life, whichever is shorter.

Software is amortised over a period of 5 years or over license period, whichever is lower.

2.6 Impairment of assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the Balance Sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the assets and from its disposal at the end of its useful life.

2.7 Inventories

Inventories include traded goods and are valued at lower of cost or net realisable value. Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventory to their present location and condition. Cost is determined on the first-in, first-out (FIFO) basis. The comparison of cost and net realisable value is made on item by item basis.

**2.8 Lease***Operating lease*

Lease payments under operating lease are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

Assets given by the Company under operating lease are included in fixed assets. Lease income from operating leases is recognised in the Statement of Profit and Loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern in which benefit derived from the leased asset is diminished. Costs, including depreciation, incurred in earning the lease income are recognised as expenses. Initial direct costs incurred specifically for an operating lease are deferred and recognised in the Statement of Profit and Loss over the lease term in proportion to the recognition of lease income.

Finance lease

Assets given out on finance lease are shown as amounts recoverable from the lessee. The rentals received on such leases are apportioned between the finance charge / (income) and principal amount using the implicit rate of return. The finance charge / (income) is recognised as income, and principal received is reduced from the amount receivable. All initial direct costs incurred are included in the cost of the asset.

2.9 Investments

Investments are classified into current and long-term investments. Investments that are readily realisable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as long-term investments. However, that part of long-term investments which are expected to be realised within twelve months from Balance Sheet date is also presented under "Current investments" as "Current portion of long-term investments" in consonance with the current/non-current classification scheme of Schedule III of the Act.

Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments. Any reduction in the carrying amount and any reversals of such reductions are charged to the Statement of Profit and Loss.

Long-term investments (including current portion thereof) are carried at cost. A provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is recognized in the Statement of Profit and Loss.

2.10 Taxation

Income-tax expense comprises of current income -tax and deferred tax charge or credit.

Current tax

Provision for current income-tax is recognised in accordance with the provisions of Income-tax Act, 1961 and is made annually based on the tax liability computed after taking credit for tax allowances and exemptions.

Deferred tax

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result from differences between the profits offered for income taxes and the profits as per the financial statements. Deferred tax assets and liabilities and the corresponding deferred tax credit or charge are measured using the tax rates and the tax laws that have been enacted or substantively enacted at the Balance Sheet date. The effect of a change in tax rates on deferred tax assets and liabilities is recognised in the period that includes the enactment date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realized in the future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each Balance Sheet date to reassess realisation. The Company has operations in Special Economic Zones (SEZ). Income from SEZ is eligible for 100% deduction for the first five years, 50% deduction for next five years and 50% deduction for another five years, subject to fulfilling certain conditions. In this regard, the Company recognises deferred taxes in respect of those originating timing differences which reverse after the tax holiday period resulting in tax consequences.

Timing differences which originate and reverse within the tax holiday period do not result in tax consequence and, therefore, no deferred taxes are recognised in respect of the same.

Minimum alternate tax

Minimum alternate tax ('MAT') under the provisions of Income-tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income-tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each Balance Sheet date and written-down to the extent the aforesaid convincing evidence no longer exists.

2.11 Foreign currency transactions

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transactions. Net exchange gain or loss resulting in respect of foreign exchange transactions settled during the year is recognized in the Statement of Profit and Loss.

Monetary assets and liabilities in foreign currency which are outstanding as at the year-end, are translated at the year-end at the closing exchange rate and the resultant exchange

differences are recognized in the Statement of Profit and Loss. Non-monetary foreign currency items are carried at cost.

2.12 Foreign currency translation

The financial statements are reported in Indian Rupees. The translation of the local currency of each integral foreign entity into Indian Rupees is performed in respect of assets and liabilities other than fixed assets, using the exchange rate in effect at the Balance Sheet date and for revenue and expense items other than the depreciation costs, using average exchange rate during the reporting period. Fixed assets of integral foreign operations are translated at exchange rates on the date of the transaction and depreciation on fixed assets is translated at exchange rates used for translation of the underlying fixed assets. The resultant exchange differences are recognized in the Statement of Profit and Loss.

2.13 Employee benefits

Short-term employee benefits

Employee benefits payable wholly within twelve months of availing employee service are classified as short-term employee benefits. This benefits includes salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange of employees services are recognised in the period in which the employee renders the related service.

Post employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards Provident Fund and Employees State Insurance Corporation ('ESIC'). The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which employee renders the related service.

Defined benefit plan

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the 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.

The obligation is measured at the present value of the

estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the Balance Sheet date.

When the calculation results in a benefit to the Company, the recognised asset is limited to the net total of any unrecognised actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.

Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

Other long-term employment benefits

Compensated absences

Compensated absences including leave encashment, which are not expected to occur within twelve months after the end of the period in which the employee renders the related services, are recognized as a liability at the present value of the defined benefit obligation at the Balance Sheet date as determined by independent actuary based on Projected Unit Credit Method. The discount rates used for determining the present value of the obligation under other long-term employment benefits plan, are based on the market yields on Government securities as at the Balance Sheet date. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

2.14 Employee's Stock Options Plan

In respect of stock options granted pursuant to the Company's Employee Stock Option Scheme ('ESOS'), the intrinsic value of the options (excess of market price of the share over the exercise price of the option) is treated as discount and accounted as employee compensation cost over the vesting period in accordance with the Securities and Exchange Board of India ('SEBI') (Share Based Employee Benefits) Regulations, 2014 and the Guidance note on Employee Share Based Payments issued by the Institute of Chartered Accountants of India, as amended from time to time.

2.15 Earnings per share (EPS)

Basic EPS is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting year.

Diluted EPS is computed by dividing the net profit attributable to the equity shareholders for the year using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

2.16 Provisions and contingent liabilities

The Company creates a provision where there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of



the amount of the obligation. A disclosure for a contingent liability is made when there is a possible or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are not recognized in the financial statements.

2.17 Proposed dividend

Dividend recommended by the Board of Directors is provided for in the accounts, pending approval at the Annual General Meeting.

**3 Share capital**

| | 31 March 2016 | 31 March 2015 |
|--|---------------|---------------|
| Authorised capital | | |
| 66,150,000 (31 March 2015 : 66,150,000) equity shares of ₹ 10 each * | 6,615.00 | 6,615.00 |
| Issued, subscribed and paid-up | | |
| 21,950,301 (31 March 2015: 19,854,318) equity shares of ₹ 10 each, fully paid-up | 2,195.03 | 1,985.43 |
| | 2,195.03 | 1,985.43 |

* In accordance with the scheme of amalgamation of Intellvisions Software limited (refer Note 41), the authorised share capital of the Company was increased to ₹ 6,615 divided in to 66,150,000 equity shares during the previous year.

a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

| | 31 March 2016 | | 31 March 2015 | |
|---|-------------------|-----------------|-------------------|-----------------|
| | Number of shares | Amount | Number of shares | Amount |
| At the commencement of the year | 19,854,318 | 1,985.43 | 18,098,198 | 1,809.82 |
| Add: Shares issued on preferential basis | 2,095,983 | 209.60 | - | - |
| Add: Shares issued under employee stock option scheme | - | - | 250,000 | 25.00 |
| Add: Shares issued on amalgamation of companies (refer Note 41) | - | - | 1,506,120 | 150.61 |
| At the end of the year | 21,950,301 | 2,195.03 | 19,854,318 | 1,985.43 |

b) Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shareholders are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder are in proportion to its share of the paid-up equity capital of the Company.

During the year ended 31 March 2016, the Company has proposed final dividend of ₹ 3 per equity shares (31 March 2015 : ₹ 3). The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

c) Particulars of shareholders holding more than 5% of equity shares

| | 31 March 2016 | | 31 March 2015 | |
|-----------------------------|------------------|-------------------|------------------|-------------------|
| Name of equity shareholders | Number of shares | % of Total shares | Number of shares | % of Total shares |
| Mr. Amit Sheth | 1,376,804 | 6.27 | 1,166,804 | 5.88 |
| Mr. Paresh Zaveri | 3,244,301 | 14.78 | 2,704,301 | 13.62 |
| Reliance Capital Limited | 1,306,906 | 5.95 | 1,306,906 | 6.58 |

d) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the year-end

- During the year ended 31 March 2015, 1,506,120 equity shares of ₹ 10 each have been allotted as fully paid-up shares to the erstwhile shareholders of Intellvisions Software Limited ('Intellvisions') pursuant to the merger of Intellvisions with the Company effective 1 April 2014. (refer Note 41)
- During the year ended 31 March 2014, 400,000 equity shares of ₹ 10 each have been allotted as fully paid-up shares to the erstwhile shareholders of Seeinfobiz Private Limited ('Seeinfobiz') pursuant to the merger of Seeinfobiz with the Company effective 1 April 2012.



- iii) In terms of the agreement entered into by Aurionpro Solutions Inc, USA (a subsidiary of the Company) with Virat Inc. for purchase of certain business assets of Virat Inc. during the year ended 31 March 2014, 100,000 equity shares of ₹ 10 each of the Company have been allotted as fully paid-up shares to the shareholders of Virat Inc.
- iv) During the year ended 31 March 2012, 1,081,961 equity shares were issued to the shareholder of Kairoleaf Analytics Private Limited on account of amalgamation of Kairoleaf Analytics Private Limited with the Company.

e) Shares reserved for issue under options:

- i) Under employee stock option scheme, 2008, Nil (31 March 2015: 945,951) number of shares are reserved for employees for issue amounting to ₹ Nil (31 March 2015: ₹ 94.60). This scheme has been withdrawn during the year.
- ii) Under employee stock option scheme, 2010, 750,000 (31 March 2015: 750,000) number of shares are reserved for employees for issue amounting to ₹ Nil (31 March 2015: ₹ 75.00). For other terms and conditions, refer Note 44.
- iii) 1,240,000 equity shares (31 March 2015 : Nil) of face value of ₹ 10 each are reserved towards share warrants of the Company. (refer Note 45)

4 Reserves and surplus

| | 31 March 2016 | 31 March 2015 |
|--|-----------------|-----------------|
| Capital reserves | | |
| At the commencement of the year | 2,939.44 | 1,902.64 |
| Add: Forfeiture of fractional entitlements not allotted to the erstwhile shareholders of Intellvisions | 0.09 | - |
| Add: Accumulated balance of Intellvisions Software Limited brought forward, incorporated pursuant to the scheme of amalgamation (refer Note 41) | - | 46.43 |
| Add: Addition on account of difference between purchase consideration paid and net assets of Intellvisions, pursuant to the scheme of amalgamation (refer Note 41) | - | 990.37 |
| At the end of the year | 2,939.53 | 2,939.44 |

Securities premium reserve

| | | |
|--|------------------|------------------|
| At the commencement of the year | 20,486.93 | 18,364.29 |
| Add: Premium received on issue of equity shares | 4,401.60 | 475.00 |
| Add: Accumulated balance of Intellvisions brought forward, incorporated pursuant to the scheme of amalgamation (refer Note 41) | - | 1,647.64 |
| At the end of the year | 24,888.53 | 20,486.93 |

General reserve

| | | |
|--|---------------|---------------|
| At the commencement of the year | 971.35 | 865.28 |
| Add: Accumulated balance of Intellvisions brought forward, incorporated pursuant to the scheme of amalgamation (refer Note 41) | - | 128.64 |
| Less: Adjustment on account of change in accounting policy pursuant to the scheme of amalgamation (refer Note 41) | - | 22.57 |
| At the end of the year | 971.35 | 971.35 |

Surplus in Statement of Profit and Loss

| | | |
|--|------------------|------------------|
| At the commencement of the year | 9,975.29 | 9,038.43 |
| Add: Profit for the year | 1,228.60 | 977.07 |
| Add: Accumulated balance of Intellvisions brought forward, incorporated pursuant to the scheme of amalgamation (refer Note 41) | - | 749.83 |
| Less: Adjustment on account of transitional provision of Schedule II as per the Companies Act, 2013 | - | 69.75 |
| Less: Appropriations | | |
| (a) Proposed equity dividend (amount ₹ 3 per share (31 March 2015 : ₹ 3 per share)) | 658.51 | 597.98 |
| (b) Tax on proposed equity dividend | 134.06 | 122.31 |
| At the end of the year | 10,411.32 | 9,975.29 |
| Total reserves and surplus | 39,210.73 | 34,373.01 |

**5 Long-term borrowings**

| | Non-current portion | | Current portion* | |
|---|---------------------|---------------|------------------|---------------|
| | 31 March 2016 | 31 March 2015 | 31 March 2016 | 31 March 2015 |
| Term loans from banks (secured) (refer Note (a) and (b) below) | 1,001.22 | 737.22 | 205.51 | 117.21 |
| Term loans from financial institutions (secured) (refer Note (c) below) | 239.23 | - | 658.24 | - |
| Term loans from financial institutions (unsecured) (refer Note (d) and (e) below) | - | 14.59 | 14.59 | 43.06 |
| | 1,240.45 | 751.81 | 878.34 | 160.27 |

* Amount disclosed under "Other current liabilities" (refer Note 11)

- a) Term loan from State Bank of India carries an interest rate of Base Rate + 3.60% per annum. This facility is secured by pari-passu hypothecation charge on entire receivables and stock in process (SIP) of the Company with Axis Bank Limited. This is also secured by the following:

- First charge on the Company's computers and furniture and fixtures;
- Pledge of 6.9 lakhs (31 March 2015: 6.9 lakhs) equity shares of the Company held by the promoters;

- Pledge of 0.60 lakhs (31 March 2015: 0.60 lakhs) equity shares of Arshiya International Limited held by the promoters;

- Hypothecation of the properties owned by the promoters;

- Pledge of 190,520 shares of a company purchased out of bank finance i.e. SPS Corp. USA (now merged with Aurionpro Solutions Inc. USA) and 210,631 shares of Aurionpro Solutions Inc. USA. However, with effect from 27 March 2015, charges on these shares have been released by State Bank of India.

Corporate guarantee of Aurionpro Solutions Pte Limited, Singapore and personal guarantees of promoters and their relatives is also provided.

Corporate guarantee of Aurionpro Solutions Inc. USA was also provided. However, with effect from 27 March 2015, this charge has been released by State Bank of India.

- b) Term loan from HDFC Bank Limited carries an interest rate of Base Rate + 1% per annum and is repayable in 84 EMI of ₹ 8.56. This facility is secured by way of Equitable Mortgage on the underlying premises against which the loan has been taken.
- c) Term loan from Reliance Capital Limited carries an interest rate of 14% per annum and is repayable in 18 EMI of ₹61.92. The facility is secured by rent receivables on the OptiQ machines leased to State Bank of India. Hypothecation of assets is under process as on reporting date.

- d) Term loan from Religare Finvest Limited carried an interest rate of 19.26% per annum and was repayable in 24 EMI of ₹ 2.12. This facility was repaid during the year.

- e) Term loan from Tata Capital Financial Services Limited carries an interest rate of 18.59% per annum and is repayable in 18 EMI of ₹ 2.57.

6 Deferred tax liabilities (net)

| | 31 March 2016 | 31 March 2015 |
|--|-----------------|-----------------|
| Deferred tax assets | | |
| - Gratuity | (120.68) | (86.26) |
| - Compensated absences | (15.90) | (16.86) |
| - Employee benefits payable | (76.72) | (100.51) |
| - Rent equalisation reserve | (30.70) | (6.40) |
| - Provision for doubtful debt and advances | (144.75) | (102.24) |
| - Amalgamation expenses | (15.77) | (12.50) |
| Deferred tax assets | (404.52) | (324.77) |
| Deferred tax liability | | |
| Excess of depreciation on fixed assets under income-tax law over depreciation provided in accounts | 129.48 | 211.22 |
| Deferred tax liability | 129.48 | 211.22 |
| Deferred tax liability (net) | (275.04) | (113.55) |

7 Other long-term liabilities

| | 31 March 2016 | 31 March 2015 |
|---------------------------|---------------|---------------|
| Others | | |
| Unearned finance income | 0.11 | 2.21 |
| Rent equalisation reserve | 66.10 | 37.65 |
| | 66.21 | 39.86 |

**8 Long-term provisions**

| | 31 March 2016 | 31 March 2015 |
|--|---------------|---------------|
| Provision for employee benefits (refer Note 37) | | |
| Gratuity | 179.35 | 155.72 |
| Compensated absences | 51.77 | 55.71 |
| | 231.12 | 211.43 |

9 Short-term borrowings

| | 31 March 2016 | 31 March 2015 |
|---|---------------|---------------|
| Secured loans | | |
| Cash credit, overdraft and stand by line of credit facilities from banks (refer Note (a) and (b) below) | 3,229.81 | 3,985.67 |
| Unsecured loans | | |
| Term loans from financial institutions (refer Note (c) below) | - | 18.81 |

Loan and advances from related parties (refer Note (d) below)

| | | |
|---|-----------------|-----------------|
| - Amit Sheth (Co-Chairman and Managing Director) | 31.84 | 31.84 |
| - Paresh Zaveri (Chairman) | 35.49 | 35.49 |
| - Sanjay Desai (Director) | 32.00 | 32.00 |
| - Sena Systems Private Limited (Step down subsidiary) | 1,035.36 | 1,036.50 |
| Inter-corporate deposits (ICD) (refer Note (e) below) | - | 100.00 |
| | 4,364.50 | 5,240.31 |

- a) Cash credit facility from Axis Bank Limited is repayable on demand with an interest rate of Base Rate + 3.50% per annum. This facility is secured by first charge on entire current assets of the Company both, present and future. This is also secured by second charge on entire fixed assets of the Company, both, present and future. Personal guarantee of Managing Director and other Directors of the Company have also been provided.
- b) Cash credit facility from State Bank of India is repayable on demand with an interest rate of Base Rate + 2.75% per annum. Stand by letter of credit facility from State Bank of India is repayable within a maximum period of 3 months from the date of issue with an interest of Base Rate +3.75% per annum. These facilities are secured by pari-passu hypothecation charge on entire receivables and stock in process (SIP) of the Company. These are also secured by the following:

- First charge on the Company's computers and furniture and fixtures;

- Pledge of 6.9 lakhs (31 March 2015: 6.9 lakhs) equity shares of the Company held by the promoters;

- Pledge of 0.60 lakhs (31 March 2015: 0.60 lakhs) equity shares of Arshiya International Limited held by the promoters;

- Pledge of 190,520 shares of a company purchased out of bank finance i.e. SPS Corp. USA (now merged with Aurionpro Solutions Inc. USA) and 210,631 shares of Aurionpro Solutions Inc. USA. However, with effect from 27 March 2015, charges on these shares have been released by State Bank of India.

- Hypothecation of the properties owned by the promoters

Corporate guarantee of Aurionpro Solutions Pte Limited, Singapore and personal guarantees of promoters and their relatives have also been provided.

Corporate guarantee of Aurionpro Solutions Inc. USA was also provided. However, with effect from 27 March 2015, this charge has been released by State Bank of India.

- c) Term loan from Bajaj Finance Limited carried an interest rate of 19.5% per annum and was repayable in 12 EMI of ₹ 2.86. This facility has been repaid during the year.
- d) Loans and advances from related parties are interest free and repayable on demand.
- e) The Company has taken ICD during earlier years which carried an interest rate of 21%. This ICD was repayable on demand and has been repaid during the year.

10 Trade payables

| | 31 March 2016 | 31 March 2015 |
|--|-----------------|-----------------|
| - Due to Micro and Small Enterprises (refer Note 31) | 3.38 | - |
| - Due to Others | 1,339.94 | 3,030.29 |
| | 1,343.32 | 3,030.29 |

**11 Other current liabilities**

| | 31 March 2016 | 31 March 2015 |
|---|-----------------|-----------------|
| Current maturities of long-term borrowings (refer Note 5) | 878.34 | 160.27 |
| Interest accrued and due on borrowings | 24.64 | 19.01 |
| Interest accrued on others | 0.01 | - |
| Other payable | | |
| Income received in advance | 1,176.92 | 1,357.83 |
| Unclaimed dividend | 7.40 | 5.38 |
| Advance received from customers | 664.56 | 452.27 |
| Statutory dues payable | | |
| - Tax deducted at source payable | 256.81 | 134.57 |
| - Service tax payable | 375.57 | 87.31 |
| - Value added tax payable | 39.97 | 67.59 |
| - Provident fund, profession tax and ESIC payable | 50.77 | 49.60 |
| Employees benefits payable | 904.35 | 581.70 |
| Creditors for capital goods | 21.11 | 5.45 |
| Unearned finance income | 2.22 | 4.25 |
| Rent equalisation reserve | 2.87 | - |
| | 4,405.54 | 2,925.23 |

12 Short-term provisions

| | 31 March 2016 | 31 March 2015 |
|--|-----------------|-----------------|
| Provision for employee benefits (refer Note 37) | | |
| Gratuity | 186.64 | 138.68 |
| Compensated absences | 11.40 | 10.30 |
| Other provisions | | |
| Proposed equity dividend | 658.51 | 595.63 |
| Tax on proposed equity dividend | 134.06 | 121.93 |
| Provision for current tax (net of advance tax of ₹ 373.05 (31 March 2015: ₹ 633.29)) | 532.66 | 248.85 |
| | 1,523.27 | 1,115.39 |

**13 Fixed assets****Tangible fixed assets**

| Gross block (at cost) | Computers | Furniture and fixtures | Office equipments |
|---|------------------|-------------------------------|--------------------------|
| Balance as at 1 April 2014 | 3,829.93 | 236.68 | 233.54 |
| Additions | 66.48 | 0.38 | 11.65 |
| Deductions | - | (14.26) | (11.85) |
| Other adjustments | | | |
| - as a result of merger (refer Note 41) | 75.66 | 187.76 | 66.77 |
| Balance as at 31 March 2015 | 3,972.07 | 410.56 | 300.11 |
| Balance as at 1 April 2015 | 3,972.07 | 410.56 | 300.11 |
| Additions | 94.70 | 45.40 | 25.64 |
| Deductions | (836.72) | (119.85) | (14.01) |
| Balance as at 31 March 2016 | 3,230.05 | 336.11 | 311.74 |
| Depreciation | | | |
| Balance as at 1 April 2014 | 2,703.60 | 108.35 | 49.75 |
| Depreciation for the year** | 396.84 | 113.75 | 119.71 |
| Deductions | - | (8.90) | (10.69) |
| Balance as at 31 March 2015 | 3,100.44 | 213.20 | 158.77 |
| Balance as at 1 April 2015 | 3,100.44 | 213.20 | 158.77 |
| Depreciation for the year | 333.32 | 49.10 | 67.41 |
| Deductions | (772.92) | (119.85) | (11.67) |
| Balance as at 31 March 2016 | 2,660.85 | 142.45 | 214.51 |
| Net block | | | |
| As at 31 March 2015 | 871.63 | 197.35 | 141.34 |
| As at 31 March 2016 | 569.20 | 193.66 | 97.23 |
| Capital work-in-progress | | | |
| Balance as at 1 April 2014 | - | - | - |
| Addition | - | - | - |
| Asset capitalised during the year | - | - | - |
| Balance as at 31 March 2015 | - | - | - |
| Balance as at 1 April 2015 | - | - | - |
| Addition | - | - | - |
| Asset capitalised during the year | - | - | - |
| Balance as at 31 March 2016 | - | - | - |

* The Company has leased out Plant and machinery for a period of 1-3 years. The lease rental income recognised in the Statement of Profit and Loss is ₹ 2,142.48, (31 March 2015: ₹ 598.28). The gross value of assets leased out is ₹ 3,570.67 (31 March 2015: ₹ 1,308.54). Accumulated depreciation of the assets leased out is ₹ 742.13 (31 March 2015: ₹ 495.75). The depreciation recognised in the Statement of Profit and Loss for the assets leased out during the year is ₹ 369.94 (31 March 2015: ₹ 177.28)

** In accordance with Schedule II of the Companies Act, 2013, the Company had reassessed the estimated useful life of certain class of assets through technical evaluation and internal assessment during the previous year. The reassessed estimated useful life was different than the existing useful life of the assets used by the Company for the purpose of depreciation. Consequently, depreciation charge for the year ended 31 March 2015 was higher by ₹ 279.20 due to change in the estimated useful life of tangible fixed assets. Further, an amount of ₹ 69.75 (net of deferred tax) had been adjusted against the opening balance of Retained earnings, in respect of the residual value of assets wherein the remaining useful life had become 'Nil'.

