DIRECTORS' REPORT

Dear Members,

The Directors have pleasure in presenting their Annual report and Audited Accounts for the year ended December 31, 2014.

1. **FINANCIAL HIGHLIGHTS:**

Particulars	**RMB Yuan**	
	2014	*2013 **
Total Income	**1,910,829**	*152,221*
Profit/(Loss) before Tax	**(405,077)**	*(392,813)*
Less : Tax	**–**	–
Net Profit/(Loss) after Tax	**(405,077)**	*(392,813)*
Add: Balance b/f from previous year	**(392,813)**	–
Balance to be carried forward	**(797,890)**	*(392,813)*

* For the period June 28, 2013 till December 31, 2013.

2. **CAPITAL & FINANCE:**

During the year under review, an investment of USD 80,000 was made by Larsen & Toubro Infotech Limited, the parent company, towards the equity capital of the Company.

3. **STATE OF COMPANY AFFAIRS:**

The total income for the financial year under review was RMB 1.91 Mn as against RMB 0.16 Mn. for the previous financial year. The loss for the current year was RMB 0.4 Mn as against loss of RMB 0.39 Mn. for the previous financial year.

The loss for current year is primarily due to the fact that the revenue is not yet sufficient to meet operating expenses.

4. **DIVIDEND:**

The Directors do not propose the payment of any dividend during the year ended December 31, 2014.

5. **AUDITORS:**

M/s Shanghai Linfang Certified Public Accountants Co., Ltd. are the auditors of the Company. They will continue to be auditors of the Company for the ensuing financial year.

6. **DIRECTORS RESPONSIBILITY STATEMENT:**

The Board of Directors of the Company confirms:

a) In the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) 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 and of the profit or loss of the Company for that period;

c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The Directors have prepared the Annual Accounts on a going concern basis;

e) The Directors have laid down an adequate system of internal financial control with respect to reporting on financial statements and the said system is operating effectively ;

f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

7. **ACKNOWLEDGEMENT**

Your Directors acknowledge the invaluable support extended by the Government authorities in China and take this opportunity to thank them as well as the customers, supply chain partners, employees, Financial Institutions, Banks and all the various stakeholders for their continued co-operation and support to the Company.

Date: March 5, 2015

For and on behalf of the Board

MAKARAND DEOLALKAR
Director

REPORT OF THE AUDITORS

To the Board of Directors of

L&T INFORMATION TECHNOLOGY SERVICES (SHANGHAI) CO., LTD.

We have audited the accompanying financial statements of L&T Information Technology Services (Shanghai) Co., Ltd. (the "Company"), which comprise the Balance Sheet as at 31 December 2014, the income statement, Cash Flow Statement and statement of changes in equity for the year then ended and notes to these financial statements.

1. Management's Responsibility for the Financial Statements

The Company's management is responsible for preparation and fair presentation of these financial statements, such responsibility includes: (i) ensuring that the Financial Statements are properly prepared in conformity with the Accounting Standards for Small Business Enterprises and are presented fairly (ii) designing, implementing and maintaining internal control relevant to the preparation of financial statements to ensure the financial statements are free of material misstatement, whether caused by fraud or error.

2. Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the China Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

3. Audit opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of L&T Information Technology Services (Shanghai) Co., Ltd. as at 31 December 2014, and its financial performance and its cash flows for the year then ended in accordance with the Accounting Standards for Small Business Enterprises.

Zhang xiaozhuan Certified Public Accountant

Guo Zhong, China Certified Public Accountant

Shanghai Linfang Certified Public Accountants Co., Ltd.
15F, Hechuang Building,
No. 450 Caoyang Road,
Shanghai China

March 5th, 2015

BALANCE SHEET AS AT 31 DECEMBER 2014

(All amounts in RMB Yuan unless otherwise stated)

ITEM	Notes	2014.12.31	2013.12.31
Current assets:			
Cash at bank and in hand	5	417,920.97	165,077.43
Accounts receivable	6	459,641.74	–
Other receivables	7	16,800.00	–
Total current assets		894,362.71	165,077.43
TOTAL ASSETS		894,362.71	165,077.43
Current liabilities			
Accrued payroll	8	30,414.00	–
Taxes payable	9	56,413.57	10,263.00
Other payables	10	897,521.36	331,642.00
Total current liabilities		984,348.93	341,905.00
TOTAL LIABILITIES		984,348.93	341,905.00
Owners' equity			
Paid-in capital	11	707,905.00	215,985.00
Foreign capital		707,905.00	215,985.00
Undistributed profits	12	(797,891.22)	(392,812.57)
Total owner's equity		(89,986.22)	(176,827.57)
TOTAL LIABILITIES AND OWNERS' EQUITY		894,362.71	165,077.43

The accompanying notes form an integral part of these financial statements.