Plant and Machinery deductions include gross block of ₹ 251.94 (WDV Rs 131.74) being reclassified as asset held for sale and disclosed as 'Assets held for sale' under Other current assets at value of ₹ 54.34 (refer Note 22).



| Plant and machinery* | Leasehold improvements | Vehicles | Buildings | Factory buildings | Total |
|----------------------|------------------------|--------------|---------------|-------------------|-----------------|
| - | 92.92 | 30.23 | - | - | 4,423.30 |
| 595.89 | 7.14 | 7.41 | - | - | 688.95 |
| (10.67) | - | - | - | - | (36.78) |
| 394.57 | - | 4.27 | 477.66 | 237.40 | 1,444.09 |
| 979.79 | 100.06 | 41.91 | 477.66 | 237.40 | 6,519.56 |
| 979.79 | 100.06 | 41.91 | 477.66 | 237.40 | 6,519.56 |
| 2,593.20 | 45.55 | - | - | - | 2,804.49 |
| (336.27) | - | - | - | - | (1,306.85) |
| 3,236.72 | 145.61 | 41.91 | 477.66 | 237.40 | 8,017.20 |
| - | 27.37 | 22.12 | - | - | 2,911.19 |
| 184.50 | 32.02 | 7.21 | 8.60 | 9.26 | 871.89 |
| (3.04) | - | - | - | - | (22.63) |
| 181.46 | 59.39 | 29.33 | 8.60 | 9.26 | 3,760.45 |
| 181.46 | 59.39 | 29.33 | 8.60 | 9.26 | 3,760.45 |
| 370.79 | 41.57 | 2.33 | 8.17 | 8.32 | 881.03 |
| (147.22) | - | - | - | - | (1,051.66) |
| 405.03 | 100.96 | 31.66 | 16.78 | 17.58 | 3,589.82 |
| 798.34 | 40.67 | 12.58 | 469.06 | 228.14 | 2,759.11 |
| 2,831.69 | 44.65 | 10.25 | 460.88 | 219.82 | 4,427.38 |
| - | - | - | - | - | - |
| 69.12 | - | - | - | - | 69.12 |
| - | - | - | - | - | - |
| 69.12 | - | - | - | - | 69.12 |
| 69.12 | - | - | - | - | 69.12 |
| 185.26 | - | - | - | - | 185.26 |
| 64.82 | - | - | - | - | 64.82 |
| 189.56 | - | - | - | - | 189.56 |

**Intangible fixed assets**

| Gross block (at cost) | Computer software | Goodwill | Total |
|---|--------------------------|-----------------|-----------------|
| Balance as at 1 April 2014 | 2,137.08 | 62.63 | 2,199.71 |
| Additions | 10.29 | - | 10.29 |
| Deductions | - | - | - |
| Other adjustments | - | - | - |
| - as a result of merger (refer Note 41) | 17.35 | - | 17.35 |
| Balance as at 31 March 2015 | 2,164.72 | 62.63 | 2,227.35 |
| Balance as at 1 April 2015 | 2,164.72 | 62.63 | 2,227.35 |
| Additions | 2.06 | - | 2.06 |
| Deductions | (17.01) | - | (17.01) |
| Balance as at 31 March 2016 | 2,149.77 | 62.63 | 2,212.40 |
| Amortisation | | | |
| Balance as at 1 April 2014 | 1,970.75 | 36.01 | 2,006.76 |
| Depreciation for the year | 113.79 | 12.53 | 126.32 |
| Deductions | - | - | - |
| Balance as at 31 March 2015 | 2,084.54 | 48.54 | 2,133.08 |
| Balance as at 1 April 2015 | 2,084.54 | 48.54 | 2,133.08 |
| Depreciation for the year | 41.03 | 7.09 | 48.12 |
| Deductions | (16.99) | - | (16.99) |
| Balance as at 31 March 2016 | 2,108.58 | 55.63 | 2,164.21 |
| Net block | | | |
| As at 31 March 2015 | 80.17 | 14.09 | 94.27 |
| As at 31 March 2016 | 41.19 | 7.00 | 48.19 |

**14 Non-current investments**

(valued at cost unless stated otherwise)

| | 31 March 2016 | 31 March 2015 |
|---|------------------|------------------|
| Trade investments: unquoted | | |
| Investment in equity instruments | | |
| In wholly owned subsidiaries (fully paid-up) | | |
| 1,084,936 (31 March 2015: 1,084,936) fully paid-up common stock of par value USD 0.01 per share of Aurionpro Solutions Inc. | 8,370.43 | 8,370.43 |
| 3,724,644 (31 March 2015: 1,493,799) fully paid-up ordinary shares of USD 1 each in Aurionpro Solutions Pte. Limited | 2,057.52 | 590.92 |
| 17,848 (31 March 2015: 17,848) fully paid-up ordinary equity shares of BHD 100 each in Aurionpro Solutions SPC | 2,172.62 | 2,172.62 |
| 50,000 (31 March 2015: 50,000) fully paid-up equity shares of ₹ 10 each in Auroscient Outsourcing Limited | 5.00 | 5.00 |
| 500,000 (31 March 2015: 5,00,000) fully paid-up equity share of ₹ 10 each in Aurofidel Outsourcing Limited | 50.00 | 50.00 |
| 8,628,311 (31 March 2015: 1,585,000) fully paid-up ordinary shares of USD 1 each in Aurionpro SCM Pte. Limited | 5,528.82 | 898.42 |
| 80,000 (31 March 2015: 80,000) fully paid-up ordinary shares of USD 1 each in PT Aurionpro Solutions | 43.30 | 43.30 |
| 10,000 (31 March 2015: 10,000) fully paid up ordinary shares of ₹ 10 each in Intellvisions Solutions Private Limited | 1.00 | 1.00 |
| 10,000 (31 March 2015: 10,000) fully paid up ordinary shares of ₹ 10 each in Servopt Consulting Private Limited | 1.00 | 1.00 |
| 1,470 (31 March 2015: 1,470) fully paid up ordinary shares of AED 100 each in Intellvisions Security & Surveillance LLC | 24.96 | 24.96 |
| 1,470 (31 March 2015: 1,470) fully paid up ordinary shares of AED 100 each in Intellvisions Software LLC | 21.55 | 21.55 |
| Nil (31 March 2015: 1,425) fully paid up ordinary shares of AED 100 each in Intellvisions Arabia FZC | - | 19.71 |
| Less : Provision for Diminution other than temporary (FZC) | - | (6.31) |
| Non-trade investments: unquoted | | |
| Investment in equity instruments of other companies (fully paid-up) | | |
| Janaseva Sahakari Co-Operative Bank Limited 25 (31 March 2015: 25) equity shares of ₹ 20 each | 0.01 | 0.01 |
| The Saraswat Co-Operative Bank Limited 2,500 (31 March 2015: 2,500) equity shares of ₹ 10 each | 0.25 | 0.25 |
| Investment in debentures or bonds | | |
| BCC Infrastructure Private Limited Class A Debenture IV Nil (31 March 2015: 569) debentures of ₹ 100 each | - | -* |
| | 18,276.46 | 12,192.86 |
| Aggregate book value of unquoted non-current investments | 18,276.46 | 12,192.86 |

* Current portion of long-term investments disclosed under "Current investments" (refer Note 17)

15 Long-term loans and advances

(Unsecured, considered good)

| | Non-current portion | | Current portion* | |
|---|---------------------|-----------------|------------------|---------------|
| | 31 March 2016 | 31 March 2015 | 31 March 2016 | 31 March 2015 |
| To parties other than related parties | | | | |
| Capital advances | 1,074.00 | 1,277.00 | - | - |
| Security deposits | 109.15 | 138.64 | 99.24 | 58.23 |
| | 1,183.15 | 1,415.64 | 99.24 | 58.23 |
| Other loans and advances | | | | |
| Loans and advances to employees | 1.06 | 1.30 | - | - |
| VAT receivables | 71.79 | 103.32 | - | - |
| Advance tax recoverable (net of provision for tax ₹ 1,176.72 (31 March 2015: ₹ 531.83)) | 980.40 | 583.59 | - | - |
| Mat credit entitlement | 268.84 | 472.04 | - | - |
| Prepaid expenses | 26.76 | 42.08 | 84.89 | 206.20 |
| Lease rent receivable | 3.02 | 12.64 | - | - |
| | 1,351.87 | 1,214.97 | 84.89 | 206.20 |
| | 2,535.02 | 2,630.61 | 184.13 | 264.43 |

* Amount disclosed under "Short-term loans and advances" (refer Note 21)

16 Other non-current assets

(Unsecured, considered good)

| | 31 March 2016 | 31 March 2015 |
|---|---------------|---------------|
| Bank deposits (due to mature after 12 months from the reporting date) (refer Note 20) | 230.61 | 311.44 |
| Interest accrued on bank deposits | 2.13 | 1.70 |
| | 232.74 | 313.14 |

**17 Current investments**

| | 31 March 2016 | 31 March 2015 |
|--|---------------|---------------|
| Non-trade investments : Unquoted | | |
| A. Current Portion of Long-term investment (valued at cost) | | |
| BCC Infrastructure Private Limited Class A Debenture IV Nil (31 March 2015: 569) debentures of ₹ 100 each | - | 0.57 |
| B. Current investments (valued at lower of cost and fair value) | | |
| Investment in equity instruments | | |
| Ansal Hi-Tech Townships Limited Nil (31 March 2015: 234) equity shares of ₹ 10 each | - | 0.21 |
| BCC Infrastructure Private Limited Equity Nil (31 March 2015: 15) equity shares of ₹ 10 each | - | .* |
| Nitesh Housing Developers Private Limited Nil (31 March 2015: 70) equity shares of ₹ 10 each | - | 0.25 |
| Investment in preference shares | | |
| BCC Infrastructure Private Limited Preference shares Nil (31 March 2015: 43) Preference shares of ₹ 10 each | - | .* |
| Runwal Township Private Limited Class A Preference Shares Nil (31 March 2015: 13) preference shares of ₹ 1 each | - | .* |
| Runwal Township Private Limited Class B Preference Shares Nil (31 March 2015: 20) preference shares of ₹ 1 each | - | .* |
| Runwal Township Private Limited Class C Preference Shares Nil (31 March 2015: 13) preference shares of ₹ 1 each | - | 0.55 |
| Investment in debentures or bonds | | |
| Ariisto Realtors Private Limited - III Nil (31 March 2015: 8) debentures of ₹ 1,000 each | - | 0.08 |
| Ariisto Realtors Private Limited - IV Nil (31 March 2015: 72) debentures of ₹ 1,000 each | - | 0.72 |
| Atithi Building Commodities Private Limited Nil (31 March 2015: 137) debentures of ₹ 1,000 each | - | 1.37 |
| Atithi Building Commodities Private Limited - II Nil (31 March 2015: 23) debentures of ₹ 1,000 each | - | 0.23 |
| BCC Infrastructure Private Limited Class A Debenture III Nil (31 March 2015: 398) debentures of ₹ 100 each | - | 0.40 |
| Marvel Realtors and Developers - Series 2 Debentures Nil (31 March 2015: 172) debentures of ₹ 100 each | - | 0.17 |
| Nitesh Land Holding Private Limited Nil (31 March 2015: 277) debentures of ₹ 100 each | - | 0.28 |
| Runwal Township Private Limited Class B - Debentures Nil (31 March 2015: 743) debentures of ₹ 100 each | - | 0.74 |
| Total Environment Habitat Private Limited - Optionally Convertible Debentures Nil (31 March 2015: 1,689) debentures of ₹ 100 each | - | 1.69 |
| Total Environment Projects - Debenture I Nil (31 March 2015: 150) debentures of ₹ 100 each | - | 0.15 |
| Total Environment Projects - Debenture II Nil (31 March 2015: 28) debentures of Rs 100 each | - | 0.03 |
| Total Environment Projects - Debenture III Nil (31 March 2015: 106) debentures of ₹ 100 each | - | 0.11 |
| Investment in mutual funds | | |
| Birla Sun Life Mutual Fund - Floating Rate Plan Div | - | 4.22 |



| | 31 March 2016 | 31 March 2015 |
|---|---------------|---------------|
| Non-trade investments : Quoted | | |
| Investment in mutual funds | | |
| HDFC CM Fund - Savings Plan - Growth - Direct Plan | - | 0.62 |
| Nil (31 March 2015: 2,167) | | |
| | - | 12.39 |
| Quoted current investments | | |
| Aggregate book value | - | 0.62 |
| Aggregate market value | - | 0.63 |
| Aggregate book value of unquoted investments | - | 11.77 |

* Nil when converted into lakhs

18 Inventories

(At lower of cost and net realisable value)

| | 31 March 2016 | 31 March 2015 |
|---|---------------|---------------|
| a) Raw material, sub-assemblies and components | 631.44 | 455.65 |
| b) Finished goods (including goods-in-transit) | 68.27 | 131.69 |
| c) Stock-in-trade acquired for trading (including goods-in-transit) | 29.48 | 54.39 |
| | 729.19 | 641.73 |

During the year ended 31 March 2016, the write-down of inventories to net realisable value amounted to ₹ 485.42 (31 March 2015: ₹ 94.72)

19 Trade receivables

(Unsecured, considered good)

| | 31 March 2016 | 31 March 2015 |
|---|---------------|---------------|
| Receivables outstanding for a period exceeding six months from the date they became due for payment | | |
| - Considered good | 1,634.24 | 1,105.18 |
| - Considered doubtful | 417.93 | 226.04 |
| | 2,052.17 | 1,331.22 |
| Less:- Provision for doubtful receivables | (417.93) | (226.04) |
| | 1,634.24 | 1,105.18 |
| Other receivables | | |
| - Considered good | 5,279.18 | 5,854.97 |
| - Considered doubtful | - | 60.81 |
| | 5,279.18 | 5,915.78 |
| Less:- Provision for doubtful receivables | - | (60.81) |
| | 5,279.18 | 5,854.97 |
| | 6,913.42 | 6,960.15 |

Note a : Trade receivables include ₹ 3,060.29 (31 March 2015: ₹ 1,398.60) due from subsidiaries

Note b : Trade receivables (unsecured, considered good) include ₹ 3,016.71 (31 March 2015: ₹ 1,185.50) due from private companies in which director of the company is a director.

**20 Cash and bank balances**

| | 31 March 2016 | 31 March 2015 |
|---|-----------------|---------------|
| Cash and cash equivalents | | |
| Cash on hand | 9.43 | 7.68 |
| Balance with banks | | |
| - in current account | 640.49 | 603.41 |
| Other bank balances | | |
| Unpaid dividend accounts* | 7.68 | 5.36 |
| Term deposits held as margin money against bank guarantee (due to mature after 3 months but within 12 months of reporting date) | 371.75 | 186.87 |
| Term deposits held as margin money against bank guarantee (due to mature after 12 months of reporting date) | 230.61 | 311.44 |
| | 610.06 | 503.67 |
| Less: Amounts disclosed under non-current assets (refer Note 16) | (230.61) | (311.44) |
| | 1,029.35 | 803.32 |

* The Company can utilise these balances only towards settlement of unclaimed dividend

21 Short-term loans and advances

(Unsecured, considered good unless otherwise stated)

| | 31 March 2016 | 31 March 2015 |
|---|------------------|------------------|
| Current portion of long-term loans and advances (refer Note 15) | 184.13 | 264.43 |
| Other short term loans and advances | | |
| To parties other than related parties | | |
| Loans and advances to employees | 39.44 | 43.17 |
| Inter-corporate deposits | - | 50.00 |
| Advances to suppliers | | |
| - Considered good | 186.59 | 34.82 |
| - Considered doubtful | 13.63 | 13.63 |
| | 200.22 | 48.45 |
| Less : Provision for doubtful advances to suppliers | (13.63) | (13.63) |
| | 186.59 | 34.82 |
| Cenvat credit receivable | 9.43 | 62.57 |
| Other advances | 70.97 | 7.65 |
| To related parties | | |
| Loans and advances to subsidiaries | 19,916.03 | 22,510.62 |
| | 20,406.59 | 22,973.26 |

22 Other current assets

(Unsecured, considered good)



| | 31 March 2016 | 31 March 2015 |
|--|---------------|---------------|
| Interest accrued on Inter-corporate deposits | 6.21 | - |
| Interest accrued on term deposits | 3.15 | 3.14 |
| Unbilled revenue | 125.18 | 96.55 |
| Lease rent receivable | 10.35 | 9.56 |
| Assets held for sale (refer Note 13) | 54.34 | - |
| | 199.23 | 109.25 |

23 Revenue from operations

| | 31 March 2016 | 31 March 2015 |
|---|---------------|---------------|
| Information technologies and consultancy services | 10,992.51 | 11,249.37 |
| Sale of equipment | 5,025.24 | 14,858.76 |
| | 16,017.75 | 26,108.13 |

24 Other income

| | 31 March 2016 | 31 March 2015 |
|--|-----------------|-----------------|
| Interest income on | | |
| - Working capital loan to subsidiaries | 595.36 | 408.04 |
| - Fixed deposits with banks | 48.82 | 48.59 |
| - Current investments-debentures | 4.47 | 6.83 |
| - Finance lease | 4.39 | 4.57 |
| - Others | 11.58 | 17.69 |
| Credit balances written-back | 37.46 | 63.94 |
| Foreign exchange fluctuation gain (net) | 816.10 | 627.88 |
| Dividend income from current investments | 0.09 | 2.70 |
| Profit on sale/redemption of current investments (net) | - | 0.01 |
| Gain on sale of fixed assets (net) | - | 7.48 |
| Refund of VAT credit written-off in earlier years | - | 27.23 |
| Rental income | 24.65 | 22.55 |
| Miscellaneous income | 29.53 | 81.60 |
| | 1,572.45 | 1,319.11 |

25 Operating expenses

| | 31 March 2016 | 31 March 2015 |
|-------------------------------------|-----------------|------------------|
| Raw material | 1,345.66 | 1,796.07 |
| Stock-in-trade acquired for trading | 604.73 | 11,396.39 |
| Consultancy services | 953.30 | 673.01 |
| Other direct cost | 319.44 | 129.02 |
| | 3,223.13 | 13,994.49 |

**26 Changes in inventories of raw material, finished goods and stock-in-trade**

| | 31 March 2016 | 31 March 2015 |
|---|----------------|---------------|
| Stock at the beginning of the year | | |
| Raw material | 455.65 | - |
| Finished (including goods-in-transit) | 131.69 | - |
| Stock-in-trade acquired for trading (including goods-in-transit) | 54.39 | 754.25 |
| | 641.73 | 754.25 |
| Stock at the end of the year | | |
| Raw material | 631.44 | 455.65 |
| Finished (including goods-in-transit) | 68.27 | 131.69 |
| Stock-in-trade acquired for trading (including goods-in-transit) | 29.48 | 54.39 |
| | 729.19 | 641.73 |
| Changes in inventories | (87.46) | 112.52 |
| Add: Opening stock of Intellvisions Software Limited brought forward, incorporated pursuant to the scheme of amalgamation (refer Note 41) | - | 662.01 |
| Changes in inventories of raw material, finished goods and stock-in-trade | (87.46) | 774.53 |

27 Employee benefits expense

| | 31 March 2016 | 31 March 2015 |
|--|-----------------|-----------------|
| Salaries and wages | 6,803.21 | 5,909.16 |
| Contributions to provident and other funds | 302.62 | 241.19 |
| Compensated absences | 0.68 | (51.77) |
| Gratuity expenses | 111.10 | 131.80 |
| Staff welfare expenses | 182.02 | 168.80 |
| | 7,399.63 | 6,399.18 |

28 Finance costs

| | 31 March 2016 | 31 March 2015 |
|----------------------------|---------------|-----------------|
| Interest expense on | | |
| - borrowings | 608.00 | 834.95 |
| - delayed payment of taxes | 156.24 | 80.46 |
| - others | 0.24 | 2.85 |
| Other borrowing charges | 160.87 | 133.30 |
| | 925.35 | 1,051.56 |

**29 Other expenses ***

| | 31 March 2016 | 31 March 2015 |
|---|-----------------|-----------------|
| Payment to auditors (refer Note 38) | 36.50 | 33.50 |
| Bank charges | 17.67 | 49.63 |
| Bad debts | 68.28 | 140.51 |
| Computer expenses | 17.45 | 18.32 |
| Communication expenses | 138.59 | 127.83 |
| Electricity expenses | 194.19 | 154.76 |
| Loss on disinvestment of subsidiary | 0.35 | - |
| Rent | 696.80 | 632.58 |
| Legal and professional fees | 266.30 | 270.57 |
| Contribution to Corporate Social Responsibility (refer Note 46) | 30.00 | 75.00 |
| Office expenses | 31.22 | 34.22 |
| Business promotion expenses | 14.12 | 28.50 |
| Printing and stationery | 24.46 | 19.52 |
| Provision for doubtful debts | 130.94 | 242.43 |
| Travelling expenses | 740.51 | 755.42 |
| Loss on sale/redemption of current investments (net) | 0.07 | - |
| Provision for tender deposit | 9.98 | - |
| Insurance | 19.46 | 12.24 |
| Repairs and maintenance - others | 106.11 | 91.55 |
| Rate and taxes | 367.00 | 121.87 |
| Recruitment charges | 56.80 | 46.46 |
| Loss on sale/ discarding of fixed assets | 148.63 | - |
| Membership and subscription charges | 22.41 | 8.38 |
| Directors sitting fees | 4.24 | 1.60 |
| Commission and brokerage | 21.52 | 0.83 |
| Sundry balance written-off | 14.22 | 2.08 |
| Miscellaneous expenses | 53.79 | 42.58 |
| | 3,231.61 | 2,910.38 |

* Net of reimbursement of expenses recovered from subsidiaries ₹ 71.58 (31 March 2015: ₹ 46.49)

**30. Contingent liabilities and commitments**

(to the extent not provided for)

| | 31 March 2016 | 31 March 2015 |
|---|---------------|---------------|
| Contingent liabilities: | | |
| a) Stand by letter of Credit given on behalf of the subsidiaries | 3,850.16 | 3,950.35 |
| b) Disputed liabilities in appeal-Excise-duty (including Penalty) | 434.09 | 434.09 |
| Commitments: | | |
| c) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) | 583.00 | 583.00 |

Note: The Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liability, where applicable in its financial statements. The Company's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect of the Company's results of operations or financial condition.

31. Dues to Micro and Small Enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to dues to Micro and Small enterprises.