Legal Representative:

Person in charge of accounting function:

Person in charge of accounting department:

INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

(All amounts in RMB Yuan unless otherwise stated)

	Notes	**Year ended 2014.12.31**	*Year ended 2013.12.31*
Total operating revenues		**1,910,829.73**	*152,142.22*
Incl.: Operating revenues		**1,910,829.73**	*152,142.22*
Incl.: Revenues from main operation	13	**1,910,829.73**	*152,142.22*
Less: Total operating costs		**2,327,165.43**	*544,954.79*
Incl.: Operating costs Cost of operation		**170,670.00**	–
Incl.: Costs of main operation		**170,670.00**	–
Operating tax and its additions		**4,012.74**	*449.50*
General and administrative expenses		**2,139,032.64**	*538,631.18*
Finance expenses		**13,450.05**	*5,874.11*
Add: Return on investment		**–**	–
Operating Profit		**(416,335.70)**	*(392,812.57)*
Add: Non-operating incomes		**11,454.02**	–
Less: Non-operating expenses		**196.97**	–
Total profit		**(405,078.65)**	*(392,812.57)*
less: Income tax expenses		**–**	–
Net profit		**(405,078.65)**	*(392,812.57)*

The accompanying notes form an integral part of these financial statements.

Legal Representative:

Person in charge of accounting function:

Person in charge of accounting department:

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

(All amounts in RMB Yuan unless otherwise stated)

		Year ended 2014.12.31	*Year ended 2013.12.31*
1.	**Cash Flows from Operating Activities**		
	Cash received from sales of goods or rendering of services	**1,508,168.91**	154,727.66
	Cash received relating to other operating activities	**10,344.95**	285.03
	Sub-total of Cash Inflows	**1,518,513.86**	155,012.69
	Cash paid for goods and services	**–**	–
	Cash paid to and on behalf of employees	**1,027,232.30**	166,191.89
	Payments of taxes and levies	**39,853.58**	23,292.06
	Cash paid relating to other operating activities	**690,504.44**	16,436.31
	Sub-total of Cash Outflows	**1,757,590.32**	205,920.26
	Net Cash Flows from Operating Activities	**(239,076.46)**	(50,907.57)
2.	**Cash Flows from Investing Activities**		
	Net Cash Flows from investing Activities	**–**	–
3.	**Cash Flows from Financing Activities**		
	Cash received from capital contribution	**491,920.00**	215,985.00
	Sub-total of Cash Inflows	**491,920.00**	215,985.00
	Net Cash Flows from Financing Activities	**491,920.00**	215,985.00
4.	**Effect of Foreign Exchange Rate Fluctuation on Cash**	**–**	–
5.	**Net Increase (decrease) in Cash and Cash Equivalents**	**252,843.54**	165,077.43
	Add: Cash and cash equivalents at the beginning of the reporting period	**165,077.43**	–
6.	**Cash and Cash Equivalents at the end of the reporting period**	**417,920.97**	165,077.43

The accompanying notes form an integral part of these financial statements.

Legal Representative:

Person in charge of accounting function:

Person in charge of accounting department:

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2014

(All amounts in RMB Yuan unless otherwise stated)

	PAID-IN CAPITAL	CAPITAL SURPLUS	SURPLUS RESERVE	RETAINED EARNINGS	*TOTAL*
Closing Balance at 31 December 2012	–	–	–	–	–
Beginning Balance at 1 January 2013	–	–	–	–	–
Net profit	—	—	—	(392,812.57)	*(392,812.57)*
Other comprehensive income	–	–	–	–	–
Capital contribution or reduction by owners	215,985.00	–	—	—	*215,985.00*
Capital contribution by owners	215,985.00	–	—	—	*215,985.00*
Profit appropriation	—	—	–	–	–
Transfer between equity components	–	–	–	–	–
Movements in year 2013	215,985.00	–	–	(392,812.57)	*(176,827.57)*
Closing Balance at 31 December 2013	215,985.00	–	–	(392,812.57)	*(176,827.57)*

	PAID-IN CAPITAL	CAPITAL SURPLUS	SURPLUS RESERVE	RETAINED EARNINGS	***TOTAL***
Closing Balance at 31 December 2013	215,985.00	–	–	(392,812.57)	***(176,827.57)***
Beginning Balance at 1 January 2014	215,985.00	–	–	(392,812.57)	***(176,827.57)***
Net profit	—	—	—	(405,078.65)	***(405,078.65)***
Other comprehensive income	–	–	–	–	–
Capital contribution or reduction by owners	491,920.00	–	—	—	***491,920.00***
Capital contribution by owners	491,920.00	–	—	—	***491,920.00***
Profit appropriation	—	—	–	–	–
Transfer between equity components	–	–	–	–	–
Movements in year 2014	491,920.00	–	–	(405,078.65)	***86,841.35***
Closing Balance at 31 December 2014	707,905.00	–	–	(797,891.22)	***(89,986.22)***

The accompanying notes form an integral part of these financial statements.

Legal Representative:

Person in charge of accounting function:

Person in charge of accounting department:

NOTES TO THE 2014 FINANCIAL REPORTS

(All amounts are stated in RMB Yuan unless otherwise stated)

1 GENERAL INFORMATION AND PRINCIPAL ACTIVITIES

L&T Information Technology Services (Shanghai) Co., Ltd.("the Company") is a wholly owned foreign enterprise incorporated by LARSEN & TOUBRO INFOTECH LIMITED. The Company was registered at Shanghai Administration of Industry and Commerce, and obtained the Business License for Enterprise as a Legal Person No. 310000400714060 on June 28th 2013. The registered capital is USD 175000 and the residential address for the Company is No 2 XingXian Road Jiading Industry Zone Shanghai. The Company has an approved operating period of 10 years.

The Company's approved scope of business operations includes Computer software (video, publication except) design, development, production, sales of own products and provide after sale service, the commission agent products and computer hardware (excluding auction), enterprise management consulting, business information consulting, computer information engineering technical consultation and services, to undertake service outsourcing in system management and maintenance technical support, information management, software development, data processing. (not related to the management of state-run trade goods; involving quota, license management of goods, in accordance with relevant state regulations apply; involving administrative approval, permit to operate).

2 BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Accounting Standards for Small Business Enterprises.

3 PRINCIPAL ACCOUNTING POLICIES

(a) Accounting period

The Company's accounting year starts on 1 January and ends on 31 December.

(b) Recording currency

The recording currency of the Company is the Renminbi (RMB).

(c) Basis of accounting and measurement bases

The Company follows the accrual basis of accounting. Assets are initially recorded at actual costs on acquisition and subsequently adjusted for impairment, if any.

(d) Foreign currency translation

Except for the accounting treatment of paid-in capital, foreign currency transactions are translated into RMB at the exchange rates stipulated by the People's Bank of China ("the stipulated exchange rates") on the day in which the transactions took place. Monetary assets and liabilities denominated in foreign currencies at the Balance Sheet date are translated into RMB at the stipulated exchange rates at the Balance Sheet date. Exchange differences arising from these translations are expensed, except for those attributable to foreign currency borrowings that have been made specifically for the construction of fixed assets, which are capitalized as part of the fixed asset costs and those arising in the pre-operating period, which are recorded as long-term deferred expenses.

Contributions to paid-in capital made in foreign currencies are translated into the RMB denominated paid-in capital account at the stipulated exchange rates at the contribution dates. Exchange differences arising from foreign currency capital contribution should be recognized as capital surplus.

(e) Cash and cash equivalents

For the purposes of the Cash Flow Statement, cash refers to all cash in hand and all deposits. Cash equivalents refer to short-term and highly-liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(f) Receivables and provision for bad debts

Receivables comprise accounts receivable and other receivables. The provision method is used to account for potential bad debts identified by management. Receivables are presented at actual amounts net of provision for bad debts.

Accounts receivable and Other receivable comprises related party receivables and receivables from non-related parties.

Where evidence exists that balances cannot be recovered due to the debtor's de-registration, bankruptcy, insolvent and death, etc., bad debts are recognized and corresponding provision for bad debts is written off after the approval of the Company's general manager or the board pursuant to the authorization policies established in the Company.

(g) Revenue recognition

Revenue from the rendering of services shall be recognized at the time of service provided and consideration received or receivable.

(h) Employee benefit

The full-time employees of the Company are entitled to staff welfare benefits under existing PRC legislation, including pension benefits, medical care, unemployment insurance, housing fund and other benefits.

NOTES FORMING PART OF ACCOUNTS (Contd.)

The Company is required to accrue for these benefits based on certain percentages of the employees' salaries, subject to certain ceilings, in accordance with the relevant PRC regulations, these benefits are levied by the human resource and social security bodies. The contributions are expensed as incurred.

(i) Accounting for income taxes

The Company accounts for enterprise and local income taxes using the tax payable method. Under the tax payable method, tax expense is recognized based on current period taxable income and tax rates.

4 TAXATION

(a) Corporate income tax

The applicable enterprise income tax rate is 25%.

(b) Value added tax

The Company for the small scale taxpayers of value added tax, the tax rate is 3%, the input tax shall be credited against.

(c) Individual income tax

Employees' income is subject to individual income tax, and the Company withhold amounts from employees and send the withheld amounts to the tax authorities.