On the basis of the information and records available with the Company, the following disclosures are made for the amounts due to the Micro and Small enterprises:

| Particulars | 31 March 2016 | 31 March 2015 |
|--|---------------|---------------|
| Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year | | |
| - Principal | 3.38 | - |
| - Interest | 0.01 | - |
| the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year; | - | - |
| Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006 | - | - |
| Amount of interest accrued and remaining unpaid at the end of the accounting year/period. | 0.01 | - |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006 | 0.01 | - |

32. Earnings per share (EPS)**Basic and diluted**

| Particulars | 31 March 2016 | 31 March 2015 |
|---|---------------|---------------|
| Net profit after tax attributable to equity shareholders | 1,228.60 | 977.07 |
| Number of shares considered as weighted average shares outstanding | 20,836,575 | 19,688,140 |
| Add: Effect of potential issue of shares/stock options/share warrants* | - | - |
| Number of shares considered as weighted average shares and potential shares outstanding | 20,836,575 | 19,688,140 |
| Face value per share (₹) | 10 | 10 |
| Basic and diluted EPS (₹) | 5.90 | 4.96 |

*Not considered when anti-dilutive

**33. Related party disclosures**

1. Names of related parties and description of relationships:

(a) Parties where control exists:**Subsidiary companies**

Aurionpro Solutions Inc

Aurionpro Solutions Pte. Limited

Auroscient Outsourcing Limited

Aurofidel Outsourcing Limited

Aurionpro Solutions SPC

Aurionpro SCM Pte. Limited

PT Aurionpro Solutions

Aurionpro Software Pte. Limited (Closed down on 23 February 2015)

Kairoleaf Analytics (S) Pte. Limited (Closed down on 28 January 2015)

Intellvisions Solutions Private Limited

Servopt Consulting Private Limited

Intellvisions Software LLC

Intellvisions Security & Surveillance LLC

Intellvisions Arabia (FZC) - Closed down

Step-down subsidiaries

Aurionpro SCM Inc

Aurionpro Holdings Pte. Limited

Aurionpro Solutions PLC

Sena Systems Private Limited

Aurionpro Solutions (Africa) Limited (Incorporated on 23 July 2015)

Integro Technologies Pte. Limited (Sold to Aurionpro Holdings Pte. Limited w.e.f. 31 March 2014)

Integro Technologies SDN. BHD

Integro Technologies Company Limited

Aurionpro Solutions Pty Limited (Sold to Aurionpro Holdings Pte. Limited w.e.f. 31 March 2014)

Key managerial personnel

Paresh Zaveri, Chairman

Amit Sheth, Co- Chairman and Managing Director

Sanjay Desai, Executive Director (till 06 October 2014)

Samir Shah, Director

Transactions during the year and balances outstanding as at the year-end:



(Currency: In lakhs of Indian Rupees)

| Nature of transaction | 31 March 2016 | 31 March 2015 |
|---|---------------|---------------|
| Key managerial personnel: | | |
| Remuneration * | 73.38 | 103.98 |
| Dividend paid | 124.79 | 95.15 |
| Parties where control exists: | | |
| Information technologies and consultancy services | 4,784.52 | 6,257.63 |
| Interest income on working capital loan | 595.36 | 408.04 |
| Purchase of services | 44.09 | 110.94 |
| Conversion of loans to subsidiaries into Investment in equity instruments | 6,097.00 | - |
| Loans and advances given to wholly owned subsidiaries | 3,419.72 | 9,886.61 |
| Loans and advances repaid by wholly owned subsidiaries | 1,114.24 | 4,663.03 |
| Advance received from customers (net) | - | 102.41 |
| Short-term borrowing taken | 1,000.00 | - |
| Short-term borrowings repaid | 1,000.00 | 45.00 |
| Reimbursable expenses incurred on behalf of others | 71.58 | 46.49 |
| Commission for SBLC | 24.61 | 57.41 |
| Credit balances written-back | - | 25.07 |
| Outstanding as at the year end: | | |
| Trade receivable - parties where control exists | 3,060.29 | 1,398.60 |
| Loans and advances to subsidiaries - parties where control exists | 19,916.03 | 22,510.62 |
| <i>Short-term borrowings</i> | | |
| - Key managerial personnel | 67.33 | 67.33 |
| - Loans and advances from subsidiaries - parties where control exists | 1,035.36 | 1,036.50 |
| Advance received from customers - parties where control exists | 452.65 | 309.76 |
| Trade payables - parties where control exists | 0.72 | 21.75 |

* excluding ESOP, gratuity and compensated absences

Out of the above, transactions with related parties in excess of 10% of the total related party transactions are as under:

| Particulars | 31 March 2016 | 31 March 2015 |
|--|---------------|---------------|
| Remuneration | | |
| Amit Sheth | 73.38 | 66.08 |
| Sanjay Desai | - | 37.90 |
| Dividend paid | | |
| Paresh Zaveri | 81.13 | 54.09 |
| Amit Sheth | 35.00 | 23.34 |
| Sanjay Desai | - | 11.95 |
| Samir Shah | 8.66 | 5.77 |
| Information technologies and consultancy services | | |
| Aurionpro Solutions Inc | 2,526.19 | 2,645.69 |
| Integro Technologies Pte. Limited | 1,061.79 | 1,129.05 |
| Aurionpro Solutions SPC | - | 633.90 |
| Intellvisions Software LLC | 508.19 | 810.58 |
| Aurionpro Solutions PLC, UK | 548.88 | 3.37 |



| Particulars | 31 March 2016 | 31 March 2015 |
|--|---------------|---------------|
| Interest income on working capital loan | | |
| Aurionpro Solutions Pte. Limited | _* | 43.82 |
| Aurionpro SCM Pte. Limited | 67.28 | 90.19 |
| Aurionpro Solutions SPC | 207.76 | 175.09 |
| Auroscient Outsourcing Limited | _* | 49.70 |
| Aurofidel Outsourcing Limited | 243.62 | 46.52 |
| Purchase of services | | |
| Integro Technologies Pte. Limited | 44.09 | 110.94 |
| Conversion of loans to subsidiaries into Investment in equity instruments | | |
| Aurionpro Solutions Pte. Limited | 1,466.60 | - |
| Aurionpro SCM Pte. Limited | 4,630.40 | - |
| Loans and advances given to wholly owned subsidiaries | | |
| Auroscient Outsourcing Limited | 3,082.60 | 3,233.39 |
| Aurofidel Outsourcing Limited | _* | 2,842.95 |
| Aurionpro SCM Pte. Limited | - | 1,931.11 |
| Aurionpro Solutions SPC | _* | 1,351.71 |
| Loans and advances repaid by wholly owned subsidiaries | | |
| Auroscient Outsourcing Limited | 1,044.90 | 4,164.05 |
| Aurofidel Outsourcing Limited | 218.50 | 275.50 |
| Short-term borrowings taken | | |
| Sena Systems Private Limited | 1,000.00 | - |
| Short-term borrowings repaid | | |
| Sena Systems Private Limited | 1,000.00 | 45.00 |
| Reimbursable expenses incurred on behalf of others | | |
| Integro Technologies Pte. Limited | 33.67 | 36.22 |
| Intellvisions Software LLC | - | 7.05 |
| Aurionpro Solutions Inc | 29.97 | - |
| Aurionpro Solutions SPC | 7.94 | - |
| Commission for SBLC | | |
| Aurionpro Solutions Pte. Limited | 12.31 | 26.53 |
| Aurionpro Solutions SPC | 12.31 | 30.88 |
| Advances received from customers (net) | | |
| Aurionpro Solutions Inc | - | 102.41 |
| Intellvisions Software LLC | 223.58 | - |
| Credit balances written-back | | |
| Kairoleaf Analytics (S) Pte. Limited | - | 25.07 |
| Outstanding as at the year end | | |
| Trade receivables | | |
| Aurionpro Solutions SPC | - | 830.04 |
| Aurionpro Solutions PLC, UK | 474.90 | 255.51 |
| Intellvisions Software LLC | _* | 178.27 |
| Integro Technologies Pte Limited | 875.55 | - |
| Aurionpro Solutions Inc | 1,557.23 | - |



| Particulars | 31 March 2016 | 31 March 2015 |
|---|---------------|---------------|
| Loans and advances to subsidiaries | | |
| Aurionpro Solutions SPC | 8,097.93 | 7,383.68 |
| Auroscient Outsourcing Limited | 6,865.85 | 4,788.54 |
| Aurofidel Outsourcing Limited | 3,800.53 | 3,759.45 |
| Aurionpro SCM Pte. Limited | _* | 4,667.84 |
| Short-term borrowings | | |
| Amit Sheth | _* | 31.84 |
| Sena Systems Private Limited | 1,035.36 | 1,036.50 |
| Advances received from customers | | |
| Aurionpro Solutions Pty Limited | 126.20 | 119.72 |
| Aurionpro Solutions Inc | - | 102.41 |
| PT Aurionpro Solutions, Indonesia | 92.87 | 87.63 |
| Intellvisions Software LLC | 233.58 | - |
| Trade payables | | |
| Aurionpro Solutions Inc | - | 20.74 |
| Integro Technologies Pte. Limited | 0.72 | 0.67 |

*Amount not disclosed as it is less than 10%

Note:

1. Stand By Letter of Credit given by the Company on behalf of the subsidiaries to Axis Bank Limited ₹ 3,850.16 (31 March 2015: ₹ 3,950.35).
2. Facilities from State Bank of India are secured by pledge of equity shares, hypothecation of the properties and personal guarantees of Amit Sheth. This facility is also secured by pledge of shares and corporate guarantee of Aurionpro Solutions Pte. Limited, Singapore. During the previous year, corporate guarantee of Aurionpro Solutions Inc. USA was also provided.
3. Cash credit facility from Axis Bank Limited is secured by personal guarantee of Amit Sheth.

34. Segment reporting

Disclosure of segment reporting as per the requirements of Account Standard (AS) 17 "Segment Reporting" is reported in the consolidated financial statements of the Company. Therefore, the same has not been separately disclosed in the standalone financial statements in line with the requirements of AS - 17. (refer Note 33 of the consolidated financial statements).

35. a) Disclosures as per Regulations 34(3) read with Schedule V of the Listing Obligations and Disclosure Requirements Regulations, 2015 entered into with the Stock Exchanges:

Loans and advances in the nature of loans given to subsidiaries, associates and others and investment in shares of the Company by such parties:

| Name of the entity | Amount outstanding as at | | Maximum amount outstanding during the year | |
|--|--------------------------|---------------|--|---------------|
| | 31 March 2016 | 31 March 2015 | 31 March 2016 | 31 March 2015 |
| Aurionpro Solutions Pte. Limited (Subsidiary) | 466.99 | 1,552.05 | 1,662.39 | 1,721.84 |
| Aurionpro Solutions SPC (Subsidiary) | 8,097.93 | 7,383.68 | 8,350.83 | 7,383.68 |
| Auroscient Outsourcing Limited (Subsidiary) | 6,865.85 | 4,788.54 | 6,865.85 | 6,801.20 |
| Aurofidel Outsourcing Limited (Subsidiary) | 3,800.53 | 3,759.45 | 3,800.53 | 3,759.45 |
| Aurionpro SCM Pte. Limited (Subsidiary) | 270.88 | 4,667.84 | 4,928.45 | 4,667.84 |
| Intellvisions Software Private Limited (Subsidiary) | 413.85 | 356.92 | 413.85 | 356.92 |
| Intellvisions Security & Surveillance LLC (Subsidiary) | - | 2.14 | 2.14 | 2.14 |

b) Disclosure as per Section 186 of the Companies Act, 2013:

The details of loans, guarantees and investments under section 186 of the companies Act, 2013 read with the companies Rules, 2014 are as follows.

- 1) Details of investment made are given in Note 14.



2) Detail of loans given by company are as follows.

| Name of the entity | Relationship | Amount outstanding as at | | Purpose |
|---|-----------------------------------|--------------------------|---------------|----------------------|
| | | 31 March 2016 | 31 March 2015 | |
| Aurionpro Solutions Pte. Limited | (Wholly Owned Subsidiary Company) | 466.99 | 1,552.05 | Working Capital Loan |
| Aurionpro Solutions SPC | (Wholly Owned Subsidiary Company) | 8,097.93 | 7,383.68 | Working Capital Loan |
| Auroscient Outsourcing Limited | (Wholly Owned Subsidiary Company) | 6,865.85 | 4,788.54 | Working Capital Loan |
| Aurofidel Outsourcing Limited | (Wholly Owned Subsidiary Company) | 3,800.53 | 3,759.45 | Working Capital Loan |
| Aurionpro SCM Pte. Limited | (Wholly Owned Subsidiary Company) | 270.88 | 4,667.84 | Working Capital Loan |
| Intellvisions Software Private Limited | (Wholly Owned Subsidiary Company) | 413.85 | 356.92 | Working Capital Loan |
| Intellvisions Security & Surveillance LLC | (Wholly Owned Subsidiary Company) | - | 2.14 | Working Capital Loan |

3) The Company has not issued any guarantees in accordance with Section 186 of the Act read with rules issued thereunder other than those disclosed in sub-note (1) of Note 33.

36. Leases

Operating leases as lessee

The Company has taken a commercial property on non-cancellable operating lease. The lease agreement provides for an option to the Company to renew the lease period at the end of non-cancellable period. There are no exceptional/restrictive covenants in the lease agreements. The future minimum lease payments in respect of lease property as at 31 March 2016 is as follows:

| Particulars | 31 March 2016 | 31 March 2015 |
|---|---------------|---------------|
| Not later than one year | 252.06 | 201.03 |
| Later than one year but not later than five years | 65.79 | 253.58 |
| Later than five years | - | - |
| Total | 317.85 | 454.61 |

Rent expense for all operating leases for the year ended 31 March 2016 aggregate ₹ 696.80 (31 March 2015: ₹ 632.58)

Operating leases as lessor

The Company has given equipments on non-cancellable operating lease. The future minimum lease rental receivable as at 31 March 2016 are as follows:

| Particulars | 31 March 2016 | 31 March 2015 |
|---|-----------------|---------------|
| Not later than one year | 3,792.11 | 307.40 |
| Later than one year but not later than five years | 5,579.40 | 271.30 |
| Later than five years | - | - |
| Total | 9,371.51 | 578.70 |

Finance lease

The Company has given equipments on non-cancellable finance lease. The future minimum lease rental receivables as at 31 March 2016 are as follows:

| Particulars | Minimum lease payment | Finance Charges | Present value of minimum lease payments |
|---|-----------------------|-----------------|---|
| Not later than one year | 10.35 | 2.22 | 8.13 |
| Later than one year but not later than five years | 3.02 | 0.12 | 2.90 |
| Later than five years | - | - | - |
| Total | 13.37 | 2.34 | 11.03 |



The company has given equipments on non-cancellable finance lease. The future minimum lease rental receivables as at 31 March 2015 are as follows:

| Particulars | Minimum lease payment | Finance Charges | Present value of minimum lease payments |
|---|-----------------------|-----------------|---|
| Not later than one year | 9.56 | 4.25 | 5.31 |
| Later than one year but not later than five years | 12.64 | 2.21 | 10.43 |
| Later than five years | - | - | - |
| Total | 22.20 | 6.46 | 15.74 |

37. Employee benefit plans

Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund, ESIC and other funds which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognized as an expense towards contribution to provident fund, ESIC and other funds for the year aggregated to ₹ 302.62 (31 March 2015: ₹ 241.19).

Defined benefit plans

The Company has a scheme for payment of gratuity to all its employees as per the provisions of the Payment of Gratuity Act, 1972. The Company provides for period end liability using the projected unit credit method as per the actuarial valuation carried out by independent actuary. The gratuity plan is a funded plan.

The following table summarizes the principal assumptions used for defined benefit obligation and related disclosures:

| Reconciliation of opening and closing balances of the present value of the defined benefit obligation | 31 March 2016 | 31 March 2015 |
|---|---------------|---------------|
| Obligations at beginning of the year | 367.92 | 201.14 |
| Current service cost | 59.79 | 48.82 |
| Interest cost | 25.98 | 22.99 |
| Liability transferred in (See note (a) below) | - | 46.53 |
| Actuarial loss | 27.73 | 63.52 |
| Past service cost | - | - |
| Benefits paid | (38.44) | (15.08) |
| Obligation at the end of the year | 442.98 | 367.92 |
| Change in plan assets | | |
| Fair value of plan assets at beginning of the year | 73.52 | 30.07 |
| Expected return on plan assets | 5.04 | 3.82 |
| Actuarial (loss)/ gain | (2.64) | (0.29) |
| Assets transferred in (See note (a) below) | - | 35.56 |
| Contributions | 39.51 | 19.44 |
| Benefits paid | (38.44) | (15.08) |
| Fair value of plan assets at end of the year | 76.99 | 73.52 |
| Reconciliation of present value of the obligation and the fair value of plan assets | | |
| Present value of the defined benefit obligation at the end of the year | 442.98 | 367.92 |
| Fair value of plan assets at the end of year | (76.99) | (73.52) |
| Funded status being amount of liability recognised in the Balance Sheet | 365.99 | 294.40 |

Note (a) - 31 March 2015 represents accumulated past cost of gratuity benefit pertaining to the employees of the erstwhile Intellvisions (since merged with the Company - refer Note 41) expensed to the Statement of Profit and Loss.

Defined benefit plans

The following table summarizes the principal assumptions used for defined benefit obligation: *(Continued)*

| Expenses recognised in the Statement of Profit and Loss | 31 March 2016 | 31 March 2015 |
|--|------------------|---------------|
| Cost for the year | | |
| Service cost (See note (b) below) | 59.79 | 48.82 |
| Interest cost | 25.98 | 19.17 |
| Expected return on plan assets | (5.04) | (3.82) |
| Past service cost | - | - |
| Actuarial loss | 30.37 | 67.63 |
| Net gratuity cost | 111.10 | 131.80 |
| Balance sheet reconciliation | | |
| Opening net (liability) / assets | (294.40) | (182.04) |
| Expenses as above | 111.10 | 131.80 |
| Employers contribution paid | 39.51 | 19.44 |
| Assets / (liability) recognised in the balance sheet | (365.99) | (294.40) |
| Actual return on plan assets : | | |
| Expected return on plan assets | 5.04 | 3.82 |
| Actuarial gains/(loss) on plan assets | (2.64) | (0.29) |
| Net actual return on plan assets | 2.40 | 3.53 |
| Investment details of plan assets (percentage of total assets of gratuity plan) | | |
| Insurer Managed funds | 100% | 100% |
| Total plan assets | 100% | 100% |
| Assumptions used to determine the benefit obligations: | | |
| Interest rate / discounting rate | 7.72% to 7.96% | 7.92% |
| Estimated rate of return on plan assets | 7.72% to 7.79% | 7.92% |
| Rate of growth in salary levels | 5% to 16% | 10.00% |
| Withdrawal rate | | |
| 0-5 years | 15.77% to 26.84% | 12% to 25% |
| Above 5 years | 2% to 13.34% | 2% to 5% |

Note (b) - Service cost includes accumulated past cost of gratuity benefit pertaining to the employees of the erstwhile Intellvisions (since merged with the Company - refer Note 41) expensed to the Statement of Profit and Loss.

Experience adjustments

| Particulars | 31 March 2016 | 31 March 2015 | 31 March 2014 | 31 March 2013 | 31 March 2012 |
|--|---------------|---------------|---------------|---------------|---------------|
| Defined benefit obligation | 442.98 | 367.92 | 201.14 | 95.98 | 72.40 |
| Plan assets | 76.99 | 73.52 | 30.07 | 23.77 | 16.66 |
| Surplus / (deficit) | (365.99) | (294.40) | (171.07) | (72.21) | (55.74) |
| Experience adjustment on plan liabilities (gains)/losses | 26.03 | (12.17) | 24.13 | 0.72 | 25.14 |
| Experience adjustment on plan assets gains/(losses) | (2.64) | (0.30) | (0.10) | 0.60 | 0.18 |

**Liability classification into Current / Non-current**

| Amount recognised in the balance sheet | 31 March 2016 | 31 March 2015 |
|--|---------------|---------------|
| Current | 186.64 | 138.68 |
| Non-current | 179.35 | 155.72 |

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

The Company continues to fund to the trust in next year by reimbursing the actual pay-outs.

Compensated leave absences recognized in the Statement of Profit and Loss is ₹ 0.68 (31 March 2015: reversal of charge by ₹ 51.77).

38. Payment to auditors (excluding service tax)

| Particulars | 31 March 2016 | 31 March 2015 |
|-------------------------------------|---------------|---------------|
| Statutory audit | 21.00 | 21.00 |
| Limited review of quarterly results | 12.00 | 9.00 |
| Certification work | 3.00 | 3.00 |
| Out of pocket expenses | 0.50 | 0.50 |
| Total | 36.50 | 33.50 |

39. a. Expenditure in foreign currency (on accrual basis)

| Particulars | 31 March 2016 | 31 March 2015 |
|---|---------------|-----------------|
| Software consultancy and development and other expenses | 586.44 | 753.06 |
| Travelling expenses | 144.45 | 332.51 |
| Total | 730.89 | 1,085.57 |

b. Value of Import on C.I.F. basis

| Particulars | 31 March 2016 | 31 March 2015 |
|---|---------------|---------------|
| Software consultancy and development and other expenses | 929.61 | 425.29 |
| Total | 929.61 | 425.29 |

40. Earnings in foreign currency

| Particulars | 31 March 2016 | 31 March 2015 |
|---|-----------------|-----------------|
| Information technologies and consultancy services | 6,041.50 | 7,691.25 |
| Interest income on working capital loan | 298.69 | 309.10 |
| Total | 6,340.19 | 8,000.35 |

41. Amalgamation of Intellvisions Software Limited

Pursuant to the Scheme of Amalgamation (hereinafter referred to as "Scheme"), as on and from 1 April 2014, being the appointed date pursuant to the approval of Board of Directors and shareholders of the Company and sanctioned by the Honorable High Court of Bombay vide its order dated 30 January 2015 which was filed with Registrar of Companies on 12 March 2015, Intellvisions Software Limited (hereinafter referred to as 'Intellvisions'), a company engaged in the forefront of the self service industry and over last few years has developed an unrivalled range of customer touch points. Intellvisions product offerings include Queue Management Systems, Digital Signage Solutions, Customer Feedback Systems and Self Service Kiosks for a wide range of functions including Cash and Cheque Deposit Automation, e-Governance Kiosks equipped with a variety of peripherals was amalgamated into the Company.



The Company carried out the accounting treatment prescribed in the Scheme as approved by the Honorable High Court of Bombay. The required disclosures for accounting of scheme as per the 'Pooling of Interest Method' as given under Accounting Standard 14 (AS 14) 'Accounting for Amalgamations' as prescribed under the Companies (Accounts) Rules, 2014 was provided.

Hence, in accordance with the Scheme:

- a) The Company took over all the assets aggregating to ₹ 4,574.47 and liabilities aggregating to ₹ 860.95 at their respective book values. Also, as per the Scheme, the identity of reserves of Intellvisions aggregating to ₹ 2,572.54 was required to be maintained by the Company as on the appointed date;
- b) Pursuant to Scheme, the Company issued and allotted 33 equity shares of face value of ₹ 10 each, fully paid-up to the Shareholders of Intellvisions for every 250 equity share of face value of ₹ 10 each, fully paid-up held by the Shareholders of Intellvisions. Accordingly, 1,506,120 equity shares of face value of ₹ 10 each, fully paid-up was issued and allotted to the Shareholders of Intellvisions. As per the Scheme, approved by the Honorable High Court of Bombay, such excess consideration paid over the net assets acquired amounting to ₹ 990.37, was required to be credited to the "Capital reserves" of the Company ;
- c) The financial results for the year ended 31 March 2015 included the income and expenses of Intellvisions;
- d) As at 31 March 2014, the accumulated retained earnings (surplus in the Statement of Profit and Loss) amounting to ₹ 749.83, Capital reserves amounting to ₹ 46.43, Securities premium reserves amounting to ₹ 1,647.64 and General reserves amounting to ₹ 128.64 was aggregated with the corresponding balance of the Company as at that date respectively;
- e) Pursuant to the Scheme, the Company aligned the accounting policies of Intellvisions. Consequent to this alignment of accounting policies, ₹ 22.57 was debited to the General reserve as per the accounting treatment mentioned in the Scheme; and
- f) Further, for the year ended 31 March 2015, as Intellvisions carried on its existing business in trust for and on behalf of the Company, all vouchers, documents, etc. for the year ended 31 March 2015 were in the name of Intellvisions. The title deeds, licenses, agreements, loan documents etc., were being transferred in the name of the Company.