5 MONETARY ASSETS

	2014.12.31	*2013.12.31*
Cash at bank	**417,920.97**	*165,077.43*
TOTAL	**417,920.97**	*165,077.43*

6 ACCOUNTS RECEIVABLE

TOTAL	**459,641.74**	–

The ageing as at year end are as follows:

	2014.12.31		*2013.12.31*	
	Amount	**%**	*Amount*	*%*
Within 1 yr	**459,641.74**	**100.0%**	–	–
TOTAL	**459,641.74**	**100%**	–	–

7 OTHER RECEIVABLES

	2014.12.31	*2013.12.31*
TOTAL	**16,800.00**	–

7 OTHER RECEIVABLES

	2014.12.31	*2013.12.31*
Cash at bank	**417,920.97**	*165,077.43*
TOTAL	**417,920.97**	*165,077.43*

The ageing as at year end are as follows:

	2014.12.31		*2013.12.31*	
	Amount	**%**	*Amount*	*%*
Within 1 yr	**16,800.00**	**100.0%**	–	–
TOTAL	**16,800.00**	**100%**	–	–

8 ACCRUED PAYROLL

	2014.12.31	2013.12.31
Wages payable	**30,414.00**	–
TOTAL	**30,414.00**	–

9 TAXES PAYABLE

Taxes	2014.12.31	2013.12.31
Value added tax	24,642.82	4,564.27
City maintenance	246.43	45.64
Education surcharge payable	739.28	136.93
Local education surcharge payable	492.86	91.29
River maintenance fee	246.43	45.64
Individual income tax	30,045.75	5,379.23
TOTAL	**56,413.57**	*10,263.00*

10 OTHER PAYABLES

TOTAL	**897,521.36**	*331,642.00*

11 PAID-IN CAPITAL

	2014.12.31		*2013.12.31*	
Name of Investor	**Registered Capital (USD)**	**Registered Capital (RMB)**	*Registered Capital (USD)*	*Registered Capital(RMB)*
LARSEN & TOUBRO INFOTECH LIMITED	**115,000.00**	**707,905.00**	*35,000.00*	*215,985.00*
TOTAL	**115,000.00**	**707,905.00**	*35,000.00*	*215,985.00*

12 UNDISTRIBUTED PROFITS

	2014.12.31	2013.12.31
Undistributed profits at beginning of year	**(392,812.57)**	–
Current year net profit	**(405,078.65)**	*(392,812.57)*
Distributable profit	**(797,891.22)**	*(392,812.57)*
Undistributed profits at the end of year	**(797,891.22)**	*(392,812.57)*

13 REVENUES FROM MAIN OPERATION

Item	**2014**	*2013*
Consulting Service	**1,910,829.73**	*152,142.22*
TOTAL	**1,910,829.73**	*152,142.22*

SUPPLEMENTARY INFORMATION PROVIDED BY THE MANAGEMENT

(All amounts in RMB Yuan unless otherwise stated)

ADJUSTMENTS TO INCOME BEFORE TAX

account or subaccount name	Description (Reference included)	Adjusted amount for taxable income	Remarks
Increases to the taxable amounts			
Other Payables	Accrued Expenses	524,804.00	
Accrued Payroll	Accrued Payroll	30,414.00	
Non-operating expenses	Penalty	196.97	
Total increases to the taxable amount		555,414.97	
Other Payables	Accrued DTT accounting and tax services	311,512.00	
Other Payables	Accrued financial audit and foreign exchange audit fee for 2013	10,000.00	
Other Payables	Accrued John's travel transportation fee	10,000.00	
Total decreases to the taxable amount		331,512.00	
Adjustments - net			223,902.97
Audited income before tax			(405,078.65)
Adjusted taxable income before tax			(181,175.68)

Note: The taxable income shall be finally settled by tax authorities.

DIRECTORS' REPORT

The Directors have pleasure in presenting the Annual Report and audited financial statements of GDA Technologies Limited for the year ended March 31, 2015.

FINANCIAL RESULTS

	2014-15	*2013-14*
	In ₹ Lakhs	In ₹ Lakhs
Total Revenue	**240.51**	*224.35*
Profit before tax	**227.71**	*215.46*
Taxes	**40.23**	*(17.45)*
Profit after tax	**187.48**	*232.91*

PERFORMANCE OF THE COMPANY

The Company recorded revenues of ₹ 240.51 Lakhs in the year 2014-15 as compared to ₹ 224.35 Lakhs in the previous year. The profit after tax for the year was ₹ 187.48 Lakhs as compared to the previous year ₹ 232.91 Lakhs.

There are no material changes and commitments affecting the financial position of the Company, between the end of the financial year and the date of the report.

DIVIDEND

The Directors do not recommend dividend for the current year.

DEPOSITS

During the period under review, the Company has not accepted any public deposits and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

TRANSFER TO RESERVES

The Directors do not propose to transfer any amount to the reserve.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN OR SECURITY PROVIDED

During the year under review the Company has not given any loans, investments made, guarantees given or security provided by the Company.