In terms of the Scheme, assets and liabilities acquired were as under:

| | 31 March 2014 |
|--------------------------------|-----------------|
| LIABILITIES | |
| Reserves and surplus | 2,572.54 |
| Non-current liabilities | |
| Long-term borrowings | 354.43 |
| Current liabilities | |
| Trade payables | 182.42 |
| Other current liabilities | 246.38 |
| Short-term provisions | 77.72 |
| | 3,433.49 |
| ASSETS | |
| Non-current assets | |
| Fixed assets | 1,461.44 |
| Non-current investments | 61.50 |
| Long-term loans and advances | 468.93 |
| Deferred tax assets (net) | 29.02 |
| Current assets | |
| Current investments | 3.97 |
| Inventories | 662.01 |
| Trade receivables | 884.75 |
| Cash and bank balances | 764.55 |
| Short-term loans and advances | 127.15 |
| Other current assets | 111.15 |
| | 4,574.47 |

**42. Unhedged foreign currency exposures**

The foreign currency exposure not covered by forward contracts/other derivative contracts as on 31 March 2016 and 31 March 2015 is given below:

| Foreign Currency | 31 March 2016 | | 31 March 2015 | |
|---|---------------|-----------------------------|---------------|-----------------------------|
| | INR | Foreign Currency (In lakhs) | INR | Foreign Currency (In lakhs) |
| Trade receivables | | | | |
| USD | 3,088.41 | 46.56 | 1,704.28 | 27.23 |
| AED | 138.88 | 7.71 | 118.07 | 6.94 |
| AUD | 61.55 | 1.21 | 14.10 | 0.29 |
| GBP | 476.31 | 4.99 | 257.46 | 2.75 |
| THB | 24.75 | 13.20 | - | - |
| LKR | 15.97 | 36.54 | 92.22 | 200.83 |
| BHD | 5.79 | 0.03 | 5.45 | 0.03 |
| SGD | 23.57 | 0.48 | - | - |
| Loans and advances to subsidiaries | | | | |
| USD | 8,835.80 | 133.20 | 13,603.57 | 217.34 |
| Income received in advance | | | | |
| USD | 101.35 | 1.53 | 167.60 | 2.68 |
| LKR | - | - | 13.98 | 30.45 |
| AED | 3.57 | 0.20 | - | - |
| Unbilled revenue | | | | |
| USD | 36.89 | 0.56 | 38.31 | 0.61 |
| Trade payables | | | | |
| USD | 35.78 | 0.54 | 98.21 | 1.75 |
| SGD | 0.72 | 0.01 | 0.67 | 0.01 |
| EURO | 94.46 | 1.26 | 52.29 | 0.80 |
| BHD | - | - | 0.04 | _* |
| Cash and cash equivalents | | | | |
| AED | _* | _* | 0.23 | 0.01 |
| AUD | - | - | 0.04 | _* |
| BDT | _* | _* | _* | _* |
| BHD | 0.01 | _* | _* | _* |
| GBP | - | - | 0.54 | 0.01 |
| IDR | - | - | 0.02 | 5.02 |
| KES | 0.03 | 0.05 | 0.11 | 0.16 |
| KHR | - | - | _* | 0.01 |
| KWD | - | - | 0.21 | _* |
| NGN | - | - | 0.03 | 0.10 |
| PHP | 0.01 | _* | 0.04 | 0.03 |
| SGD | 0.01 | _* | 0.03 | _* |
| USD | 133.29 | 2.01 | 1.86 | 0.03 |
| MYR | - | - | 0.01 | _* |
| VND | 0.01 | 5.00 | - | - |

* Nil when converted into Lakhs

**43. Net dividend remitted in foreign currency**

| | 2015-2016 | | | 2014-2015 | | |
|--------------------------|-------------------------------------|------------------------------|-------------------|-------------------------------------|------------------------------|-------------------|
| | Number of Non-resident Shareholders | Number of equity shares held | Dividend remitted | Number of Non-resident Shareholders | Number of equity shares held | Dividend remitted |
| Final dividend 2013-2014 | - | - | - | 04 | 2,606,306 | 52.13 |
| Final dividend 2014-2015 | 4 | 14,00,047 | 42.00 | - | - | - |

44. Employee Stock Option Scheme (ESOS)**Employee stock option scheme 2010 ('ESOS - 2010')**

In August 2010, the Board of the Company approved the ASL Employee Stock Option Scheme 2010 ('ESOS - 2010'), which covers the employees and directors (except Promoter Director) of the Company including its subsidiaries. The Scheme is administered and supervised by the Compensation Committee (the "Committee").

As per the Scheme, the Committee issued stock options to the employees at an exercise price which was the market price i.e. the latest available closing price prior to the date of the grant as quoted on National Stock Exchange of India Limited or as determined by the Committee and payable by the grantee for exercising the option granted to them in pursuance of ESOS, but in any case the exercise price was not less than ₹ 90 per option.

As per scheme these options vested in tranches over a period of three years as follows:

| Period within which options will vest into the participant | % of options that will vest |
|--|-----------------------------|
| 12 months from the date of grant of options | 20 |
| 24 months from the date of grant of options | 30 |
| 36 months from the date of grant of options | 50 |

Further, the participants had right to exercise the options within a period of one year commencing after 12 months from the date of vesting of the options.

Employee stock option activity under ESOS - 2010 is as follows:

| Description Exercise Range (in ₹) : | 31 March 2016 | | 31 March 2015 | |
|--|-------------------------------|---|-------------------------------|---|
| | Shares arising out of options | Weighted average remaining contractual term (in months) | Shares arising out of options | Weighted average remaining contractual term (in months) |
| Outstanding at the beginning of the year | - | - | 150,000 | ..* |
| Granted during the year | - | - | 250,000 | ..* |
| Forfeited during the year | - | - | 150,000 | ..* |
| Exercised during the year | - | - | 250,000 | ..* |
| Outstanding at the end of the year | - | - | - | - |
| Exercisable at the end of the year | - | - | - | - |

* The period is less than one month.

The Company applies the intrinsic value based method of accounting for determining compensation cost for its stock-based compensation plan. Had the compensation cost been determined using the fair value approach, the Company's net income and basic and diluted earnings per share as reported would have reduced to the proforma amounts as indicated:

| Particulars | 31 March 2016 | 31 March 2015 |
|---|---------------|---------------|
| Net income as reported | 1,228.60 | 977.07 |
| Less: Stock-based employee compensation expense (fair value method) | - | - |
| Proforma net income | 1,228.60 | 977.07 |
| Basic and Diluted earnings per share as reported (₹) | 5.90 | 4.96 |
| Proforma basic and Diluted earnings per share (₹) | 5.90 | 4.96 |

**45. Issue of Preferential Shares:**

1. During the year, the Company has made allotment of share warrants and fully paid up equity shares on cash basis to Promoter and Non-promoter group details of which are as follows:

- a) On 15 October 2015, the Company has allotted 740,000 share warrants and 800,000 fully paid up equity shares having a nominal value of ₹ 10 each at a premium of ₹ 210 per share; and
- b) On 27 October 2015, the Company has allotted 500,000 share warrants and 1,295,983 fully paid up equity shares having a nominal value of ₹ 10 each at a premium of ₹ 210 per share.

46. Corporate Social responsibility

As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Company. The Company has also framed CSR policy based on the provisions of CSR Rules, 2014. During the year under review, as a part of CSR initiatives, the Company have contributed to a registered trust undertaking CSR activities so as to serve students in rural and semi-rural areas with facility to educate themselves in technical and other basic education with emphasis on educating backward class, scheduled class and orphaned students. The said contribution is in compliance with the CSR policy, provisions of Companies Act, 2013 read with Schedule VII and CSR Rules, 2014. The Company does not carry any provisions for Corporate Social responsibility expenses for current year and previous year.

47. The Management is in the process of identifying and appointing a Chief Financial Officer as required under Section 203 of the Companies Act, 2013.

48. Other information

Information with regards to other matters specified in Schedule III of the Act is either Nil or not applicable to the Company for the year.

49. Previous year's figures have been regrouped or reclassified wherever necessary to conform to the current year's presentation.

| Particulars | Reclassification made from the head | Reclassification made to the head | 31 March 2015 |
|---------------------------------|-------------------------------------|-----------------------------------|---------------|
| Rental income | Revenue from operations | Other income | 22.55 |
| Employee benefits payable | Trade payable | Other current liabilities | 5.00 |
| Staff welfare expenses | Other expenses | Employee benefits expense | 11.90 |
| Loans and advances to employees | Short-term loans and advances | Long-term loans and advances | 1.30 |

As per our report of even date attached.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Bhavesh Dhupelia

Partner

Membership No: 042070

Mumbai

30 May 2016

For and on behalf of the Board of Directors of Aurionpro Solutions Limited

CIN- L99999MH1997PLC111637

Amit Sheth

Co-Chairman and Managing Director

DIN : 00122623

Paresh Zaveri

Chairman

DIN : 01240552

Mahendra Mehta

Director

DIN : 00376396

Ninad Kelkar

Company Secretary

Membership No: ACS 17824

Mumbai

30 May 2016

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CONSOLIDATED FINANCIALS

Independent Auditors' Report

To Members of
Aurionpro Solutions Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Aurionpro Solutions Limited (hereinafter referred to as 'the Holding Company'), its subsidiaries (the Holding Company and its subsidiaries are together referred to as "the Group") and jointly controlled entity, which comprise the Consolidated Balance Sheet as at 31 March 2016, the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated 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 consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its jointly controlled entity 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 (particularly Accounting Standard 21 - Consolidated Financial Statements and Accounting Standard 27 - Financial Reporting of Interest in Joint Ventures). The respective Board of Directors of the companies included in the Group and jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated 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 there under.

We conducted our audit in accordance with the Standards on Auditing specified under sub section (10) of Section 143 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors for some of the subsidiaries audited by them and in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements of subsidiaries and jointly controlled entity, the aforesaid consolidated 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 consolidated state of affairs of the Group as at 31 March 2016 and their consolidated loss and their consolidated cash flows for the year ended on that date.

Other Matters

- a) We did not audit the financial statements of 19 subsidiaries, whose financial statements reflect total assets of ₹ 63,887.59 lakhs as at 31 March 2016, total revenues of ₹ 59,295.87 lakhs and net cash outflows amounting to ₹ 398.18 lakhs for the year then ended, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

- b) The financial statement of a jointly controlled entity whose financial statement reflect share of total assets of ₹ 6.54 lakhs and total revenue of ₹ Nil for the year then ended in these consolidated results have not been audited by us or by other auditors and the unaudited financial statement as certified by management / approved by the Board of Director of the jointly controlled entity as at and for the year ended 31 March 2016 have been included in these consolidated results, as these are not material to the consolidated financial statements.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors referred to in sub-paragraph (a) above, and the financial statements / financial information certified by the Management referred in sub paragraph (b) above.

Report on Other Legal and Regulatory Requirements

1. As required by sub-section (3) of Section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in sub-paragraph (a) of 'Other Matters' paragraph, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
 - (c) The Consolidated Balance Sheet and the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - (d) In our opinion, the aforesaid consolidated 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 of the Holding Company as on 31 March 2016 taken on record by the Board of Directors

of the Holding Company and the reports of the other statutory auditors of its subsidiary companies incorporated in India, none of the Directors of the Group's companies incorporated in India is disqualified as on 31 March 2016 from being appointed as a Director in terms of sub-section (2) Section 164 of the Act;

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding company, subsidiaries and jointly controlled companies, incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure I" and
- (g) With respect to the other matters to be included in the Auditors' 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 and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of subsidiaries, as noted in sub-paragraph (a) of 'Other Matters' paragraph:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 30 to the consolidated financial statements;
 - ii. The Holding Company and its subsidiary companies did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

For **BSR & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Bhavesh Dhupelia
Partner
Membership No: 042070

Mumbai
30 May 2016

Annexure I to the Independent Auditors' Report - 31 March 2016

(Referred to in our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended on that date, we have audited the internal financial controls over financial reporting of the Holding Company and its subsidiary companies incorporated in India as of 31 March 2016.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under sub-section (10) of Section 143 of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained and audit evidence obtained by other auditor in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (c) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding company, its subsidiary companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other matters

Our aforesaid report under sub-section (3)(i) of Section 143 of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to five subsidiaries, which are companies incorporated in India, is based on the corresponding report of the auditors of such companies incorporated in India.

For **BSR & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Bhavesh Dhupelia

Partner

Membership No: 042070

Mumbai

30 May 2016



Consolidated Balance Sheet as at 31 March 2016

| | Note | 31 March 2016 | 31 March 2015 |
|---------------------------------------|------|------------------|------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' funds | | | |
| Share capital | 3 | 2,176.88 | 1,967.28 |
| Reserves and surplus | 4 | 56,560.09 | 46,384.92 |
| Money received against share warrants | | 682.00 | - |
| | | 59,418.97 | 48,352.20 |
| Minority interest | | 136.98 | 74.57 |
| Non-current liabilities | | | |
| Long-term borrowings | 5 | 3,211.84 | 5,383.23 |
| Other long-term liabilities | 6 | 66.21 | 39.86 |
| Long-term provisions | 7 | 231.12 | 211.43 |
| | | 3,509.17 | 5,634.52 |
| Current liabilities | | | |
| Short-term borrowings | 8 | 11,927.24 | 12,398.55 |
| Trade payables | | | |
| - Due to Micro and Small Enterprises | 9 | 3.38 | - |
| - Due to others | 9 | 5,025.88 | 6,074.78 |
| Other current liabilities | 10 | 10,490.70 | 8,429.62 |
| Short-term provisions | 11 | 1,946.28 | 1,498.96 |
| | | 29,393.48 | 28,401.91 |
| TOTAL | | 92,458.60 | 82,463.20 |
| ASSETS | | | |
| Non-current assets | | | |
| Fixed assets | 12 | | |
| -Tangible fixed assets | | 4,842.80 | 3,194.43 |
| -Intangible fixed assets | | 2,853.56 | 3,013.76 |
| -Capital work-in-progress | | 189.57 | 69.12 |
| -Intangible assets under development | | 10,383.32 | 10,383.32 |
| | | 18,269.25 | 16,660.63 |
| Goodwill on consolidation | | 14,791.01 | 13,881.10 |
| Non-current investments | 13 | 420.18 | 420.18 |
| Deferred tax assets (net) | 14 | 2,693.55 | 2,188.21 |
| Long-term loans and advances | 15 | 10,457.88 | 9,752.23 |
| Other non-current assets | 16 | 232.74 | 313.14 |
| | | 13,804.35 | 12,673.76 |
| Current assets | | | |
| Current investments | 17 | 337.02 | 12.39 |
| Inventories | 18 | 729.19 | 670.20 |
| Trade receivables | 19 | 18,224.13 | 18,274.03 |
| Cash and bank balances | 20 | 3,152.07 | 2,535.11 |
| Short-term loans and advances | 21 | 21,451.07 | 16,341.24 |
| Other current assets | 22 | 1,700.51 | 1,414.74 |
| | | 45,593.99 | 39,247.71 |
| TOTAL | | 92,458.60 | 82,463.20 |

Significant accounting policies

2

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date attached.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of Aurionpro Solutions Limited

CIN- L99999MH1997PLC111637

Amit ShethCo-Chairman and Managing Director
DIN : 00122623**Paresh Zaveri**Chairman
DIN : 01240552**Mahendra Mehta**Director
DIN : 00376396**Bhavesh Dhupelia**

Partner

Membership No: 042070

Mumbai

30 May 2016

Ninad Kelkar

Company Secretary

Membership No: ACS 17824

Mumbai

30 May 2016

Consolidated Statement of Profit and Loss

for the year ended 31 March 2016

| | Note | 31 March 2016 | 31 March 2015 |
|---|-----------|------------------|--------------------|
| Revenue | | | |
| Revenue from operations | 23 | 71,042.94 | 73,691.40 |
| (Net of excise duty of ₹ 42.84 (31 March 2015 : ₹ 124.09)) | | | |
| Other income | 24 | 924.22 | 1,753.33 |
| Total revenue | | 71,967.16 | 75,444.73 |
| Expenses | | | |
| Operating expenses | 25 | 23,949.42 | 26,065.74 |
| Change of inventories of raw material, finished goods and stock-in-trade | 26 | (58.99) | 746.06 |
| Employee benefits expense | 27 | 30,375.07 | 26,989.69 |
| Finance costs | 28 | 2,307.42 | 2,241.73 |
| Depreciation and amortisation | 12 | 1,653.44 | 3,769.78 |
| Other expenses | 29 | 7,511.05 | 7,442.27 |
| Total expenses | | 65,737.41 | 67,255.27 |
| Profit before tax, minority interest and exceptional item | | 6,229.75 | 8,189.46 |
| Less: Exceptional item (refer Note 43) | | - | 22,293.47 |
| Profit before tax and minority interest | | 6,229.75 | (14,104.01) |
| Income tax expense: | | | |
| (a) Current tax | | 478.22 | 348.49 |
| (b) MAT credit utilised/entitlement | | 203.20 | 290.16 |
| (c) Tax adjustment of earlier years | | 248.94 | (2.82) |
| (d) Deferred tax credit | | (209.62) | (353.17) |
| | | 720.73 | 282.66 |
| Profit after tax but before minority interest | | 5,509.02 | (14,386.67) |
| Less: Minority interest | | 91.81 | (10.86) |
| Profit after tax and minority interest | | 5,417.21 | (14,375.81) |
| Earnings per equity share of face value of Rs 10 each - basic and diluted after exceptional items | | | |
| | | 26.00 | (73.70) |
| Earnings per equity share of face value of Rs 10 each - basic and diluted before exceptional items | | | |
| | 31 | 26.00 | 40.59 |

Significant accounting policies

2

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date attached.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of Aurionpro Solutions Limited

CIN- L99999MH1997PLC111637

Amit Sheth

Co-Chairman and Managing Director
DIN : 00122623

Paresh Zaveri

Chairman
DIN : 01240552

Mahendra Mehta

Director
DIN : 00376396

Bhavesh Dhupelia

Partner

Membership No: 042070

Mumbai

30 May 2016

Ninad Kelkar

Company Secretary

Membership No: ACS 17824

Mumbai

30 May 2016



Cash Flow Statement for the year ended 31 March 2016

| | 31 March 2016 | 31 March 2015 |
|---|-------------------|-------------------|
| A Cash flows from operating activities | | |
| Net profit before tax | 6,229.75 | (14,104.01) |
| Adjustments : | | |
| Depreciation and amortisation | 1,653.44 | 3,769.78 |
| Interest expenses | 1,592.57 | 1,568.57 |
| Loss / (profit) on sale/ redemption of current investments (net) | 0.07 | (6.77) |
| Loss on disinvestment of subsidiary | 0.35 | - |
| Interest income | (111.38) | (94.25) |
| Dividend income from current investments | (0.09) | (2.70) |
| Bad debts | 263.78 | 421.57 |
| Sundry balance written-off | 14.22 | 2.08 |
| Provision for doubtful debts | 130.94 | 348.73 |
| Provision for tender deposit | 9.98 | - |
| Credit balances written-back | (37.46) | (144.07) |
| Loss on sale/discarding off fixed assets | 148.63 | 1.27 |
| Exceptional item | - | 22,293.47 |
| Unrealised foreign exchange differences (net) | (159.37) | (39.23) |
| Operating cash flow before working capital changes | 9,735.43 | 14,014.44 |
| Movements in working capital | | |
| (Decrease) in trade payables, current liabilities, provisions and other long-term liabilities | 117.22 | (2,329.81) |
| (Increase) in loans and advances, current and non-current assets | (5,880.39) | (5,166.79) |
| (Increase) / decrease in Inventories | (58.98) | 745.40 |
| (Increase) / decrease in trade receivables | (291.29) | 1,067.09 |
| Cash generated from operations | 3,621.99 | 8,330.33 |
| Income taxes paid (net of refund) | (337.43) | (615.71) |
| Net cash generated from operating activities (A) | 3,284.56 | 7,714.62 |
| B Cash flows from investing activities | | |
| Purchase of fixed assets | (4,352.92) | (9,839.13) |
| Sale of fixed assets | 106.56 | 30.36 |
| Proceeds from sale of equity instruments of wholly owned subsidiaries | 11.03 | - |
| Purchase of Current investment | (337.03) | 14.06 |
| Proceeds from sale of current investments | 12.32 | - |
| Dividend income | 0.09 | 2.70 |
| Interest received | 403.92 | 88.34 |
| Bank deposits movement (having original maturity more than 3 months), net | (104.20) | (144.03) |
| Net cash (used in) investing activities (B) | (4,260.23) | (9,847.69) |
| C Cash flows from financing activities | | |
| Proceeds from long-term borrowings | 1,883.66 | 4,506.96 |
| Repayment of long-term borrowings | (2,843.42) | (3,552.84) |
| Repayment of short-term borrowings (net) | (471.31) | 1,068.50 |
| Proceeds from issue of equity shares (including security premium) | 4,611.20 | 637.31 |
| Proceeds from issue of Equity shares warrant | 682.00 | - |
| Dividends paid on equity shares | (593.61) | (417.48) |
| Tax paid on dividend | (121.93) | (71.61) |
| Interest paid | (1,751.01) | (1,400.63) |
| Net cash generated from financing activities (C) | 1,395.59 | 770.21 |
| Net (Decrease) / Increase In cash and cash equivalents (A+B+C) | 419.92 | (1,362.86) |
| Cash and cash equivalent at beginning of year | 2,345.44 | 3,013.65 |
| Less : Exchange difference on translation of foreign currency cash and cash equivalents | 4.33 | 7.94 |
| Cash and cash equivalents acquired on amalgamation of Intellvisions Software Limited (refer Note 36) | - | 664.94 |
| Cash and cash equivalents of subsidiaries of erstwhile Intellvisions Software Limited acquired pursuant to the scheme of amalgamation | - | 37.65 |
| Cash and cash equivalent at end of year | 2,769.68 | 2,345.44 |
| | 419.92 | (1,362.86) |

Notes:

1. The above Consolidated Cash flow statement has been prepared under the indirect method set out in Accounting Standard-3, Cash Flow Statement prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.
2. Cash and cash equivalents consists of cash on hand and balances with banks. Refer Note 20 for details of cash and cash equivalents at the beginning and end of the year.
3. Previous year's figures have been regrouped, wherever necessary.

As per our report of even date attached.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Bhavesh Dhupelia

Partner

Membership No: 042070

Mumbai

30 May 2016

For and on behalf of the Board of Directors of Aurionpro Solutions Limited

CIN- L99999MH1997PLC111637

Amit Sheth

Co-Chairman and Managing Director

DIN : 00122623

Paresh Zaveri

Chairman

DIN : 01240552

Mahendra Mehta

Director

DIN : 00376396

Ninad Kelkar

Company Secretary

Membership No: ACS 17824

Mumbai

30 May 2016

1. Background

Aurionpro Solutions Limited ('Aurionpro' or 'the Company') was incorporated on 31 October 1997 as a private limited company under the Companies Act, 1956 ('the Act'). The Company was converted into public limited company with effect from 9 March 2005. The Company is engaged in the business of providing solutions in corporate banking, treasury, fraud prevention and risk management, internet banking, governance and compliance. The

Company is a leading provider of intellectual property led Information Technology solutions for the banking and financial service insurance segments.

The Company also provides self-service technologies which enables financial institutions, utilities, telecom and government organizations to migrate, automate and manage customer facing business process to self-service channels.

The list of subsidiary companies, controlled directly or indirectly by the Company with percentage holding is summarised below.

| Sr. No. | Name of the company | Country of incorporation | Date of acquisition/ Incorporation | Proportion of ownership interest |
|---------|---|--------------------------|------------------------------------|----------------------------------|
| 1 | Aurionpro Solutions Pte Limited | Singapore | 01 April 2003 | 100% |
| 2 | Aurionpro Solutions Inc. | USA | 13 December 2005 | 100% |
| 3 | Aurionpro SCM Inc. | USA | 15 October 2010 | 60% |
| 4 | Sena System Private Limited | India | 01 April 2008 | 100% |
| 5 | Aurionpro Solutions SPC | Bahrain | 01 April 2006 | 100% |
| 6 | Auroscient Outsourcing Limited | India | 10 July 2006 | 100% |
| 7 | Integro Technologies Pte Limited | Singapore | 07 December 2007 | 100% |
| 8 | Integro Technologies SDN.BHD | Malaysia | 07 December 2007 | 100% |
| 9 | Integro Technologies Company Limited | Thailand | 27 April 2011 | 100% |
| 10 | Aurofidel Outsourcing Limited | India | 08 March 2008 | 100% |
| 11 | Aurionpro SCM Pte Limited | Singapore | 09 November 2009 | 100% |
| 12 | Aurionpro Solutions Pty Limited | Australia | 17 December 2009 | 100% |
| 13 | Kairoleaf Analytics (S) Pte. Limited* | Singapore | 01 April 2010 | 100% |
| 14 | PT Aurionpro Solutions | Indonesia | 01 August 2011 | 80% |
| 15 | Aurionpro PLC, UK | United Kingdom | 01 April 2012 | 100% |
| 16 | Aurionpro Holdings Pte Limited | Singapore | 22 November 2013 | 100% |
| 17 | Aurionpro Software Pte Limited* | Singapore | 17 January 2014 | 100% |
| 18 | Intellvisions Solutions Private Limited | India | 01 April 2014 | 100% |
| 19 | Servopt Consulting Private Limited | India | 01 April 2014 | 100% |
| 20 | Intellvisions Software LLC | Dubai | 01 April 2014 | 100% |
| 21 | Intellvisions Security & Surveillance LLC | Dubai | 01 April 2014 | 100% |
| 22 | Aurionpro Solutions (Africa) Limited | Nairobi | 17 November 2015 | 50% |

*During the previous year, the Company has closed operations of Kairoleaf Analytics (S) Pte Limited with effect from 28 January 2015 and Aurionpro Software Pte Limited with effect from 23 February 2015.

2. Significant accounting policies

2.1 Basis of preparation

These consolidated financial statements of Aurionpro Solutions Limited and its subsidiaries (as listed in Note 1 above) (collectively 'the Group') have been prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ('Indian GAAP') and comply with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Act, to the extent notified and applicable. Accounting policies have been consistently applied except 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. The consolidated financial statements are presented in Indian Rupees rounded off to the nearest lakhs upto two decimals except per share data and where mentioned otherwise.

2.2 Principles of consolidation

- The consolidated financial statements have been prepared in accordance with the principles and procedures required for the preparation and presentation of consolidated financial statements as laid down under the Accounting Standard (AS) 21-'Consolidated Financial Statements'.



b) The financial statements of the Company and its subsidiaries as described in Note 1 have been combined to the extent possible on a line by line basis by adding together like items of assets, liabilities, income and expenses. The results of subsidiaries acquired or disposed off during the year are included in the consolidated Statement of Profit and Loss from the effective date of acquisition or up to the effective date of disposal, as appropriate. All significant intra group balances and transactions have been eliminated on consolidation. The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the Balance Sheet of the Company and its share in the post – acquisition increase in the relevant reserves of the subsidiaries/joint ventures.

c) The excess of cost to the Group of its investments in subsidiaries over its share of the equity of the subsidiaries at the date on which the investment in the subsidiaries are made, is recognized as “Goodwill on Consolidation” being an asset in the consolidated financial statements. Alternatively, where the share of equity in the subsidiary companies as on the date of the investment is in excess of cost of investment of the Company, it is recognized as “Capital reserve” and shown under the head “Reserves and surplus”, in the consolidated financial statements. Impact of currency translation on such “Goodwill” and “Capital reserve” is adjusted in the respective carrying amounts. The unamortized carrying value of goodwill is tested for impairment as at each Balance Sheet date. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units that are expected to benefit from the synergies of the business combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised in goodwill is not reversed in a subsequent period.

On disposal of cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

d) The consolidated financial statements are reported in Indian Rupees. The translation of the local currency of each Integral foreign operation into Indian Rupees is performed in respect of assets and liabilities other than fixed assets, using the exchange rate in effect at the balance sheet date and for revenue and expense items other than the depreciation costs, using average exchange rate during the reporting period. Fixed assets of integral foreign operations are translated at exchange rates on the date of the transaction and depreciation on fixed assets is translated at exchange rates used for translation of the underlying fixed assets.

In respect of non-integral subsidiaries/entities, assets and liabilities including fixed assets are translated at exchange rates prevailing at the date of the balance sheet. The items in the Consolidated Statement of Profit and Loss are translated at the average exchange rate during the year. Goodwill arising on the acquisition of non-integral operation is translated at exchange rates prevailing at the date of the balance sheet. The difference arising out of the translations are transferred to

exchange difference on consolidation of non-integral subsidiaries/entities under Reserves and surplus.

e) Minority interest in the net income and net assets of the consolidated financial statements are computed and shown separately. Losses applicable to minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the group.

f) As far as possible, the consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's financial statements.

g) Investments other than in subsidiaries, associates and joint ventures are accounted as per the Accounting Standard (AS) - 13 “Accounting for Investments”.

2.3 Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosures of contingent liabilities at the end of reporting period. Management believes that the estimates made in the preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

2.4 Current / Non-current classification

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i. it is expected to be realized or settled or is intended for sale or consumption in the company's normal operating cycle;
- ii. it is expected to be realized or settled within twelve months from the reporting date;
- iii. in the case of an asset,
 - It is held primarily for the purpose of being traded; or
 - It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date
- iv. in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months from the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current /non-current classification of assets and liabilities, all the Group Companies have ascertained their normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

2.5 Revenue recognition

Revenue from software development and consulting services is recognized either on time and material basis or on fixed price basis, as the case may be. Revenue on time and material contracts is recognized as and when the related services are performed. Revenue on fixed price contracts is recognized on the percentage of completion method under which the sales value of performance,

including earnings thereon, is recognized on the basis of cost incurred in respect of each contract as a proportion of total cost expected to be incurred.

Revenue from sale of licenses of software products and other products is recognized on transfer of title to the customer. Maintenance revenue in respect of software products and other products/equipments is recognized on pro rata basis over the period of the underlying maintenance agreement. Revenue is net of excise duty, taxes, rebates and discounts.

Revenue from business process outsourcing services comprises from both time based and unit price client contracts. Revenue from time and unit price based contracts is recognised as services are rendered and is billed in accordance with the contractual terms specified in the customer contracts.

Revenue from leasing income is recognised on pro-rata basis over the period of the contract.

Unbilled receivables represent costs incurred and revenues recognised on contracts to be billed in subsequent periods as per the terms of the contract.

Income received in advance represents contractual billings/money received in excess of revenue recognized as per the terms of the contract.

Dividend income is recognized when the Group's right to receive payment is established.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

2.6 Fixed assets and depreciation/amortisation

Tangible fixed assets

Tangible fixed assets are carried at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment loss, if any. The cost of fixed assets comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditures related to an item of tangible fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Advances paid/expenditure incurred on acquisition/construction of fixed assets which are not ready for their intended use at each balance sheet date are disclosed under loans and advances on capital account or capital work-in progress respectively.

Profit or loss on disposal of tangible assets is recognised in the Consolidated Statement of Profit and Loss. Tangible fixed assets retired from active use and held for disposal are stated at the lower of their net book value and net realisable value and are disclosed separately under 'Other current assets'. Any expected loss is recognized immediately in the Consolidated Statement of Profit and Loss.

Intangible fixed assets

Intangible assets comprises of goodwill and computer software acquired separately and are recognised when the asset is identifiable, is within the control of the Company, it is probable that the future economic benefits that are attributable to the asset will flow to the Company and cost of the asset can be reliably measured.

Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment loss, if any. Profit and loss on disposal of intangible assets is recognised in the Consolidated Statement of Profit and Loss.

Intangible assets also includes software product development costs which are expensed as incurred during the research phase until technological feasibility is established. Software development costs incurred subsequent to the achievement of technological feasibility are capitalised and amortised over the estimated useful life of the products as determined by the management. This capitalisation is done only if there is an intention and ability to complete the product, the product is likely to generate future economic benefits, adequate resources to complete the product are available and such expenses can be accurately measured. Such software development costs comprise expenditure that can be directly attributed, or allocated on a reasonable and consistent basis, to the development of the product.

Depreciation and amortisation

Depreciation on tangible fixed assets, except Computers, Plant and machinery and Leasehold improvements is provided using the Straight Line Method based on the useful lives of the assets as estimated by the management and is charged to the Consolidated Statement of Profit and Loss as per the requirement of Schedule II of the Act.

The residual value useful life and method of depreciation of an asset is reviewed at each financial year end and adjusted prospectively.

For class of assets categorised under "Computers", based on internal assessment and independent technical evaluation carried out by external valuers, the management believes that useful life of 6 years best represents the period over which management expects to use these assets. Hence, the useful life of Computers is different from the useful life as prescribed under Part 'C' of Schedule II of the Act.

For class of assets categorised under "Plant and machinery", the management on internal assessment believes that useful life of 5 years best represent the period over which management expects to use these assets. Hence, the useful life of Plant and machinery is different from the useful life as prescribed under Part 'C' of Schedule II of the Act.

Leasehold improvements are amortized over the period of lease term or useful life, whichever is lower.

Individual assets costing up to Rupees five thousand are depreciated in full in the period of purchase.

Intangible assets are amortised on a Straight Line basis over the estimated useful economic life.

Goodwill is amortised over a period of 5 years or estimated useful life, whichever is shorter.

Software is amortised over a period of 5 years or over license period, whichever is lower.

2.7 Impairment of assets

The Group assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor. If such recoverable amount of the asset or the

recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Consolidated Statement of Profit and Loss. If at the Balance Sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the assets and from its disposal at the end of its useful life.

2.8 Inventories

Inventories include traded goods and are valued at lower of cost and net realisable value. Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventory to their present location and condition. Cost is determined on the first-in, first-out (FIFO) basis. The comparison of cost and net realisable value is made on item by item basis.

2.9 Lease

Operating lease

Lease payments under operating lease are recognised as an expense in the Consolidated Statement of Profit and Loss on a straight-line basis over the lease term.

Assets given by the Group under operating lease are included in fixed assets. Lease income from operating leases is recognised in the Consolidated Statement of Profit and Loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern in which benefit derived from the leased asset is diminished. Costs, including depreciation, incurred in earning the lease income are recognised as expenses. Initial direct costs incurred specifically for an operating lease are deferred and recognised in the Consolidated Statement of Profit and Loss over the lease term in proportion to the recognition of lease income.

Finance lease

Assets given out on finance lease are shown as amounts recoverable from the lessee. The rentals received on such leases are apportioned between the finance charge / (income) and principal amount using the implicit rate of return. The finance charge / (income) is recognised as income, and principal received is reduced from the amount receivable. All initial direct costs incurred are included in the cost of the asset.

2.10 Investments

Investments are classified into current and long-term investments. Investments that are readily realisable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as long-term investments. However, that part of long-term investments which are expected to be realised within twelve months from balance sheet date is also presented under "Current investments" under "Current portion of long-term investments" in consonance with the current/non-current classification of Schedule III of the Act.

Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments. Any reduction in the carrying amount and any reversals of such reductions are charged to the

Consolidated Statement of Profit and Loss.

Long-term investments (including current portion thereof) are carried at cost. A provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is recognized in the Consolidated Statement of Profit and Loss.

2.11 Taxation

Income-tax expense comprises of current tax expense and deferred tax expense or credit.

Current taxes

Provision for current income-tax is recognised in accordance with the tax laws applicable to the respective companies and is made annually based on the tax liability computed after taking credit for tax allowances and exemptions.

Deferred taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result from differences between the profits offered for income taxes and the profits as per the financial statements. Deferred tax assets and liabilities and the corresponding deferred tax credit or charge are measured using the tax rates and the tax laws that have been enacted or substantively enacted at the balance sheet date. The effect of a change in tax rates on deferred tax assets and liabilities is recognised in the period that includes the enactment date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realized in the future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date to reassess realisation.

The deferred tax assets (net) and deferred tax liabilities (net) are determined separately for the Company and each subsidiary company, as per their applicable laws and then aggregated.

The Company has operations in Special Economic Zones (SEZ). Income from SEZ is eligible for 100% deduction for the first five years, 50% deduction for next five years and 50% deduction for another five years, subject to fulfilling certain conditions. In this regard, the Company recognises deferred taxes in respect of those originating timing differences which reverse after the tax holiday period resulting in tax consequences. Timing differences which originate and reverse within the tax holiday period do not result in tax consequence and, therefore, no deferred taxes are recognised in respect of the same.

Minimum alternate tax

Minimum alternate tax ("MAT") under the provisions of Income-tax Act, 1961 is recognised as current tax in the Consolidated Statement of Profit and Loss. The credit available under the Income-tax Act, 1961 in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income-tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written-down to the extent the aforesaid convincing evidence no longer exists.

2.12 Foreign currency transactions

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Net exchange gain or loss resulting in respect of foreign exchange transactions settled during the period is recognized in the Consolidated Statement of Profit and Loss of the year.

Monetary assets and liabilities in foreign currency, which are outstanding as at the year-end, are translated at the year-end at the closing exchange rate and the resultant exchange differences are recognized in the Consolidated Statement of Profit and Loss. Non-monetary foreign currency items are carried at cost.

2.13 Employee benefits

Short-term employee benefits

Employee benefits payable wholly within twelve months of availing employee service are classified as short-term employee benefits. This benefits includes salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange of employees services are recognised in the period in which the employee renders the related service.

Post-employment benefits

Defined contribution plans

In accordance with Indian regulations, all employees of the Indian entities receive employee benefits in the form of Provident Fund and Employees' State Insurance which are a defined contribution plan and the contributions are charged to the Consolidated Statement of Profit and Loss of the year when such contribution to such funds is due. In respect of overseas entities, the Group's contribution towards defined contribution benefit plan is accrued in compliance with the domestic laws of the country in which the consolidated foreign entities operate.

Defined benefit plans

In case of defined benefit plans such as gratuity, the Group's net obligation in respect of the benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation done by an independent actuary using the Projected Unit Credit Method at each Balance Sheet date, 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.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the Balance Sheet date.

When the calculation results in a benefit to the Group, the recognised asset is limited to the net total of any unrecognised actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.

Actuarial gains and losses are recognised immediately in the Consolidated Statement of Profit and Loss.

Other long-term employment benefits

Compensated absences

Compensated absences including leave encashment, which are not expected to occur within twelve months after the end of the period in which the employee renders the related services, are recognized as a liability at the present value of the defined benefit obligation at the Balance Sheet date as determined by independent actuary based on Projected Unit Credit Method. The discount rates used for determining the present value of the obligation under other long-term employment benefits plan, are based on the market yields on Government securities as at the Balance Sheet date. Actuarial gains and losses are recognised immediately in the Consolidated Statement of Profit and Loss.

2.14 Employee's Stock Options Plan

In respect of stock options granted pursuant to the Group's Employee Stock Option Scheme ('ESOS'), the intrinsic value of the options (excess of market price of the share over the exercise price of the option) is treated as discount and accounted as employee compensation cost over the vesting period in accordance with the Securities and Exchange Board of India ('SEBI') (Share Based Employee Benefits) Regulations, 2014 and the Guidance note on Employee Share Based Payments issued by the Institute of Chartered Accountants of India, as amended from time to time.

2.15 Earnings per share ('EPS')

Basic EPS is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

2.16 Provision and contingent liabilities

The Group creates a provision where there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are not recognised in the consolidated financial statements.

2.17 Investment property

An investment in building, which is not intended to be occupied substantially for use by, or in the operations of the Group, is classified as investment property. Investment properties are stated at cost, net of accumulated depreciation and accumulated impairment loss, if any. The cost comprises purchase price of bringing the investment property to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Depreciation on building component of investment property is calculated on a straight-line basis using the rate arrived at based on the useful life estimated by the management which is 60 years.

On disposal of an investment property, the difference between its carrying amount and net disposal proceeds is charged or credited to the Consolidated Statement of Profit and Loss.

3 Share capital

| | 31 March 2016 | 31 March 2015 |
|--|-----------------|-----------------|
| Authorised capital | | |
| 66,150,000 (31 March 2015 : 66,150,000) equity shares of ₹ 10 each * | 6,615.00 | 6,615.00 |
| Issued, subscribed and paid-up | | |
| 21,950,301 (31 March 2015: 19,854,318) equity shares of ₹ 10 each, fully paid-up | 2,195.03 | 1,985.43 |
| Less: 181,485 (31 March 2015: 181,485) equity shares of ₹ 10 each, fully paid-up issued to the ESOP trust of a subsidiary located in the United States but not allotted to employees (refer Note 40) | 18.15 | 18.15 |
| Adjusted issued and subscribed share capital | 2,176.88 | 1,967.28 |

* In accordance with the scheme of amalgamation of Intellvisions Software limited (refer Note 36), the authorised share capital of the Company was increased to ₹ 6,615 divided in to 66,150,000 equity shares during the previous year.

a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

| | 31 March 2016 | | 31 March 2015 | |
|--|-------------------|-----------------|-------------------|-----------------|
| | Number of shares | Amount | Number of shares | Amount |
| At the commencement of the year | 19,854,318 | 1,985.43 | 18,098,198 | 1,809.82 |
| Add: Shares issued on preferential basis | 2,095,983 | 209.60 | - | - |
| Add: Shares issued under employee stock option scheme | - | - | 250,000 | 25.00 |
| Add: Shares issued on amalgamation of companies (refer Note 36) | - | - | 1,506,120 | 150.61 |
| At the end of the year | 21,950,301 | 2,195.03 | 19,854,318 | 1,985.43 |
| Less: Shares issued to ESOP trust of a subsidiary located in the United States but not allotted to employees (refer Note 40) | 181,485 | 18.15 | 181,485 | 18.15 |
| Adjusted issued and subscribed share capital | 21,768,816 | 2,176.88 | 19,672,833 | 1,967.28 |

b) Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shareholders are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder are in proportion to its share of the paid-up equity capital of the Company.

During the year ended 31 March 2016, the Company has proposed final dividend of ₹ 3 per equity shares (31 March 2015 : ₹ 3). The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

c) Particulars of shareholders holding more than 5% of equity shares

| | 31 March 2016 | | 31 March 2015 | |
|-----------------------------|------------------|-------------------|------------------|-------------------|
| Name of equity shareholders | Number of shares | % of Total shares | Number of shares | % of Total shares |
| Mr. Amit Sheth | 1,376,804 | 6.27 | 1,166,804 | 5.88 |
| Mr. Paresb Zaveri | 3,244,301 | 14.78 | 2,704,301 | 13.62 |
| Reliance Capital Limited | 1,306,906 | 5.95 | 1,306,906 | 6.58 |

d) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceeding the year-end

- i) During the year ended 31 March 2015, 1,506,120 equity shares of ₹ 10 each have been allotted as fully paid-up shares to the erstwhile shareholders of Intellvisions Software Limited ('Intellvisions') pursuant to the merger of Intellvisions with the Company effective 1 April 2014. (refer Note 36).

- ii) During the year ended 31 March 2014, 400,000 equity shares of ₹ 10 each have been allotted as fully paid-up shares to the erstwhile shareholders of Seeinfobiz Private Limited ('Seeinfobiz') pursuant to the merger of Seeinfobiz with the Company effective 1 April 2012.
- iii) In terms of the agreement entered into by Aurionpro Solutions Inc, USA (a subsidiary of the Company) with Virat Inc. for purchase of certain business assets of Virat Inc. during the year ended 31 March 2014, 100,000 equity shares of Rs 10 each of the Company have been allotted as fully paid-up shares to the shareholders of Virat Inc.
- iv) During the year ended 31 March 2012, 1,081,961 equity shares were issued to the shareholder of Kairoleaf Analytics Private Limited on account of amalgamation of Kairoleaf Analytics Private Limited with the Company.

e) Shares reserved for issue under options:

- i) Under employee stock option scheme, 2008, Nil (31 March 2015: 945,951) number of shares are reserved for employees for issue amounting to ₹ Nil (31 March 2015: ₹ 94.60). This scheme has been withdrawn during the year.
- ii) Under employee stock option scheme, 2010, 750,000 (31 March 2015: 750,000) number of shares are reserved for employees for issue amounting to ₹ Nil (31 March 2015: ₹ 75.00). For other terms and conditions, refer Note 37.
- iii) 1,240,000 equity shares (31 March 2015 : Nil) of face value of ₹ 10 each are reserved towards share warrants of the Company. (refer Note 38)

4 Reserves and surplus

| | 31 March 2016 | 31 March 2015 |
|--|------------------|------------------|
| Capital reserves | | |
| At the commencement of the year | 3,245.39 | 2,208.59 |
| Add: Forfeiture of fractional entitlements not allotted to the erstwhile shareholders of Intellvisions | 0.09 | - |
| Add: Accumulated balance of Intellvisions brought forward, incorporated pursuant to the scheme of amalgamation (refer Note 36) | - | 46.43 |
| Add: Addition on account of difference between purchase consideration paid and net assets of Intellvisions, pursuant to the scheme of amalgamation (refer Note 36) | - | 990.37 |
| At the end of the year | 3,245.48 | 3,245.39 |
| Securities premium reserve | | |
| At the commencement of the year | 20,486.95 | 18,364.31 |
| Add: Premium received on issue of equity shares | 4,401.60 | 475.00 |
| Add: Accumulated balance of Intellvisions brought forward, incorporated pursuant to the scheme of amalgamation (refer Note 36) | - | 1,647.64 |
| | 24,888.55 | 20,486.95 |

| | 31 March 2016 | 31 March 2015 |
|---|------------------|------------------|
| Less: Premium on shares issued to ESOP trust of a subsidiary located in the United States but not allotted to employees (refer Note 40) | 308.52 | 308.52 |
| At the end of the year | 24,580.03 | 20,178.43 |
| Foreign currency translation reserve | | |
| At the commencement of the year | 6,964.98 | 7,704.02 |
| Add: Exchange gain/(loss) movement during the year | 1,137.47 | (739.04) |
| At the end of the year | 8,102.45 | 6,964.98 |
| General reserve | | |
| At the commencement of the year | 971.35 | 865.28 |
| Add: Accumulated balance of Intellvisions brought forward, incorporated pursuant to the scheme of amalgamation (refer Note 36) | - | 128.64 |
| Less: Adjustment on account of change in accounting policy pursuant to the scheme of amalgamation (refer Note 36) | - | 22.57 |
| At the end of the year | 971.35 | 971.35 |
| Statutory reserve | | |
| At the commencement of the year | 829.28 | 829.28 |
| Add: Amount transferred from Surplus in Statement of Profit and Loss | 280.53 | - |
| At the end of the year | 1,109.81 | 829.28 |
| Surplus in Statement of Profit and Loss | | |
| At the commencement of the year | 14,195.49 | 28,702.23 |
| Add: Profit / (Loss) for the year | 5,417.19 | (14,375.81) |
| Add: Accumulated balance of Intellvisions brought forward, incorporated pursuant to the scheme of amalgamation (refer Note 36) | - | 749.83 |
| Less: Accumulated balance of subsidiaries of Intellvisions brought forward, incorporated pursuant to the scheme of amalgamation (refer Note 36) | - | 90.72 |
| Less: Elimination on disposal of subsidiaries | 11.38 | - |
| Less: Adjustment on account of transitional provision of Schedule II as per the Companies Act, 2013 | - | 69.75 |
| Less: Appropriations | | |
| (a) Proposed equity dividend (amount Rs 3 per share (31 March 2015 : ₹ 3 per share)) | 658.51 | 597.98 |
| (b) Tax on proposed equity dividend | 134.06 | 122.31 |
| (c) Transfer to statutory reserve | 280.53 | - |
| At the end of the year | 18,550.97 | 14,195.49 |
| Total reserve and surplus | 56,560.09 | 46,384.92 |



5 Long-term borrowings

| | Non-current portion# | | Current portion* | |
|---|----------------------|-----------------|------------------|-----------------|
| | 31 March 2016 | 31 March 2015 | 31 March 2016 | 31 March 2015 |
| Term loans from banks (secured) (refer Note (a) (b) (f) and (h) below) # | 1,284.95 | 3,763.25 | 3,641.54 | 3,060.52 |
| Term loans from financial institutions (secured) (refer Note (c) and (l) below) | 1,897.55 | 1,564.77 | 658.23 | - |
| Term loans from financial institutions (unsecured) (refer Note (d) and (e) below) | - | 14.59 | 14.59 | 43.06 |
| Hire purchase obligation (secured) (refer Note (g) below) ## | 29.34 | 40.62 | 15.10 | 14.25 |
| | 3,211.84 | 5,383.23 | 4,329.46 | 3,117.83 |

* Amount disclosed under "Other current liabilities" (refer Note 10)

Term loans from banks includes borrowings in foreign currency amounting to ₹ 5,264.25 (31 March 2015 ₹ 5,828.23)

Hire purchase obligation includes borrowings in foreign currency amounting to ₹ 44.45 (31 March 2015 ₹ 54.87)

a) Term loan from State Bank of India carries an interest rate of Base Rate + 3.60% per annum. This facility is secured by pari-passu hypothecation charge on entire receivables and stock in process (SIP) of the Company with Axis Bank Limited. This is also secured by the following:

- First charge on the Company's computers and furniture and fixtures;
- Pledge of 6.9 lakhs (31 March 2015: 6.9 lakhs) equity shares of the Company held by the promoters;
- Pledge of 0.60 lakhs (31 March 2015: 0.60 lakhs) equity shares of Arshiya International Limited held by the promoters;
- Hypothecation of the properties owned by the promoters;
- Pledge of 190,520 shares of a company purchased out of bank finance i.e. SPS Corp. USA(now merged with Aurionpro Solutions Inc. USA) and 210,631 shares of Aurionpro Solutions Inc. USA. However, with effect from 27 March 2015, charges on these shares have been released by State Bank of India.