AUDITORS & AUDITORS' REPORT

M/s S. V. Visvanathan & Associates, Chartered Accountants, who are Statutory Auditors of the Company retire at the ensuing Annual General Meeting and are eligible for re-appointment. A certificate from them has been received to the effect that their re-appointment, if made, would be in line with the requirement laid under Section 139 & 141 of the Companies Act, 2013.

The Auditors' Report to the Shareholders does not contain any qualification. The notes to the accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further comments of Directors.

EXTRACT OF ANNUAL RETURN:

As per the provisions of Section 92(3) of the Companies Act, 2013, an extract of the Annual Return is attached as Annexure A to this Report.

CONSERVATION OF ENERGY, TECHONOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

A. **CONSERVATION OF ENERGY**

Since the Company is engaged in software development, it is not a major consumer of energy.

B. **TECHNOLOGY ABSORPTION**

There was no Technology absorption during the year 2014-15.

C. **FOREIGN EXCHANGE EARNINGS AND OUTGO**

There are no foreign exchange earnings or outgo during the year 2014-15.

DIRECTORS

During the year under review, there were no changes in the Board of Directors of the Company. Mr. M. V. Govindarajan, who retires by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting of the Company.

The Board recommends the re-appointment of Mr. Govindarajan.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors hereby confirm that:

(i) in the preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departure;

(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 as on March 31, 2015 and of the profit of the Company for the year ended March 31, 2015;

(iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the 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 had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Meeting of the Board are held at regular intervals with a time gap of not more than 120 days between two consecutive meetings.

During the year under review four meetings were held on the following dates:

1) April 30, 2014
2) July 21, 2014
3) October 17, 2014
4) January 09, 2015

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

During the year under review, there were no material and significant orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

STATUTORY DISCLOSURE

The Directors wish to state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGEMENT

The Directors acknowledge the invaluable support extended to the Company by the Financial Institutions, Bankers, Regulatory Authorities and management of the Parent Company.

For and on behalf of the Board

Place: Mumbai	**KESHAB PANDA**	**M. V. GOVINDARAJAN**
Date: May 07, 2015	*Director*	*Director*
	DIN: 05296942	*DIN: 02467311*

ANNEXURE A TO DIRECTORS' REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2015

[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:

S.N.	Particulars	
1	CIN	U72200TZ1997PLC008145
2	Registration Date	October 22, 1997
3	Name of the Company	GDA Technologies Limited
4	Category / Sub-Category of the Company	Company Limited by Shares
5	Address of the Registered office and contact details	No.9-A, Chinthamani Nagar, K. K. Pudur, Coimbatore-641 038
6	Whether listed Company	No
7	Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Applicable

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	Computer programming, consultancy and related activities	620	–

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. No	Name And Address of the Company	CIN/GLN	Holding/ Subsidiary /Associate	% of Shares held	Applicable Section
1	Larsen & Toubro Infotech Limited Add: L&T House, Ballard Estate, Mumbai-400 001	U72900MH1996PLC104693	Holding	100%	2(46)

IV. SHARE HOLDING 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. Promoters									
(1) Indian									
a) Individual/HUF									
b) Central Govt									
c) State Govt (s)									
d) Bodies Corp.	–	168,197	168,197	100%	–	168,197	168,197	100%	–
e) Banks / FI									
f) Any Other….									
Sub-total (1):-	–	168,197	168,197	100%	–	168,197	168,197	100%	–
(2) Foreign									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp.									
d) Banks / FI									
e) Any Other….									
Sub-total (2):-									
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	–	168,197	168,197	100%	–	168,197	168,197	100%	–

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	
B Public Shareholding **1. Institutions** a) Mutual Funds b) Banks / FI c) Central Govt d) State Govt(s) e) Venture Capital Funds f) Insurance Companies g) FIIs h) Foreign Venture Capital Funds i) Others (specify) **Sub-total (B)(1):-** **2. Non-Institutions** a) Bodies Corp. i) Indian ii) Overseas b) Individuals i) Individual shareholders holding nominal share capital upto ₹ 1 lakh ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh c) Others (specify) **Sub-total (B)(2):-** **Total Public Shareholding (B)=(B)(1) + (B)(2)**	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
C. Shares held by Custodian for GDRs & ADRs	–	–	–	–	–	–	–	–	–
Grand Total (A+B+C)	–	168,197	168,197	100%	–	168,197	168,197	100%	–

(ii) Shareholding of Promoters

Sl No	Shareholders 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 Share	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Larsen & Toubro Infotech Limited	168,197	100%	–	168,197	100%	–	–
	Total	168,197	100%	–	168,197	100%	–	–

iii) Change in Promoters' Shareholding-

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
	At the beginning of the year	168,197	100%	168,197	100%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	NOT APPLICABLE			
	At the End of the year	168,197	100%	168,197	100%