Corporate guarantee of Aurionpro Solutions Pte Limited, Singapore and personal guarantees of promoters and their relatives is also provided.

Corporate guarantee of Aurionpro Solutions Inc. USA was also provided. However, with effect from 27 March 2015, this charge has been released by State Bank of India.

- b) Term loan from HDFC Bank Limited carries an interest rate of Base Rate + 1% per annum and is repayable in 84 EMI in the range of ₹ 3.53 to ₹ 8.56. This facility is secured by way of Equitable Mortgage on the underlying premises against which the loan has been taken.
- c) Term loan from Reliance Capital Limited carries an interest rate of 14% per annum and is repayable in 18 EMI of ₹ 61.92. The facility is secured by rent receivables on the OptiQ machines leased to State Bank of India. Hypothecation of assets funded is under process as on reporting date.
- d) Term loan from Religare Finvest Limited carried an interest rate of 19.26% per annum and was repayable in 24 EMI of

₹ 2.12. This facility was repaid during year.

- e) Term loan from Tata Capital Financial Services Limited carries an interest rate of 18.59% per annum and is repayable in 18 EMI of ₹ 2.57.
- f) Term loan from Bridge Bank carries an interest rate of prime rate plus 4% per annum. This facility is repayable in 36 equal monthly installments (EMI). The facility is secured by all assets and receivables of Aurionpro Solutions Inc. The loan agreement also provides for the issuance of a warrant to the lenders to purchase of USD 450,000 of Aurionpro Solutions Inc. common stock if the Aurionpro Solutions Inc. completes any equity financing round to non-affiliated investors. The warrant includes the put option which allows the lender to release the warrant in exchange of USD 350,000. The put option may be exercised at the earlier of the repayment of loan or change in control, as defined, by the Aurionpro Solutions Inc..
- g) Vehicle taken on hire purchase from Hong Leong Finance Limited carries an interest rate of 7.25% per annum. This facility is repayable in 57 equal monthly installments (EMI). The facility is secured by the underlying assets of Aurionpro Solutions Pte Ltd.
- h) Equipment loan from financials institute carries an interest rate of 12% per annum. This facility is repayable in, first 6 equal monthly installments (EMI) of Rs 25.04 and balance 30 equal monthly installments (EMI) of Rs 94.05. In connection with the loan agreement, the Aurionpro Solutions Inc. issued a warrant to the lender to purchase up to one percent of the outstanding capital shares of Common Stock at an exercise price per share of USD 0.01. The warrant also includes put option, which allows the lender to release the warrant in exchange for USD 900,000.
- i) N Squared Convertible Promissory Note carries an interest rate of 7.25% per annum. The Promissory Note provides the lender with the option to convert the note to shares of common stock at any time prior to the maturity date, upon delivery of last ten days prior written notice to the Aurionpro Solutions Inc. The Note matures on 12 October 2017.

6. Other long-term liabilities

| | 31 March 2016 | 31 March 2015 |
|----------------------------|---------------|---------------|
| Others | | |
| Income received in advance | 0.11 | 2.21 |
| Rent equalisation reserve | 66.10 | 37.65 |
| | 66.21 | 39.86 |

7. Long-term provisions

| | 31 March 2016 | 31 March 2015 |
|--|---------------|---------------|
| Provision for employee benefits (refer Note 35) | | |
| Gratuity | 179.35 | 155.72 |
| Compensated absences | 51.77 | 55.71 |
| | 231.12 | 211.43 |

8. Short-term borrowings

| | 31 March 2016 | 31 March 2015 |
|--|------------------|------------------|
| Secured loans# | | |
| Cash credit and overdraft facilities from banks (refer Note (a) (b) (f) and (g) and below) | 7,654.00 | 7,881.23 |
| Stand By Letter of Credit facilities from banks (refer Note (h) below) | 3,850.18 | 3,961.43 |
| Unsecured loans## | | |
| Term loans from financial institutions (refer Note (c) and (l) below) | 87.60 | 18.81 |
| Loan and advances from related parties (refer Note (d) below) | | |
| - Amit Sheth (Co-Chairman and Managing Director) | 55.56 | 161.94 |
| - Paresh Zaveri (Chairman) | 41.39 | 38.14 |
| - Sanjay Desai (Director) | 32.00 | 32.00 |
| Inter-corporate deposits (ICD) (refer Note (e) below) | 206.51 | 305.00 |
| | 11,927.24 | 12,398.55 |

Secured loans includes borrowings in foreign currency amounting to ₹ 8,361.98 (31 March 2015 ₹ 7,856.98)

Unsecured loans includes borrowings in foreign currency amounting to ₹ 87.60 (31 March 2015 ₹ 1,564.77)

- a) Cash credit facility from Axis Bank Limited is repayable on demand with an interest rate of Base Rate + 3.50% per annum. This facility is secured by first charge on entire current assets of the Company both, present and future. This is also secured by second charge on entire fixed assets of the Company, both, present and future. Personal

guarantee of Managing Director and other Directors of the Company have also been provided.

- b) Cash credit facility from State Bank of India is repayable on demand with an interest rate of Base Rate + 2.75% per annum. Stand by letter of credit facility from State Bank of India is repayable within a maximum period of 3 months from the date of issue with an interest of Base Rate +3.75% per annum. These facilities are secured by pari-passu hypothecation charge on entire receivables and stock in process (SIP) of the Company. These are also secured by the following:
- First charge on the Company's computers and furniture and fixtures;
 - Pledge of 6.9 lakhs (31 March 2015: 6.9 lakhs) equity shares of the Company held by the promoters;
 - Pledge of 0.60 lakhs (31 March 2015: 0.60 lakhs) equity shares of Arshiya International Limited held by the promoters;
 - Hypothecation of the properties owned by the promoters;
 - Pledge of 190,520 shares of a company purchased out of bank finance i.e. SPS Corp. USA (now merged with Aurionpro Solutions Inc. USA) and 210,631 shares of Aurionpro Solutions Inc. USA. However, with effect from 27 March 2015, charges on these shares have been released by State Bank of India.
- Corporate guarantee of Aurionpro Solutions Pte Limited, Singapore and personal guarantees of promoters and their relatives have also been provided.
- Corporate guarantee of Aurionpro Solutions Inc. USA was also provided. However, with effect from 27 March 2015, this charge has been released by State Bank of India.
- c) Term loan from Bajaj Finance Limited carried an interest rate of 19.5% per annum and was repayable in 12 EMI of ₹ 2.86. This facility has been repaid during the year.
- d) Loans and advances from related parties are interest free and repayable on demand.
- e) The Company has taken ICD's which carry interest in the range of 15% to 21%. These ICD's are repayable on demand.
- f) Line of credit from Bridge Bank carries an interest rate of prime rate plus 1.25% per annum. This facility is repayable on demand and is secured by all assets of Aurionpro Solutions Inc. as at 31 March 2016, certain financial covenants have not been met and the bank has waived such non-compliance.
- g) Term loan from Agility Bridge Bank carries an interest rate of 12% per annum. This facility is repayable in 22 equal monthly installments (EMI). The facility is secured by all assets of Aurionpro Solutions Inc.
- h) Stand By Letter of Credit (SBLC) taken by Aurionpro Solutions

Pte Limited, Singapore and Aurionpro Solutions SPC, Bahrain from Axis Bank Limited, Singapore carries an interest rate of 3.75% per annum. This facility is bullet repayment at maturity and secured by SBLC taken by the Company from Axis Bank Limited, India.

- i) Cash credit facility from Bank of Bahrain and Kuwait is repayable on demand at interest rate which is subject to fluctuation at bank's discretion and is charged on actual amounts overdrawn using current market interest rate. This facility is secured by the personal guarantee of the Director and post dated cheques.

9. Trade payables

| | 31 March 2016 | 31 March 2015 |
|--|-----------------|-----------------|
| - Due to Micro and Small Enterprises (refer Note 42) | 3.38 | - |
| - Due to Others | 5,025.88 | 6,074.78 |
| | 5,029.26 | 6,074.78 |

10. Other current liabilities

| | 31 March 2016 | 31 March 2015 |
|---|------------------|-----------------|
| Current maturities of long-term borrowings (refer Note 5) | 4,329.46 | 3,117.83 |
| Interest accrued and due on borrowings | 64.01 | 222.44 |
| Other payable | | |
| Income received in advance | 2,436.21 | 2,405.75 |
| Unclaimed dividend | 7.40 | 5.38 |
| Advance received from customers | 54506 | 208.41 |
| Statutory dues payable | | |
| - Tax deducted at source payable | 393.98 | 221.31 |
| - Service tax payable | 469.84 | 192.12 |
| - Value added tax payable | 529.46 | 331.74 |
| - Provident fund, profession tax and ESIC payable | 117.83 | 140.17 |
| Employees benefits payable | 1,571.25 | 1,507.85 |
| Creditors for capital goods | 21.11 | 5.45 |
| Amount due to business acquisition for Virat, Inc | - | 71.17 |
| Unearned finance income | 2.22 | - |
| Rent equalisation reserve | 2.87 | - |
| | 10,490.70 | 8,429.62 |

11. Short-term provisions

| | 31 March 2016 | 31 March 2015 |
|--|-----------------|-----------------|
| Provision for employee benefits (refer Note 35) | | |
| Gratuity | 186.64 | 139.19 |
| Compensated absences | 384.72 | 339.44 |
| Other provisions | | |
| Proposed equity dividend | 658.51 | 595.63 |
| Tax on proposed equity dividend | 134.06 | 121.93 |
| Provision for current tax (net of advance tax) | 582.35 | 302.77 |
| | 1,946.28 | 1,498.96 |

12 Fixed assets
Tangible fixed assets

| Gross block (at cost) | Computers | Furniture and fixtures | Office equipments |
|---|------------------|-------------------------------|--------------------------|
| Balance as at 1 April 2014 | 5,351.41 | 442.03 | 333.33 |
| Additions | 239.54 | 4.29 | 13.58 |
| Deductions | (135.67) | (76.21) | (17.88) |
| Other adjustments | | | |
| - as a result of merger (refer Note 36) | 75.66 | 187.76 | 66.77 |
| - others** | 40.02 | 4.71 | 1.48 |
| Balance as at 31 March 2015 | 5,570.96 | 562.58 | 397.28 |
| Balance as at 1 April 2015 | 5,570.96 | 562.58 | 397.28 |
| Additions | 256.60 | 61.62 | 41.64 |
| Deductions | (836.72) | (119.85) | (14.01) |
| Other adjustments** | 58.34 | 4.21 | 2.91 |
| Balance as at 31 March 2016 | 5,049.18 | 508.56 | 427.82 |
| Depreciation | | | |
| Balance as at 1 April 2014 | 3,888.80 | 296.59 | 127.17 |
| Depreciation for the year ## | 616.97 | 127.20 | 129.00 |
| Deductions | (128.34) | (71.51) | (13.72) |
| Other adjustments** | 21.45 | 2.19 | 1.03 |
| Balance as at 31 March 2015 | 4,398.88 | 354.47 | 243.48 |
| Balance as at 1 April 2015 | 4,398.88 | 354.47 | 243.48 |
| Depreciation for the year | 557.24 | 57.59 | 77.09 |
| Deductions | (772.90) | (119.85) | (11.67) |
| Other adjustments** | 35.32 | 3.58 | 1.62 |
| Balance as at 31 March 2016 | 4,218.54 | 295.78 | 310.53 |
| Net block | | | |
| As at 31 March 2015 | 1,172.08 | 208.11 | 153.80 |
| As at 31 March 2016 | 830.63 | 212.78 | 117.29 |
| Capital work-in-progress | | | |
| Balance as at 1 April 2014 | - | - | - |
| Addition | - | - | - |
| Asset capitalised during the year | - | - | - |
| Balance as at 31 March 2015 | - | - | - |
| Balance as at 1 April 2015 | - | - | - |
| Addition | - | - | - |
| Asset capitalised during the year | - | - | - |
| Balance as at 31 March 2016 | - | - | - |



| Plant and machinery# | Leasehold improvements | Vehicles* | Building | Factory building | Total |
|----------------------|------------------------|---------------|---------------|------------------|------------------|
| - | 339.26 | 152.75 | - | - | 6,618.78 |
| 595.90 | 23.35 | 7.41 | - | - | 884.07 |
| (10.67) | (8.80) | - | - | - | (249.23) |
| 394.56 | - | 4.27 | 477.66 | 237.40 | 1,444.08 |
| - | 2.36 | - | - | - | 48.57 |
| 979.79 | 356.17 | 164.43 | 477.66 | 237.40 | 8,746.27 |
| 979.79 | 356.17 | 164.43 | 477.66 | 237.40 | 8,746.27 |
| 2,593.20 | 85.40 | - | - | - | 3,038.47 |
| (336.27) | - | - | - | - | (1,306.85) |
| - | 1.72 | - | - | - | 67.18 |
| 3,236.72 | 443.29 | 164.43 | 477.66 | 237.40 | 10,545.07 |
| - | 218.32 | 69.54 | - | - | 4,600.42 |
| 184.50 | 54.08 | 20.47 | 8.60 | 9.26 | 1,150.08 |
| (3.04) | (5.81) | - | - | - | (222.42) |
| - | (0.78) | (0.13) | - | - | 23.76 |
| 181.46 | 265.81 | 89.88 | 8.60 | 9.26 | 5,551.84 |
| 181.46 | 265.81 | 89.88 | 8.60 | 9.26 | 5,551.84 |
| 370.79 | 69.64 | 14.44 | 8.18 | 8.32 | 1,163.29 |
| (147.22) | - | - | - | - | (1,051.63) |
| - | (1.84) | 0.08 | - | - | 38.77 |
| 405.03 | 333.61 | 104.40 | 16.78 | 17.58 | 5,702.27 |
| 798.33 | 90.36 | 74.55 | 469.06 | 228.14 | 3,194.43 |
| 2,831.69 | 109.68 | 60.03 | 460.88 | 219.82 | 4,842.80 |
| - | - | - | - | - | - |
| 69.12 | - | - | - | - | 69.12 |
| - | - | - | - | - | - |
| 69.12 | - | - | - | - | 69.12 |
| 69.12 | - | - | - | - | 69.12 |
| 185.26 | - | - | - | - | 185.26 |
| 64.81 | - | - | - | - | 64.81 |
| 189.57 | - | - | - | - | 189.57 |

Intangible fixed assets

| Gross block (at cost) | Computer software | Goodwill | Total |
|--|--------------------------|-----------------|------------------|
| Balance as at 1 April 2014 | 23,458.33 | 6,255.91 | 29,714.25 |
| Additions | 6,186.03 | | 6,186.03 |
| Other adjustments | | | |
| - as a result of merger (refer Note 36) | 17.36 | - | 17.36 |
| - Others** | 556.38 | 98.68 | 655.06 |
| Balance as at 31 March 2015 | 30,218.10 | 6,354.59 | 36,572.69 |
| Balance as at 1 April 2015 | 30,218.10 | 6,354.59 | 36,572.69 |
| Additions | 2.06 | - | 2.06 |
| Deductions | (17.01) | (26.84) | (43.84) |
| Other adjustments** | 289.58 | 116.52 | 406.08 |
| Balance as at 31 March 2016 | 30,492.73 | 6,444.27 | 36,937.00 |
| Depreciation and impairment losses | | | |
| Balance as at 1 April 2014 | 8,637.42 | 1,273.90 | 9,911.32 |
| Depreciation for the year | 2,161.88 | 550.15 | 2,712.03 |
| Impairment losses for the year *** | 17,054.47 | 3,810.68 | 20,865.15 |
| Other adjustments** | 47.29 | 23.14 | 70.43 |
| Balance as at 31 March 2015 | 27,901.06 | 5,657.87 | 33,558.93 |
| Balance as at 1 April 2015 | 27,901.06 | 5,657.87 | 33,558.93 |
| Depreciation for the year | 317.12 | 173.03 | 490.15 |
| Deductions | (17.01) | (26.84) | (43.84) |
| Other adjustments** | 22.96 | 55.25 | 78.21 |
| Balance as at 31 March 2016 | 28,224.13 | 5,859.31 | 34,083.44 |
| Net block | | | |
| As at 31 March 2015 | 2,317.04 | 696.72 | 3,013.76 |
| As at 31 March 2016 | 2,268.60 | 584.96 | 2,853.56 |
| Intangible assets under development | | | |
| Balance as at 1 April 2014 | 9,755.59 | - | 9,755.59 |
| Addition | 6,445.48 | - | 6,445.48 |
| Asset capitalised during the year | 4,389.43 | - | 4,389.43 |
| Impairment losses for the year *** | 1,428.32 | - | 1,428.32 |
| Balance as at 31 March 2015 | 10,383.32 | - | 10,383.32 |
| Balance as at 1 April 2015 | 10,383.32 | - | 10,383.32 |
| Addition | - | - | - |
| Asset capitalised during the year | - | - | - |
| Balance as at 31 March 2016 | 10,383.32 | - | 10,383.32 |

* Vehicles includes a motor car taken on hire purchase having gross block of ₹ 81.22 (31 March 2015: ₹ 81.22) and accumulated depreciation of ₹ 31.41 (31 March 2015: ₹ 19.22).

** Includes adjustment relating to foreign exchange on account of translation of foreign subsidiaries/ entities and net block of subsidiaries of Intellvisions Software Limited, incorporated pursuant to the scheme of amalgamation (refer note 36).

*** Refer Note 43

The Company has leased out Plant and machinery for a period of 1-3 years. The lease rental income recognised in the Statement of Profit and Loss is ₹ 2,142.48, (31 March 2015: ₹ 598.28). The gross value of assets leased out is ₹ 3,570.67 (31 March 2015: ₹ 1,308.54). Accumulated depreciation of the assets leased out is ₹ 742.13 (31 March 2015: ₹ 495.75). The depreciation recognised in the Statement of Profit and Loss for the assets leased out during the year is ₹ 369.94 (31 March 2015: ₹ 177.28)

In accordance with Schedule II of the Companies Act, 2013, the Company had reassessed the estimated useful life of certain class of assets through technical evaluation and internal assessment during the previous year. The reassessed estimated useful life was different from existing useful life of the assets used by the Company for the purpose of depreciation. Consequently, depreciation charge for the year ended 31 March 2015 was higher by ₹ 279.20 due to change in the estimated useful life of tangible fixed assets. Further, an amount of ₹ 69.75 (net of deferred tax) had been adjusted against the opening balance of Retained earnings, in respect of the residual value of assets wherein the remaining useful life had become 'Nil'.

Plant and Machinery includes gross block of ₹ 251.94 (WDV ₹ 131.74) being reclassified as assets held for sale and disclosed as 'Assets held for sale' under Other current assets at value of ₹ 54.34. (refer Note 22)

**13. Non- current investments**

(valued at cost unless stated otherwise)

| | 31 March 2016 | 31 March 2015 |
|--|---------------|---------------|
| Non-trade investments: unquoted | | |
| Investment in equity instruments (fully paid-up) | | |
| Janaseva Sahakari Co-Operative Bank Limited 25 (31 March 2015: 25) equity shares of ₹ 20 each | 0.01 | 0.01 |
| The Saraswat Co-Operative Bank Limited 2,500 (31 March 2015: 2,500) equity shares of ₹ 10 each | 0.25 | 0.25 |
| Investment in debentures or bonds | | |
| BCC Infrastructure Private Limited Class A Debenture IV Nil (31 March 2015: 569) debentures of ₹ 100 each | - | .* |
| Other non- current investments | | |
| Investment property (at cost) | 419.92 | 419.92 |
| | 420.18 | 420.18 |
| Aggregate book value of unquoted non-current investments | 0.26 | 0.26 |

* Current portion of long-term investments disclosed under "Current investments" (refer Note 17)

14. Deferred tax assets (net)

| | 31 March 2016 | 31 March 2015 |
|---|-----------------|-----------------|
| Arising on account of timing difference in | | |
| Deferred tax assets | | |
| - Gratuity | 120.68 | 86.26 |
| - Compensated absences | 43.23 | 89.55 |
| - Employee benefits payable | 181.84 | 119.40 |
| - Lease rentals | 30.70 | 6.40 |
| - Amalgamation expenses | 15.77 | 12.50 |
| - Provision for doubtful debts | 180.47 | 128.27 |
| - Carry forward losses | 889.19 | 912.55 |
| - Capital allowance | 1,369.98 | 973.04 |
| Deferred tax assets | 2,831.86 | 2,327.97 |
| Deferred tax liability | | |
| Excess of depreciation on fixed assets under income-tax law over depreciation provided in accounts. | (138.31) | (139.76) |
| Deferred tax liability | (138.31) | (139.76) |
| Deferred tax asset (net) | 2,693.55 | 2,188.21 |

Deferred tax assets includes assets acquired by the Group, taken over pursuant to the scheme of amalgamation (refer Note 36)

15 Long-term loans and advances

(Unsecured, considered good)

| | Non-current portion | | Current portion* | |
|--|---------------------|-----------------|------------------|-----------------|
| | 31 March 2016 | 31 March 2015 | 31 March 2016 | 31 March 2015 |
| To parties other than related parties | | | | |
| Capital advances | 8,074.00 | 7,277.00 | - | - |
| Security deposits | 109.40 | 178.69 | 203.45 | 135.89 |
| | 8,183.40 | 7,455.69 | 203.45 | 135.89 |
| Other loans and advances | | | | |
| Loans and advances to employees | 1.06 | 1.30 | - | - |
| VAT receivables | 79.17 | 103.32 | - | - |
| Advance tax recoverable (net) | 1,240.98 | 1,351.12 | - | - |
| Prepaid expenses | 26.76 | 42.08 | 775.22 | 894.14 |
| Mat credit entitlement | 268.84 | 472.04 | - | - |
| Other loans and advances | 654.65 | 314.04 | - | - |
| Lease rent receivable | 3.02 | 12.64 | - | - |
| | 2,274.48 | 2,296.54 | 775.22 | 894.14 |
| | 10,457.88 | 9,752.23 | 978.67 | 1,030.03 |

* Amount disclosed under "Short-term loans and advances" (refer Note 21)

16 Other non-current assets

(Unsecured, considered good)

| | 31 March 2016 | 31 March 2015 |
|---|---------------|---------------|
| Bank deposits (due to mature after 12 months from the reporting date) (refer Note 20) | 230.61 | 311.44 |
| Interest accrued on bank deposits | 2.13 | 1.70 |
| | 232.74 | 313.14 |

17. Current investments
Non-trade investments : Unquoted

| | 31 March 2016 | 31 March 2015 |
|--|---------------|---------------|
| A. Current Portion of Long-term investment (valued at cost) | | |
| BCC Infrastructure Private Limited Class A Debenture IV Nil (31 March 2015: 569) debentures of ₹ 100 each | - | 0.57 |
| B. Current investments (valued at lower of cost and fair value) | | |
| Investment in equity instruments | | |
| Ansal Hi-Tech Townships Limited Nil (31 March 2015: 234) equity shares of ₹ 10 each | - | 0.21 |
| BCC Infrastructure Private Limited Equity Nil (31 March 2015: 15) equity shares of ₹ 10 each | - | .* |
| Nitesh Housing Developers Private Limited Nil (31 March 2015: 70) equity shares of ₹ 10 each | - | 0.25 |



| | 31 March 2016 | 31 March 2015 |
|--|---------------|---------------|
| Investment in preference shares | | |
| BCC Infrastructure Private Limited Preference shares Nil (31 March 2015: 43) Preference shares of ₹ 10 each | - | .* |
| Runwal Township Private Limited Class A Preference Shares Nil (31 March 2015: 13) preference shares of ₹ 1 each | - | .* |
| Runwal Township Private Limited Class B Preference Shares Nil (31 March 2015: 20) preference shares of ₹ 1 each | - | .* |
| Runwal Township Private Limited Class C Preference Shares Nil (31 March 2015: 13) preference shares of ₹ 1 each | - | 0.55 |
| Investment in debentures or bonds | | |
| Ariisto Realtors Private Limited - III Nil (31 March 2015: 8) debentures of ₹ 1,000 each | - | 0.08 |
| Ariisto Realtors Private Limited - IV Nil (31 March 2015: 72) debentures of ₹ 1,000 each | - | 0.72 |
| Atithi Building Commodities Private Limited Nil (31 March 2014: 137) debentures of ₹ 1,000 each | - | 1.37 |
| Atithi Building Commodities Private Limited - II Nil (31 March 2015: 23) debentures of ₹ 1,000 each | - | 0.23 |
| BCC Infrastructure Private Limited Class A Debenture III Nil (31 March 2015: 398) debentures of ₹ 100 each | - | 0.40 |
| Marvel Realtors and Developers - Series 2 Debentures Nil (31 March 2015: 172) debentures of ₹ 100 each | - | 0.17 |
| Nitesh Land Holding Private Limited Nil (31 March 2015: 277) debentures of Rs 100 each | - | 0.28 |
| Runwal Township Private Limited Class B - Debentures Nil (31 March 2015: 743) debentures of ₹ 100 each | - | 0.74 |
| Total Environment Habitat Private Limited - Optionally Convertible Debentures Nil (31 March 2015: 1,689) debentures of ₹ 100 each | - | 1.69 |
| Total Environment Projects - Debenture I Nil (31 March 2015: 150) debentures of ₹ 100 each | - | 0.15 |
| Total Environment Projects - Debenture II Nil (31 March 2015: 28) debentures of ₹ 100 each | - | 0.03 |
| Total Environment Projects - Debenture III Nil (31 March 2015: 106) debentures of ₹ 100 each | - | 0.11 |
| Investment in mutual funds | | |
| Birla Sun Life Mutual Fund - Floating Rate Plan Div | - | 4.22 |
| Non-trade investments : Quoted | | |
| Investment in mutual funds | | |
| HDFC CM Fund - Savings Plan - Growth - Direct Plan Nil (31 March 2015: 2,167) | - | 0.62 |
| Non-trade investments : Unquoted | | |
| Investment in Equity Instruments | | |
| 1,470 (31 March 2015: Nil) fully paid-up ordinary shares of SGD 1 each in Centrolene Pte Limited | 337.02 | - |
| | 337.02 | 12.39 |
| Quoted current investments | | |
| Aggregate book value | - | 0.62 |
| Aggregate market value | - | 0.63 |
| Aggregate book value of unquoted investments | 337.02 | 11.77 |

* Nil when converted into lakhs

** Refer Note 13

18 Inventories

(At lower of cost and net realisable value)

| | 31 March 2016 | 31 March 2015 |
|---|---------------|---------------|
| a) Raw material, sub-assemblies and components | 631.44 | 455.65 |
| b) Finished goods (including goods-in-transit) | 68.27 | 160.16 |
| c) Stock-in-trade acquired for trading (including goods-in-transit) | 29.48 | 54.39 |
| | 729.19 | 670.20 |

During the year ended 31 March 2016, the write-down of inventories to net realisable value amounted to ₹ 485.42 (31 March 2015: ₹ 94.72)

19 Trade receivables

(Unsecured, considered good)

| | 31 March 2016 | 31 March 2015 |
|---|------------------|------------------|
| Receivables outstanding for a period exceeding six months from the date they became due for payment | | |
| - Considered good | 3,174.38 | 2,287.67 |
| - Considered doubtful | 417.93 | 370.49 |
| | 3,592.31 | 2,658.16 |
| Less:- Provision for doubtful receivables | (417.93) | (370.49) |
| | 3,174.38 | 2,287.67 |
| Other receivables | | |
| - Considered good | 15,049.75 | 15,986.36 |
| - Considered doubtful | 449.80 | 888.98 |
| | 15,499.55 | 16,875.34 |
| Less:- Provision for doubtful receivables | (449.80) | (888.98) |
| | 15,049.75 | 15,986.36 |
| | 18,224.13 | 18,274.03 |

20. Cash and bank balances

| | 31 March 2016 | 31 March 2015 |
|---|-----------------|-----------------|
| Cash and cash equivalents | | |
| Cash on hand | 11.14 | 11.04 |
| Balance with banks | | |
| - in current account | 2,758.54 | 2,329.04 |
| Other bank balances | | |
| Unpaid dividend accounts* | 7.68 | 5.36 |
| Term deposits held as margin money against bank guarantee (due to mature after 3 months but within 12 months of reporting date) | 374.71 | 189.67 |
| Term deposits held as margin money against bank guarantee (due to mature after 12 months of reporting date) | 230.61 | 311.44 |
| | 613.00 | 501.11 |
| Less: Amounts disclosed under non-current assets (refer Note 16) | (230.61) | (311.44) |
| | 3,152.07 | 2,535.11 |

* The Company can utilise these balances only towards settlement of unclaimed dividend

21. Short-term loans and advances

(Unsecured, considered good unless otherwise stated)

| | 31 March 2016 | 31 March 2015 |
|---|------------------|------------------|
| Current portion of long-term loans and advances (refer Note 15) | 978.67 | 1,030.03 |
| Other short term loans and advances | | |
| To parties other than related parties | | |
| Loans and advances to employees | 318.15 | 173.07 |
| Advances to suppliers | | |
| - Considered good | 12,360.25 | 10,326.59 |
| - Considered doubtful | 13.63 | 13.63 |
| | 12,373.88 | 10,340.22 |
| Less : Provision for doubtful advances to suppliers | (13.63) | (13.63) |
| | 12,360.25 | 10,326.59 |
| Cenvat credit receivable | 91.19 | 72.99 |
| Other advances | 7,702.81 | 4,738.56 |
| | 21,451.07 | 16,341.24 |

22 Other current assets

(Unsecured, considered good)

| | 31 March 2016 | 31 March 2015 |
|--|-----------------|-----------------|
| Interest accrued on term deposits | 3.15 | 3.14 |
| Interest accrued on Inter-corporate deposits | 6.21 | 299.18 |
| Unbilled revenue | 1,626.46 | 1,102.86 |
| Lease rent receivable | 10.35 | 9.56 |
| Assets held for sale (refer Note 12) | 54.34 | - |
| | 1,700.51 | 1,414.74 |

23 Revenue from operations

| | 31 March 2016 | 31 March 2015 |
|---|------------------|------------------|
| Information technologies and consultancy services | 66,017.70 | 58,832.64 |
| Sale of equipment | 5,025.24 | 14,858.76 |
| | 71,042.94 | 73,691.40 |

24 Other income

| | 31 March 2016 | 31 March 2015 |
|--|---------------|-----------------|
| Interest income on | | |
| - Fixed deposits with banks | 49.06 | 48.61 |
| - Current investments-debentures | 4.47 | 6.83 |
| - Finance lease | 4.39 | 4.57 |
| - Others | 57.85 | 34.23 |
| Credit balances written-back | 37.46 | 144.07 |
| Foreign exchange fluctuation gain (net) | 709.85 | 1,430.91 |
| Dividend income from current investments | 0.09 | 2.70 |
| Profit on sale/redemption of current investments (net) | - | 6.77 |
| Rental income | 24.65 | 22.55 |
| Miscellaneous income | 36.40 | 24.86 |
| Refund of VAT credit written-off in earlier years | - | 27.23 |
| | 924.22 | 1,753.33 |

25. Operating expenses

| | 31 March 2016 | 31 March 2015 |
|-------------------------------------|------------------|------------------|
| Raw material | 1,345.66 | 1,796.08 |
| Stock-in-trade acquired for trading | 604.73 | 11,396.39 |
| Consultancy services | 21,679.59 | 12,744.25 |
| Other direct cost | 319.44 | 129.02 |
| | 23,949.42 | 26,065.74 |

26. Changes in inventories of raw material, finished goods and stock-in-trade

| | 31 March 2016 | 31 March 2015 |
|---|----------------|---------------|
| Stock at the beginning of the year | | |
| Raw material | 455.65 | - |
| Finished (including goods-in-transit) | 160.16 | - |
| Stock-in-trade acquired for trading (including goods-in-transit) | 54.39 | 754.25 |
| | 670.20 | 754.25 |
| Stock at the end of the year | | |
| Raw material | 631.44 | 455.65 |
| Finished (including goods-in-transit) | 68.27 | 160.16 |
| Stock-in-trade acquired for trading (including goods-in-transit) | 29.48 | 54.39 |
| | 729.19 | 670.20 |
| Changes in inventories | (58.99) | 84.05 |
| Add: Opening stock of Intellvisions Software Limited brought forward, incorporated pursuant to the scheme of amalgamation (refer Note 41) | - | 662.01 |
| Changes in inventories of raw material, finished goods and stock-in-trade | (58.99) | 746.06 |

27. Employee benefits expense

| | 31 March 2016 | 31 March 2015 |
|--|------------------|------------------|
| Salaries and wages | 28,662.18 | 25,275.82 |
| Contributions to provident and other funds | 764.08 | 904.90 |
| Compensated absences | 154.48 | (22.34) |
| Gratuity expenses | 111.10 | 131.80 |
| Staff welfare expenses | 683.23 | 699.51 |
| | 30,375.07 | 26,989.69 |

28. Finance costs

| | 31 March 2016 | 31 March 2015 |
|----------------------------|-----------------|-----------------|
| Interest expense on | | |
| - borrowings | 1,592.33 | 1,565.72 |
| - delayed payment of taxes | 157.39 | 83.52 |
| - others | 0.24 | 2.85 |
| Other borrowing charges | 557.46 | 589.64 |
| | 2,307.42 | 2,241.73 |

**29. Other expenses**

| | 31 March 2016 | 31 March 2015 |
|---|-----------------|-----------------|
| Payment to auditors | 36.50 | 33.50 |
| Bank charges | 38.78 | 52.98 |
| Bad debts | 263.78 | 421.57 |
| Computer expenses | 109.63 | 462.07 |
| Communication expenses | 557.40 | 523.82 |
| Electricity expenses | 225.99 | 206.45 |
| Rent | 1,376.24 | 1,287.51 |
| Legal and professional fees | 1,082.98 | 801.94 |
| Contribution to Corporate Social Responsibility (refer Note 46) | 35.00 | 75.00 |
| Office expenses | 31.22 | 34.22 |
| Business promotion expenses | 283.12 | 171.48 |
| Printing and stationery | 30.27 | 32.06 |
| Travelling expenses | 1,654.41 | 1,781.57 |
| Loss on disinvestment of subsidiary | 0.35 | - |
| Insurance | 46.38 | 38.70 |
| Repairs and maintenance - others | 165.99 | 243.98 |
| Rate and taxes | 416.88 | 188.98 |
| Recruitment charges | 340.10 | 305.16 |
| Loss on sale/ discarding of fixed assets | 148.63 | 1.27 |
| Provision for doubtful debts | 130.94 | 348.73 |
| Provision for tender deposit | 9.98 | - |
| Membership and subscription charges | 36.21 | 25.05 |
| Directors sitting fees | 4.24 | 1.60 |
| Commission and brokerage | 331.96 | 200.08 |
| Loss on sale/redemption of current investments (net) | 0.07 | - |
| Sundry balance written-off | 14.22 | 2.08 |
| Miscellaneous expenses | 139.78 | 202.47 |
| | 7,511.05 | 7,442.27 |

30. Contingent liabilities and commitments

(to the extent not provided for)

| | 31 March 2016 | 31 March 2015 |
|---|---------------|---------------|
| Contingent liabilities: | | |
| a) Stand by letter of Credit given on behalf of the subsidiaries | 3,850.16 | 3,950.35 |
| b) Disputed liabilities in appeal-Excise-duty (including Penalty) | 434.09 | 434.09 |
| c) Performance Bond | 2.96 | 2.80 |
| d) Income Tax matter | 2.76 | - |
| Commitments: | | |
| e) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) | 583.00 | 583.00 |

Note: The Group is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liability, where applicable in its consolidated financial statements. The Group's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect of the Group's consolidated results of operations or financial condition.

31. Earnings per share (EPS)
Basic and diluted

| Particulars | 31 March 2016 | 31 March 2015 |
|---|---------------|---------------|
| Net profit before exceptional items and after tax attributable to equity shareholders | 5,417.19 | 7,917.66 |
| Net loss after exceptional items and tax attributable to equity shareholders | 5,417.19 | (14,375.81) |
| Number of shares considered as weighted average shares outstanding | 20,836,575 | 19,506,655 |
| Add: Effect of potential issue of shares/stock options/share warrants* | - | - |
| Number of shares considered as weighted average shares and potential shares outstanding | 20,836,575 | 19,506,655 |
| Face value per share (₹) | 10.00 | 10.00 |
| EPS after exceptional items and tax | | |
| Basic and diluted EPS (₹) | 26.00 | (73.70) |
| EPS before exceptional items but after tax | | |
| Basic and diluted EPS (₹) | 26.00 | 40.59 |

*Not considered when anti-dilutive

32. Related party disclosures
1. Names of related parties and description of relationships:
a) Parties where control exists:

The related parties where control exists are subsidiaries as referred in Note. 1 to these consolidated financial statements.

b) Key managerial personnel:

Paresh Zaveri, Chairman
Amit Sheth, Co-Chairman and Managing Director
Samir Shah, Director
Sanjay Desai, Executive Director (till 06 October 2014)



2. Transactions during the year and balances outstanding as at the year-end:

| Particulars | 31 March 2016 | 31 March 2015 |
|---|---------------|---------------|
| Key managerial personnel: | | |
| Remuneration * | 230.46 | 223.14 |
| Dividend paid | 124.79 | 95.15 |
| Short-term borrowings taken | 1087.65 | 616.61 |
| Short-term borrowings repaid | 1,190.78 | 633.62 |
| Outstanding at the year end : | | |
| Short term borrowings | 128.95 | 232.08 |
| * excluding ESOP, gratuity and compensated absences | | |

Out of the above, transactions with related parties in excess of 10% of the total related party transactions are as under:

| Particulars | 31 March 2016 | 31 March 2015 |
|---------------------------------------|---------------|---------------|
| Remuneration | | |
| Amit Sheth | 73.38 | 66.24 |
| Sanjay Desai | - | 37.98 |
| Samir Shah | 157.08 | 118.92 |
| Dividend paid | | |
| Amit Sheth | 35.00 | 23.34 |
| Sanjay Desai | - | 11.95 |
| Samir Shah | 8.66 | 5.77 |
| Paresh Zaveri | 81.13 | 54.09 |
| Short term borrowing taken | | |
| Amit Sheth | 960.90 | 616.61 |
| Paresh Zaveri | 126.75 | - |
| Short term borrowing repaid | | |
| Amit Sheth | 1,067.28 | 510.10 |
| Paresh Zaveri | 123.50 | 123.52 |
| Outstanding as at the year end | | |
| Short-terms borrowings | | |
| Amit Sheth | 55.56 | 161.94 |
| Sanjay Desai | 32.00 | 32.00 |
| Paresh Zaveri | 41.39 | 38.14 |

Note:

1. Facilities from State Bank of India are secured by pledge of equity shares, hypothecation of the properties and personal guarantees of Amit Sheth and Sanjay Desai. This facility is also secured by pledge of shares and corporate guarantee of Aurionpro Solutions Pte. Limited, Singapore.
2. Personal guarantee given by Amit Sheth on behalf of the Company to Axis Bank Limited and DBS Bank Limited.
3. Cash credit facility from Axis Bank Limited is secured by personal guarantees of Amit Sheth.
4. During the previous year, Term loan from Reliance Capital Limited was secured by charge on receivables from Reliance Capital Limited by Aurofidel Outsourcing Limited.

33. Segment reporting

The Group has determined its primary reportable segment as geography identified on the basis of the location of assets which, in management's opinion, is the predominant source of risks and rewards. Since, the Group is dealing only in software development and related activities, no business segment has been identified as secondary segment as per Accounting Standard (AS 17) on "Segment Reporting".

The Group's business is organized into five key geographic segments comprising India, the United States of America (USA), Middle East, Singapore and Others.

Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

Segment assets and liabilities represent the assets and liabilities in respective segments. Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis, have been disclosed as "Unallocable".

| Particulars | India | USA | Middle East | Singapore | Others | Elimination | Unallocated | Total |
|---|------------------|------------------|------------------|------------------|-----------------|-------------------|-------------|------------------|
| I. Segment Revenue | | | | | | | | |
| Information technology and consultancy services | 6,594.56 | 29,856.63 | 11,419.75 | 11,545.57 | 6,601.19 | - | - | 66,017.70 |
| | 5,444.14 | 29,462.75 | 9,037.00 | 7,618.67 | 7,292.64 | - | - | 58,855.20 |
| Sale of equipment | 5,025.24 | - | - | - | - | - | - | 5,025.24 |
| | 14,858.76 | - | - | - | - | - | - | 14,858.76 |
| Total External Revenue | 11,619.80 | 29,856.63 | 11,419.75 | 11,545.57 | 6,601.19 | - | - | 71,042.94 |
| | 20,302.90 | 29,462.75 | 9,037.00 | 7,618.67 | 7,292.64 | - | - | 73,713.96 |
| Inter Segment Revenue | | | | | | | | |
| Information technology and consultancy services | 4,270.69 | 135.80 | 576.55 | 1,625.79 | - | 6,608.83 | - | - |
| | 5,476.87 | - | 861.46 | 1,896.37 | - | 8,234.70 | - | - |
| Sale of equipment | - | - | - | - | - | - | - | - |
| | - | - | - | - | - | - | - | - |
| Total Internal Revenue | 4,270.69 | 135.80 | 576.55 | 1,625.79 | - | 6,608.83 | - | - |
| | 5,476.87 | - | 861.46 | 1,896.37 | - | 8,234.70 | - | - |
| Total Revenue | 15,890.49 | 29,992.43 | 11,996.30 | 13,171.36 | 6,601.19 | (6,608.83) | - | 71,042.94 |
| | 25,779.77 | 29,462.75 | 9,898.46 | 9,515.04 | 7,292.64 | (8,234.70) | - | 73,713.96 |
| Segment Results before Interest and Tax | 3,131.39 | 771.47 | 3,294.28 | 1,628.26 | 3.64 | (291.88) | - | 8,537.16 |
| | 1,977.98 | 840.16 | 6,072.35 | 4,103.18 | (24.08) | (2,538.40) | - | 10,431.19 |
| Finance cost | - | - | - | - | - | - | (2,307.42) | (2,307.42) |
| | - | - | - | - | - | - | (2,241.73) | (2,241.73) |
| Segment Results before taxation and minority interest and exceptional items | 3,131.39 | 771.47 | 3,294.28 | 1,628.26 | 3.64 | (291.88) | (2,307.42) | 6,229.74 |
| | 1,977.98 | 840.16 | 6,072.35 | 4,103.18 | (24.08) | (2,538.40) | (2,241.73) | 8,189.46 |
| Exceptional items | - | - | - | - | - | - | - | - |
| | - | - | (14,377.60) | (7,915.87) | - | - | - | (22,293.47) |
| Segment Results before taxation and minority interest | 3,131.39 | 771.47 | 3,294.28 | 1,628.26 | 3.64 | (291.88) | (2,307.42) | 6,229.74 |
| | 1,977.98 | 840.16 | (8,305.25) | (3,812.69) | (24.08) | (2,538.40) | (2,241.73) | (14,104.01) |
| Taxation | - | - | - | - | - | - | (720.73) | (720.73) |
| | - | - | - | - | - | - | (282.66) | (282.66) |
| Minority interest | - | - | - | - | - | - | (91.81) | (91.81) |
| | - | - | - | - | - | - | 10.86 | 10.86 |
| Segment Results after taxation and minority interest | - | - | - | - | - | - | - | 5,417.19 |
| | - | - | - | - | - | - | - | (14,375.81) |
| Other Information | | | | | | | | |
| Segment Assets | 70,098.96 | 6,982.16 | 22,219.60 | 25,880.35 | 2,951.04 | (54,667.91) | 18,996.18 | 92,460.38 |
| | 63,153.59 | 8,165.79 | 18,749.08 | 19,745.35 | 2,627.08 | (47,870.15) | 17,892.46 | 82,463.20 |
| Segment Liabilities | 4,796.30 | 5,099.44 | 2,617.21 | 2,101.13 | 1,713.41 | (4,733.68) | 21,310.62 | 32,904.43 |
| | 6,026.37 | 2,323.88 | 2,880.75 | 1,997.47 | 1,038.75 | (2,612.41) | 22,381.62 | 34,036.43 |
| Capital Expenditure | 2,926.18 | 209.19 | - | - | 0.50 | - | - | 3,135.87 |
| | 3,263.57 | 955.78 | 5,199.46 | 1,289.85 | 0.01 | - | - | 10,708.67 |



34. Leases

Premises taken on operating lease

The Group has entered into non-cancellable and cancellable operating lease agreements for leasing office and residential spaces. The lease agreements provide for cancellation by either party with a notice period of three to six months and also contain a clause for renewal of the lease agreements either at the option of the Group or as mutually agreed by both the parties.

Operating leases as lessee

| Particulars | 31 March 2016 | 31 March 2015 |
|---|-----------------|-----------------|
| Not later than one year | 900.18 | 590.20 |
| Later than one year but not later than five years | 554.70 | 778.88 |
| Later than five years | - | - |
| Total | 1,454.88 | 1,369.08 |

Rent expense for all operating leases for the year ended 31 March 2016 aggregate ₹ 1,376.24 (31 March 2015: ₹ 1,287.51)

Operating leases as lessor

The Company has given equipments on non-cancellable operating lease. The future minimum lease rental receivable as at 31 March 2016 are as follows:

| Particulars | 31 March 2016 | 31 March 2015 |
|---|-----------------|---------------|
| Not later than one year | 3,792.11 | 307.40 |
| Later than one year but not later than five years | 5,579.40 | 271.30 |
| Later than five years | - | - |
| Total | 9,371.51 | 578.70 |

Finance lease as lessee

Future minimum lease rentals payable as at 31 March 2016 as per the lease agreements.

| Particulars | As at 31 March 2016 | | | As at 31 March 2015 | | |
|--|-----------------------|---|--|-----------------------|---|--|
| | Minimum Lease Payment | Finance charges allocated to future periods | Present value of minimum lease payment | Minimum Lease Payment | Finance charges allocated to future periods | Present value of minimum lease payment |
| Not later than one year | 15.88 | 0.61 | 15.27 | 13.00 | 1.22 | 11.78 |
| Later than one year, but not later than five years | 30.34 | 1.17 | 29.18 | 48.49 | 4.48 | 44.01 |
| Later than five years | - | - | - | - | - | - |
| Total | 46.22 | 1.78 | 44.45 | 61.49 | 5.70 | 55.79 |

Finance lease as lessor

The company has given equipments on non-cancellable finance lease. The future minimum lease rental receivable as at 31 March 2016 are as follows:

| Particulars | Minimum lease payment | Finance Charges | Present value of minimum lease payments |
|---|-----------------------|-----------------|---|
| Not later than one year | 10.35 | 2.22 | 8.13 |
| Later than one year but not later than five years | 3.02 | 0.12 | 2.90 |
| Later than five years | - | - | - |
| Total | 13.37 | 2.34 | 11.03 |

The company has given equipments on non-cancellable finance lease. The future minimum lease rental receivables as at 31 March 2015 are as follows:

| Particulars | Minimum lease payment | Finance Charges | Present value of minimum lease payments |
|---|-----------------------|-----------------|---|
| Not later than one year | 9.56 | 4.25 | 5.31 |
| Later than one year but not later than five years | 12.64 | 2.21 | 10.43 |
| Later than five years | - | - | - |
| Total | 22.20 | 6.46 | 15.74 |

35. Employee benefit plans

Defined contribution plans

The Group makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund, which is a defined contribution plan. The Group has no obligations other than to make the specified contributions. The contributions are charged to the Consolidated Statement of Profit and Loss as they accrue. The amount recognized as an expense towards contribution to provident fund, ESIC and other funds for the year aggregated to ₹ 764.08 (31 March 2015: ₹ 904.90).