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): Not Applicable

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Top 10 Shareholders	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year				
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)				
	At the End of the year (or on the date of separation, if separated during the year)				

v) Shareholding of Directors and Key Managerial Personnel: Not Applicable

Sl. No.	Key Managerial Personal	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
	At the beginning of the year				
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)				
	At the End of the year (or on the date of separation, if separated during the year)				

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	–	–	–	–
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	–	–	–
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
Addition	–	–	–	–
Reduction	–	–	–	–
Net Change	–	–	–	–
Indebtedness at the end of the financial year				
i) Principal Amount	–	–	–	–
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	–	–	–
Total (i+ii+iii)	–	–	–	–

VI. REMUNERATION OF DIRECTORS

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: Not Applicable

S.N.	Particulars of Remuneration	Name of MD/ WTD/ Manager	Total Amount
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	NIL	NIL
2.	Stock Option	NIL	NIL
3.	Sweat Equity	NIL	NIL
4.	Commission		
	- as % of profit		
	- others, specify…	NIL	NIL
5.	Others, please specify	NIL	NIL
	Total (A)	NIL	NIL
	Ceiling as per the Act	NIL	NIL

B. Remuneration to other directors:

S. N.	Particulars of Remuneration	Name of Director			Total Amount
	1. Independent Directors • Fee for attending board / committee Meetings • Commission • Others, please specify	Not Applicable			
	Total (1)	Not Applicable			
		Keshab Panda	M. V. Govindarajan	Sunil Sapre	
	2. Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify	NIL	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL	NIL
	Total (B)=(1+2)	NIL	NIL	NIL	NIL
	Total Managerial Remuneration	NIL	NIL	NIL	NIL
	Overall Ceiling as per the Act	3% of the Net Profits of the Company			

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD : Not Applicable

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

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended March 31, 2015.

For and on behalf of the Board

Place: Mumbai
Date: May 07, 2015

KESHAB PANDA
Director
DIN: 05296942

M. V. GOVINDARAJAN
Director
DIN: 02467311

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF G D A TECHNOLOGIES LTD

Report on the Financial Statements

We have audited the accompanying financial statements of **G D A TECHNOLOGIES LTD** ("the Company"), which comprise the Balance Sheet as at 31/03/2015, the Statement of Profit and Loss, the cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31/03/2015, and its Profit and it's cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditors' Report) Order,2015("the Order") issued by the Central Government of India in terms of sub Section (11) of Section 143 of the Companies Act, 2013. We give in the Annexure A statements on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

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

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

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

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

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

(e) On the basis of the written representations received from the directors as on 31/03/2015 taken on record by the Board of Directors, none of the directors is disqualified as 31/03/2015 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

    i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For S. V. VISVANATHAN & ASSOCIATES
Chartered Accountants
Firm's Registration No. 005944S
by the hand of

R. MUGUNTHAN
Partner
Membership No. 21397

Place : Mumbai
Date : May 07, 2015

BALANCE SHEET AS AT MARCH 31, 2015

		NOTE NO.	31.03.2015 ₹	31.03.2014 ₹
I.	**EQUITY AND LIABILITIES**			
1	**Shareholders' funds**			
	(a) Share capital	2	1,681,970	1,681,970
	(b) Reserves and surplus	3	350,701,412	331,952,932
	Sub-Total		352,383,382	333,634,902
2	**Non-current liabilities**			
	Long Term Provisions	4	508,009	2,759,775
			508,009	2,759,775
3	**Current liabilities**			
	(a) Trade Payables		–	–
	(b) Other current liabilities	5	280,457	159,296
	(c) Short Term Provisions		–	–
	Sub-Total		280,457	159,296
TOTAL			353,171,848	336,553,973
II.	**ASSETS**			
1	**Non-current assets**			
	(a) Fixed assets			
	Tangible assets	6	31,051,099	31,051,099
	Less: Accumulated Depreciation		30,556,236	30,454,056
			494,863	597,043
	(b) Long-term loans and advances		–	–
	(c) Deferred Tax Asset	7	686,204	763,331
	Sub-Total		1,181,067	1,360,374
2	**Current assets**			
	(a) Current Investments	8	342,846,425	285,662,317
	(b) Cash and Bank Balances	9	248,771	37,276,543
	(c) Short-term loans and advances	10	8,895,585	12,254,739
	Sub-Total		351,990,781	335,193,599
TOTAL			353,171,848	336,553,973
SIGNIFICANT ACCOUNTING POLICIES		1		
ACCOMPANYING NOTES ON FINANCIAL STATEMENT				