Retirement Plan for U.S.A Companies:

Aurionpro Solutions Inc, USA sponsors a 401(K) saving and profit sharing plan for the benefit of its employees. Employees are eligible for participation on the first day of the month following their month of employment and after reaching 21 years of age and completing 1,000 hours of service. Participants may contribute upto 96% of their eligible compensation to the plan, subject to the limits of the Internal Revenue Code. Effective 1 January 2011, the subsidiary has elected to make matching contributions to participants in an amount equal to 100 % of the first 3% of eligible compensation and 50% of the next 2%. Contributions to the plan for the year ended 31 March 2016 amounted to ₹ 324.18 (31 March 2015 ₹ 257.99) equivalent to USD 495,309 (31 March 2015: USD 412,188).

Defined benefit plans

The Company and its Indian Subsidiaries have a scheme for payment of gratuity to all its employees as per the provisions of the Payment of Gratuity Act, 1972. The Company and its Subsidiaries provide for period end liability using the projected unit credit method as per the actuarial valuation carried out by independent actuary. The gratuity plan is a funded plan.

The following table summarizes the principal assumptions used for defined benefit obligation and related disclosures:

| Reconciliation of opening and closing balances of the present value of the defined benefit obligation | 31 March 2016 | 31 March 2015 |
|---|---------------|---------------|
| Obligations at beginning of the year | 367.92 | 201.14 |
| Current service cost | 59.79 | 48.82 |
| Interest cost | 25.98 | 22.99 |
| Liability transferred in (See note (a) below) | - | 46.53 |
| Actuarial loss | 27.73 | 63.52 |
| Past service cost | - | - |
| Benefits paid | (38.44) | (15.08) |
| Obligations at the end of the year | 442.98 | 368.42 |
| Change in plan assets | | |
| Fair value of plan assets at beginning of the year | 73.52 | 30.07 |
| Expected return on plan assets | 5.04 | 3.82 |
| Actuarial (loss)/ gain | (2.64) | (0.29) |
| Assets transferred in (See note (a) below) | - | 35.56 |
| Contributions | 39.51 | 19.44 |
| Benefits paid | (38.44) | (15.08) |
| Fair value of plan assets at end of the year | 76.99 | 73.52 |
| Reconciliation of present value of the obligation and the fair value of plan assets | | |
| Present value of the defined benefit obligations at the end of the year | 442.98 | 367.92 |
| Fair value of plan assets at the end of year | (76.99) | (73.52) |
| Funded status being amount of liability recognized in the balance sheet | 365.99 | 294.40 |

Note (a) – 31 March 2015 represents accumulated past cost of gratuity benefit pertaining to the employees of the erstwhile Intellvisions (since merged with the Company – refer Note 36 expensed to the Statement of Profit and Loss.

| Expenses recognised in the statement of profit and loss | 31 March 2016 | 31 March 2015 |
|---|---------------|---------------|
| Cost for the year | | |
| Service cost (See note (b) below) | 59.79 | 48.82 |
| Interest cost | 25.98 | 19.17 |
| Expected return on plan assets | (5.04) | (3.82) |
| Past service cost | - | - |
| Actuarial loss | 30.37 | 67.63 |
| Net gratuity cost | 111.10 | 131.80 |
| Balance sheet reconciliation | | |
| Opening net (Liability) / assets | (294.40) | (182.06) |
| Expenses as above | 111.10 | 131.80 |
| Employers contribution paid | 39.51 | 19.44 |
| Assets / (Liability) recognised in the balance sheet | (365.99) | (294.40) |
| Actual return on plan assets : | | |
| Expected return on plan assets | 5.04 | 3.82 |
| Actuarial gains/(loss) on plan assets | (2.64) | (0.29) |
| Net actual return on plan assets | 2.40 | 3.53 |

The following table summarizes the principal assumptions used for defined benefit obligation and related disclosures:

| Investment details of plan assets (percentage of total assets of gratuity plan) | 31 March 2016 | 31 March 2015 |
|---|------------------|---------------|
| Insurer Managed funds | 100% | 100% |
| Total plan assets | 100% | 100% |
| Assumptions used to determine the benefit obligations: | | |
| Interest rate / discounting rate | 7.72% to 7.96% | 7.92% |
| Estimated rate of return on plan assets | 7.72% to 7.79% | 7.92% |
| Rate of growth in salary levels | 5% to 16% | 10.00% |
| Withdrawal rate | | |
| 0-5 Years | 15.77% to 26.84% | 12% to 25% |
| Above 5 years | 2% to 13.34% | 2% to 5% |

Note (b) – Service cost includes accumulated past cost of gratuity benefit pertaining to the employees of the erstwhile Intellvisions (since merged with the Company – refer Note 36 expenses to the Statement of Profit and Loss.

Experience adjustments

| Particulars | 31 March 2016 | 31 March 2015 | 31 March 2014 | 31 March 2013 | 31 March 2012 |
|--|---------------|---------------|---------------|---------------|---------------|
| Defined benefit obligation | 442.98 | 367.92 | 204.76 | 100.89 | 81.92 |
| Plan assets | 76.99 | 73.52 | 33.09 | 26.85 | 16.66 |
| Surplus / (deficit) | (365.99) | (294.40) | (171.67) | (74.04) | (65.26) |
| Experience adjustment on plan liabilities (gains)/losses | 26.03 | (12.17) | 21.74 | (2.16) | 26.00 |
| Experience adjustment on plan assets gains/(losses) | (2.64) | (0.30) | 0.05 | 0.74 | 0.18 |

Liability classification into Current / Non-Current

| Amount recognised in the balance sheet | 31 March 2016 | 31 March 2015 |
|--|---------------|---------------|
| Current | 206.61 | 139.19 |
| Non-current | 324.69 | 155.72 |

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

The Company continues to fund to the trust in next year by reimbursing the actual pay-outs.

Compensated leave absences recognized in the Statement of Profit and Loss is ₹ 154.48 (31 March 2015: ₹ (22.34)).

36. Amalgamation/acquisition

Amalgamation of Intellvisions Software Limited

Pursuant to the Scheme of Amalgamation (hereinafter referred to as "Scheme"), as on and from 1 April 2014, being the appointed date pursuant to the approval of Board of Directors and shareholders of the Company and sanctioned by the Honorable High Court of Bombay vide its order dated 30 January 2015 which was filed with Registrar of Companies on 12 March 2015, Intellvisions Software Limited (hereinafter referred to as 'Intellvisions'), a company engaged in the forefront of the self service industry and over last few years has developed an unrivalled range of customer touch points. Intellvisions product offerings include Queue Management Systems, Digital Signage Solutions, Customer Feedback Systems and Self Service Kiosks for a wide range of functions including Cash and Cheque Deposit Automation, e-Governance Kiosks equipped with a variety of peripherals was amalgamated into the Company.

The Company carried out the accounting treatment prescribed in the Scheme as approved by the Honorable High Court of Bombay. The required disclosures for accounting of scheme as per the 'Pooling of Interest Method' as given under Accounting Standard 14 (AS 14) 'Accounting for Amalgamations' as prescribed under the Companies (Accounts) Rules, 2014 was provided.

Hence, in accordance with the Scheme:

- a) The Company took over all the assets aggregating to ₹ 4,574.47 and liabilities aggregating to ₹ 860.95 at their respective book values. Also, as per the Scheme, the identity of reserves of Intellvisions aggregating to ₹ 2,572.54 was required to be maintained by the Company as on the appointed date;
- b) Pursuant to Scheme, the Company issued and allotted 33 equity shares of face value of ₹ 10 each, fully paid-up to the Shareholders of Intellvisions for every 250 equity share of face value of ₹ 10 each, fully paid-up held by the Shareholders of Intellvisions. Accordingly, 1,506,120 equity shares of face value of ₹ 10 each, fully paid-up was issued and allotted to the Shareholders of Intellvisions. As per the Scheme, approved by the Honorable High Court of Bombay, such excess consideration paid over the net assets acquired amounting to ₹ 990.37, was required to be credited to the "Capital reserves" of the Company ;
- c) The financial results for the year ended 31 March 2015 included the income and expenses of Intellvisions;
- d) As at 31 March 2014, the accumulated retained earnings (surplus in the Statement of Profit and Loss) amounting to ₹ 749.83, Capital reserves amounting to ₹ 46.43, Securities premium reserves amounting to ₹ 1,647.64 and General reserves amounting to ₹ 128.64 was aggregated with the corresponding balance of the Company as at that date respectively;
- e) Pursuant to the Scheme, the Company aligned the accounting policies of Intellvisions. Consequent to this alignment of accounting policies, ₹ 22.57 was debited to the General reserve as per the accounting treatment mentioned in the Scheme; and
- f) Further, for the year ended 31 March 2015, as Intellvisions carried on its existing business in trust for and on behalf of the Company, all vouchers, documents, etc. for the year ended 31 March 2015 were in the name of Intellvisions. The title deeds, licenses, agreements, loan documents etc., were being transferred in the name of the Company.



In terms of the Scheme, assets and liabilities acquired were as under:

| | 31 March 2014 |
|--------------------------------|-----------------|
| LIABILITIES | |
| Reserves and surplus | 2,572.54 |
| Non-current liabilities | |
| Long-term borrowings | 354.43 |
| Current liabilities | |
| Trade payables | 182.42 |
| Other current liabilities | 246.38 |
| Short-term provisions | 77.72 |
| | 3,433.49 |
| ASSETS | |
| Non-current assets | |
| Fixed assets | 1,461.44 |
| Non-current investments | 61.50 |
| Long-term loans and advances | 468.93 |
| Deferred tax assets (net) | 29.02 |
| Current assets | |
| Current investments | 3.97 |
| Inventories | 662.01 |
| Trade receivables | 884.75 |
| Cash and bank balances | 764.55 |
| Short-term loans and advances | 127.15 |
| Other current assets | 111.15 |
| | 4,574.47 |

37. Employee Stock Option Scheme (ESOS)

Employee stock option scheme 2010 ('ESOS - 2010')

In August 2010, the Board of the Company approved the ASL Employee Stock Option Scheme 2010 ('ESOS - 2010'), which covers the employees and directors (except Promoter Director) of the Company including its subsidiaries. The Scheme is administered and supervised by the Compensation Committee (the "Committee").

As per the Scheme, the Committee issued stock options to the employees at an exercise price which was the market price i.e. the latest available closing price prior to the date of the grant as quoted on National Stock Exchange of India Limited or as determined by the Committee and payable by the grantee for exercising the option granted to them in pursuance of ESOS, but in any case the exercise price was not less than ₹ 90 per option.

As per scheme these options vested in tranches over a period of three years as follows:

| Period within which options will vest into the participant | % of options that will vest |
|--|-----------------------------|
| 12 months from the date of grant of options | 20 |
| 24 months from the date of grant of options | 30 |
| 36 months from the date of grant of options | 50 |

Further, the participants had right to exercise the options within a period of one year commencing after 12 months from the date of vesting of the options.

Employee stock option activity under ESOS - 2010 is as follows:

| | 31 March 2016 | | 31 March 2015 | |
|--|-------------------------------|---|-------------------------------|---|
| Description Exercise Range (in Rs) : | Shares arising out of options | Weighted average remaining contractual term (in months) | Shares arising out of options | Weighted average remaining contractual term (in months) |
| Outstanding at the beginning of the year | - | - | 150,000 | ..* |
| Granted during the year | - | - | 250,000 | ..* |
| Forfeited during the year | - | - | 150,000 | ..* |
| Exercised during the year | - | - | 250,000 | ..* |
| Outstanding at the end of the year | - | - | - | - |
| Exercisable at the end of the year | - | - | - | - |

* The period is less than one month.

The Company applies the intrinsic value based method of accounting for determining compensation cost for its stock- based compensation plan. Had the compensation cost been determined using the fair value approach, the Company's net income and basic and diluted earnings per share as reported would have reduced to the proforma amounts as indicated:

| Particulars | 31 March 2016 | 31 March 2015 |
|---|---------------|---------------|
| Net income as reported | 5,417.19 | (14,375.81) |
| Less: Stock-based employee compensation expense (fair value method) | - | - |
| Proforma net income | 5,417.19 | (14,375.81) |
| Basic and Diluted earnings per share as reported (₹) | 26.00 | (73.70) |
| Proforma basic and Diluted earnings per share (₹) | 26.00 | (73.70) |

38. Issue of Preferential Shares:

1. During the year, the Company has made allotment of share warrants and fully paid up equity shares on cash basis to Promoter and Non-promoter group details of which are as follows:

- On 15th October 2015, the Company has allotted 740,000 share warrants and 800,000 fully paid up equity shares having a nominal value of ₹ 10 each at a premium of ₹ 210 per share and;
- On 27th October 2015, the Company has allotted 500,000 share warrants and 1,295,983 fully paid up equity shares having a nominal value of ₹ 10 each at a premium of ₹ 210 per share.

39.

As required by the Bahrain Commercial Companies Law, in the case of Aurionpro Solutions SPC Bahrain, an amount equivalent to 10% of the subsidiary's net profit before appropriations is required to be transferred to a non-distributable reserve account up to a minimum of 50% of the issued share capital. During the year, an amount of ₹ 252.24 (31 March 2015 ₹ Nil) equivalent to Bahrain Dinar ('BD') BD 144,868 (31 March 2015: BD Nil) has been transferred to this reserve.

40.

The Guidance Note on Accounting for Employee Share-based Payments issued by The Institute of Chartered Accountants of India requires that shares allotted to a trust but not transferred to employees be reduced from Share capital and Reserves and surplus. Accordingly, the Group has reduced the Share capital by ₹ Nil (31 March 2015: ₹ 18.15) and Securities premium account by ₹ Nil (31 March 2015: ₹ 308.52) for the 181,485 shares of ₹ 10 each (31 March 2015: 181,485 shares) held by the trust pending transfer to the eligible employees

**41. Additional information to be given as required under Schedule III to the Companies Act 2013, of enterprises as subsidiary**

| Name of the entity | Net Assets, i.e., total assets minus total liabilities | | Share in profit or loss | |
|---|--|------------------|-------------------------------------|-----------------|
| | As % of consolidated net assets | Amount | As % of consolidated profit or loss | Amount |
| For the year ended | 31 March 2016 | | 31 March 2016 | |
| Parent | | | | |
| Aurionpro Solutions Limited | 70.83% | 42,087.76 | 22.68% | 1,228.60 |
| Subsidiary | | | | |
| Indian | | | | |
| Auroscient Outsourcing Limited | 0.05% | 29.56 | 0.09% | 4.98 |
| Aurofidel Outsourcing Limited | 0.40% | 239.48 | 0.19% | 10.54 |
| Intellvisions Solutions Private Limited | -0.18% | (106.00) | -0.58% | (31.26) |
| Servopt Consulting Private Limited | 0.02% | 11.38 | 0.06% | 3.31 |
| Foreign | | | | |
| Aurionpro Solutions Pte. Limited | 6.24% | 3,710.02 | 19.33% | 1,046.92 |
| Aurionpro SCM Pte. Limited | 14.52% | 8,626.04 | 15.33% | 830.25 |
| PT Aurionpro Solutions | 0.43% | 252.82 | 1.25% | 67.75 |
| Aurionpro Solutions Inc. | 3.82% | 2,267.86 | -17.55% | (950.92) |
| Aurionpro Solutions SPC | 12.68% | 7,536.70 | 46.94% | 2,542.56 |
| Intellvisions Software LLC | 0.57% | 338.62 | 7.00% | 379.09 |
| Intellvisions Security & Servelliance LLC | 0.01% | 5.94 | 0.23% | 12.23 |
| Sub-total | | 65,000.18 | | 5,144.04 |
| Less: Adjustments arising out of consolidation | -9.39% | (5,581. 21) | 6.74% | 364.96 |
| Grand total | | 59,418.97 | | 5,509.01 |
| Minority Interest in subsidiaries | -0.23% | (136.98) | -1.69% | (91.81) |
| Consolidated Net Assets / Profit after tax | 99.77% | 59,555.95 | 100.00% | 5,417.19 |

42. Dues to Micro and Small Enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to dues to Micro and Small enterprises.

On the basis of the information and records available with the Company, the following disclosures are made for the amounts due to the Micro and Small enterprises:

| Particulars | 31 March 2016 | 31 March 2015 |
|---|---------------|---------------|
| Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year | | |
| - Principal | 3.38 | - |
| - Interest | 0.01 | - |
| the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year; | - | - |

Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006

- -

| Particulars | 31 March 2016 | 31 March 2015 |
|--|---------------|---------------|
| Amount of interest accrued and remaining unpaid at the end of the accounting year/period. | 0.01 | - |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006 | 0.01 | - |

43. Exceptional Item

During the previous year, the Group has reassessed the useful life of its software products. As a result, a provision of ₹ 22,293.47 on certain intangible fixed assets has been included under "Impairment" in Note 12 and disclosed as "Exceptional Item" in the Consolidated Statement of Profit and Loss."

44. Subsequent Events:

On 1 April 2016, the Group entered into an Asset Purchase Agreement (the "Agreement") to sell, transfer and assign the rights, title and interest in certain contracts, agreements, commitments, purchase orders and other arrangements with customers. The closing purchase price was ₹ 2,653.20 (\$ 4,000,000), which was to be received in cash of ₹ 1,658.25 (\$ 2,500,000) at closing and a ₹ 994.95 (\$ 1,500,000) note receivable payable in 12 equal monthly installments commencing on the first anniversary of the closing date. The Group received a deposit of ₹ 132.66 (\$ 200,000) in March 2016 that has been recorded as deferred revenue as at 31 March 2016. Balance amount of purchase price of ₹ 1,525.59 (\$ 2,300,000) has been received subsequently in April 2016. In addition to the closing purchase price, the Group can receive a contingent payment of up to a maximum of ₹ 663.30 (\$ 1,000,000) within fifteen days from the first anniversary of the closing date dependent on the production of one customer sold, as defined in the Agreement.

45. Previous year's figures have been regrouped or reclassified wherever necessary to conform to the current year's presentation.

| Particulars | Reclassification made from the head | Reclassification made to the head | 31 March 2015 |
|---------------------------------|-------------------------------------|------------------------------------|---------------|
| Rental income | Revenue from operations | Other income | 22.55 |
| Employee benefits payable | Trade payable | Other current liabilities | 5.00 |
| Staff welfare expenses | Other expenses | Employee benefits expense | 11.90 |
| Loans and advances to employees | Short-term loans and advances | Long-term loans and advances | 1.30 |
| Short-term borrowings | Short-term borrowings | Current Maturity of long term debt | 1,564.77 |

46. Corporate Social Responsibilities

As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Group. The Group has also framed CSR policy based on the provisions of CSR Rules, 2014. During the year under review, as a part of CSR initiatives, the Group have contributed to a registered trust undertaking CSR activities so as to serve students in rural and semi-rural areas with facility to educate themselves in technical and other basic education with emphasis on educating backward class, scheduled class and orphaned students. The said contribution is in compliance with the CSR policy, provisions of Companies Act, 2013 read with Schedule VII and CSR Rules, 2014. The Group does not carry any provisions for Corporate Social responsibility expenses for current year and previous year.

47. The Management is in the process of identifying and appointing a Chief Financial Officer as required under Section 203 of the Companies Act, 2013.

As per our report of even date attached.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Bhavesh Dhupelia

Partner

Membership No: 042070

Mumbai

30 May 2016

For and on behalf of the Board of Directors of Aurionpro Solutions Limited

CIN- L99999MH1997PLC111637

Amit Sheth

Co-Chairman and Managing Director

DIN : 00122623

Paresh Zaveri

Chairman

DIN : 01240552

Mahendra Mehta

Director

DIN : 00376396

Ninad Kelkar

Company Secretary

Membership No: ACS 17824

Mumbai

30 May 2016



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(Currency: In lakhs of Indian Rupees)

Statement pursuant to first proviso to sub-section (3) of the section 129 of the Companies Act, 2013 read with rule 5 of the Companies (Accounts) Rules, 2014 in the prescribed Form AOC -1 relating to subsidiary companies

| Sr. No. | Name of the subsidiary company | Reporting currency | Exchange rate | Capital | Reserves | Total Assets | Total Liabilities |
|---------|---|--------------------|---------------|----------|----------|--------------|-------------------|
| 1 | Aurionpro Solutions Pte Limited | USD | 66.33 | 2,057.52 | 1,652.51 | 10,759.92 | 7,049.89 |
| 2 | Aurionpro Solutions Inc. | USD | 66.33 | 198.17 | 2,069.69 | 20,924.85 | 18,656.99 |
| 3 | Aurionpro Solutions SPC | BHD | 174.12 | 2,172.62 | 5,364.08 | 20,722.30 | 13,185.60 |
| 4 | Auroscient Outsourcing Limited | INR | 1.00 | 5.00 | 24.56 | 11,185.35 | 11,155.79 |
| 5 | Aurofidel Outsourcing Limited | INR | 1.00 | 50.00 | 189.48 | 4,215.10 | 3,975.62 |
| 6 | Aurionpro SCM Pte Limited | USD | 66.33 | 5,529.46 | 3,096.59 | 8,901.97 | 275.92 |
| 7 | PT Aurionpro Solutions | USD | 66.33 | 66.33 | 186.49 | 443.24 | 190.42 |
| 8 | Intellvisions Solutions private Limited | INR | 1.00 | 1.00 | (107.00) | 423.35 | 529.35 |
| 9 | Servopt Consulting Private Limited | INR | 1.00 | 1.00 | 10.38 | 12.52 | 1.14 |
| 10 | Intellvisions Software LLC | AED | 18.03 | 54.09 | 284.53 | 950.89 | 612.27 |
| 11 | Intellvisions Security & Surveillance | AED | 18.03 | 27.05 | (21.11) | 39.13 | 33.19 |

Note: Indian Rupee equivalents of the figures given in foreign currencies in the accounts of the subsidiary companies, are based on the exchange rates as on 31 March 2016.

| Investments | Turnover | Profit/(Loss) before Taxation | Provisions for Taxation (including deferred tax) | Profit/(Loss) after Taxation | Proposed Dividend | % of Shareholding | Country |
|-------------|-----------|-------------------------------------|---|------------------------------------|----------------------|----------------------|-----------|
| 337.02 | 3,484.01 | 1,049.23 | 2.31 | 1,046.92 | - | 100 | Singapore |
| - | 43,146.13 | (981.08) | (30.15) | (950.93) | - | 100 | USA |
| - | 10,118.73 | 2,542.56 | - | 2,542.56 | - | 100 | Bahrain |
| - | 90.00 | (5.12) | (10.10) | 4.98 | - | 100 | India |
| - | 273.29 | 13.03 | 2.49 | 10.54 | - | 100 | India |
| - | 2,688.02 | 844.65 | 14.40 | 830.25 | - | 100 | Singapore |
| - | 435.85 | 67.75 | - | 67.75 | - | 80 | Indonesia |
| - | - | (31.19) | 0.07 | (31.26) | - | 100 | India |
| - | 28.50 | 4.85 | 1.54 | 3.31 | - | 100 | India |
| - | 1,258.08 | 379.09 | - | 379.09 | - | 100 | Dubai |
| - | 100.43 | 12.23 | - | 12.23 | - | 100 | Dubai |

Corporate Headquarter

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