Accompanying Notes form integral part of financial statements

As per our report of even date attached

For and on behalf of the Board

For S. V. VISVANATHAN & ASSOCIATES
Chartered Accountants
Firm's Registration No. 005944S

R. MUGUNTHAN
Partner
Membership No. 21397

DR. KESHAB PANDA
Director
DIN: 05296942

M. V. GOVINDARAJAN
Director
DIN: 02467311

Place : Mumbai
Date : May 07, 2015

Place : Mumbai
Date : May 07, 2015

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

	NOTE NO.	Year ended March 31, 2015 ₹	*Year ended March 31, 2014 ₹*
REVENUE:			
Revenue from Operations	11	–	*3,326,563*
Other Income	12	24,050,993	*19,109,154*
Changes in Inventory		–	–
Total Revenue		24,050,993	*22,435,717*
EXPENSES:			
Other expenses	13	1,178,214	*815,106*
Depreciation & Amortisation Expenses	6	102,180	*73,837*
Total Expenses		1,280,394	*888,943*
Profit Before Exceptional and Extraordinary items and Tax		22,770,599	*21,546,774*
Exceptional items			
Profit Before Extraordinary items and tax		22,770,599	*21,546,774*
Extraordinary items			
Profit Before Tax		22,770,599	*21,546,774*
Tax expense:			
Current tax	14	745,017	*635,000*
Deferred tax liability / (-) Benefit		77,127	*106,643*
MAT credit prior year tax provided/(-) reversed		–	*(2,087,495)*
MAT credit current year tax provided/(-) reversed		–	*(398,963)*
Provision for earlier year/excess provision for earlier year written back		3,199,974	–
Profit After Tax		18,748,481	*23,291,589*
Earnings Per Equity Share - (Nominal Value per share:₹ 10)			
i) Basic		111.47	*138.48*
ii) Diluted		111.47	*138.48*
No. of Shares used in computing earning per share			
i) Basic		168,197	*168,197*
ii) Diluted		168,197	*168,197*
SIGNIFICANT ACCOUNTING POLICIES	1		
ACCOMPANYING NOTES ON FINANCIAL STATEMENT			

Accompanying Notes form integral part of financial statements

As per our report of even date attached

For and on behalf of the Board

For S. V. VISVANATHAN & ASSOCIATES
Chartered Accountants
Firm's Registration No. 005944S

R. MUGUNTHAN
Partner
Membership No. 21397

DR. KESHAB PANDA
Director
DIN: 05296942

M. V. GOVINDARAJAN
Director
DIN: 02467311

Place : Mumbai
Date : May 07, 2015

Place : Mumbai
Date : May 07, 2015

CASH FLOW STATEMENT AS AT MARCH 31, 2015

		Year ended 31.03.2015 ₹	Year ended 31.03.2014 ₹
A.	**CASH FLOWS FROM OPERATING ACTIVITIES :**		
	Profit before Taxation	**22,770,599**	*21,546,774*
	Adjustments for :		
	Depreciation	**102,180**	*73,837*
	Loss/ (Profit) on Sale of Fixed Assets (net)	–	–
	Loss on sale of Investments	–	–
	Interest Paid		
	Interest income	**(3,063)**	*(2,802)*
	Dividend	**(21,288,155)**	*(19,106,352)*
	Operating Profit before working capital changes	**1,581,561**	*2,511,457*
	Adjustments for :		
	(Increase)/Decrease in Sundry Debtors and other receivables	**772**	*33,675,346*
	Increase/(Decrease) in Sundry Creditors and Provisions	**(2,130,605)**	*(54,244)*
	Cash from operations	**(548,272)**	*36,132,559*
	Direct taxes paid (net)	**(586,610)**	*(1,031,430)*
	Cash Flow before extraordinary items	**(1,134,882)**	*35,101,129*
	Net cash from / (used in) operating activities	**(1,134,882)**	*35,101,129*
B.	**CASH FLOWS FROM INVESTING ACTIVITIES :**		
	Purchase of fixed assets	–	–
	Sale of Fixed Assets	–	–
	Sale / (Purchase) of Current Investments (net)	**(57,184,108)**	*(17,184,734)*
	Interest income	**3,063**	*2,802*
	Dividend Income	**21,288,155**	*19,106,351*
	Net cash from investing activities	**(35,892,890)**	*1,924,419*
C.	**CASH FLOWS FROM FINANCING ACTIVITIES :**		
	Interest paid	–	–
	Dividends paid	–	–
	Dividend Distribution Tax paid	–	–
	Loans repaid during the year		
	Net cash from financing activities	–	–
	Net increase in cash and cash equivalents (A+B+C)	**(37,027,772)**	**37,025,548**
	Cash and cash equivalents as at the commencement of the year	**37,276,543**	*250,995*
	Cash and cash equivalents	**248,771**	*37,276,543*
	Components of Cash and Cash Equivalents as at 31.03.2015		
	Cash on hand	**2,396**	*1,588*
	Balances with Banks - on Current Account	**141,169**	*37,169,749*
	- on Deposit Account	**105,206**	*105,206*
		248,771	*37,276,543*

Notes : 1) 1) The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Accounting standard (AS - 3) "Cash Flow Statements" issued by the Institute of Chartered Accountants of India.

As per our report of even date attached

For S. V. VISVANATHAN & ASSOCIATES
Chartered Accountants
Firm's Registration No. 005944S

R. MUGUNTHAN
Partner
Membership No. 21397

Place : Mumbai
Date : May 07, 2015

For and on behalf of the Board

DR. KESHAB PANDA
Director
DIN: 05296942

M. V. GOVINDARAJAN
Director
DIN: 02467311

Place : Mumbai
Date : May 07, 2015

NOTES FORMING PART OF THE ACCOUNTS

1) SIGNIFICANT ACCOUNTING POLICIES

a) General

The Company consistently follows the accrual method of accounting and the Financial Statements are prepared on going concern basis. The accounting methods followed by the Company are in compliance with the applicable accounting standards issued by the Institute of Chartered Accountants of India and also relevant provisions of the Companies Act, 2013.

b) Depreciation

Depreciation on Fixed Assets is calculated on straight line basis at the rates specified in Schedule II of the Companies Act, 2013.

c) Revenue Recognition

Sales represents the billing done for the software development services rendered by the Company.

Percentage completion method is followed by the Company in respect of fixed price Contracts.

d) Fixed Asset

Fixed Assets are taken at cost which includes cost of the Assets, freight, installation, borrowing, duties and taxes and other incidental expenses incurred during the construction/installation stage.

e) Foreign Currency Transactions

Income and Expenditure items involving foreign exchange are translated at the Exchange rate prevailing on the dates of transaction. All fluctuations arising from Foreign exchange transactions are dealt with in the Profit and Loss Account and the gains and losses are accounted for on realization.

f) Employee benefits/retirement benefit of employees:

a) Gratuity benefits are provided on the basis of management estimate rather than on the basis of actuarial valuation.

b) Leave encashment are accounted on accrual basis.

c) Provident Fund (PF) and Employees State Insurance (ESI) contributions are made to the respective authorities.

g) Earnings per share:

The Earnings considered in ascertaining the Company's earning per share comprises of Net Profit/Loss after tax, including post tax adjustments of the prior period and the extra ordinary items.

h) Taxation

Provision for taxation is made on the basis of estimated taxable income for the Current financial year in accordance with the Income Tax Act, 1961.

Deferred tax is recognized on timing differences between the accounting income & taxable income for the year and qualified using the tax rates and laws enacted or substantially enacted as on Balance Sheet date. Deferred tax assets are recognized and carried forward to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

i) Impairment of assets:

An asset is impaired when the carrying amount of the assets exceeds its recoverable amount. An impairment loss is charged to the Profit and Loss account in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of the recoverable amount.

j) Provisions, contingent liability and contingent assets:

a) Provisions involving degree of estimation in measurement is recognized when there is a present obligation as a result of past event and if is probable that there will be an outflow of resources.

b) Contingent liabilities are disclosed by way of notes to accounts. Provision is made if it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability.

c) Contingent liability under the various fiscal laws includes those in respect of which there is a dispute between Company and the department.

NOTES FORMING PART OF THE ACCOUNTS (Contd.)

	As at 31.03.2015 ₹	As at 31.03.2014 ₹
2) SHARE CAPITAL		
(a) Authorised :		
4,00,000 (Previous year: 4,00,000) Equity shares of ₹ 10 each	**4,000,000**	*4,000,000*
(b) Issued, Subscribed and paid up :		
168,197 Equity shares of ₹10 each fully paid up	**1,681,970**	*1,681,970*
[L&T Infotech holds 100%]		
TOTAL	**1,681,970**	*1,681,970*
(c) Reconciliation of number of shares		
Equity Shares:		
Balance as at the beginning of the year		
Add/(Less) : Shares issued/(buy-back) during the Year	NIL	NIL
Balance as at the end of the year	–	

(d) Shares held by Holding/Ultimate Holding/Subsidiaries/Associates of Holding at the end of the year

	As at 31.03.2015		As at 31.03.2014	
Name of the Shareholder	**No: of Shares Held**	**% of holding**	*No: of Shares Held*	*% of holding*
L&T Infotech Ltd	**168,197**	**100.00**	*168,197*	*100.00*

(e) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

L&T Infotech Ltd	**168,197**	**100.00**	*168,197*	*100.00*

(f) Aggregate number and class of shares alloted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceeding the Balance Sheet date:

	As at 31.03.2015	As at 31.03.2014
Equity shares with voting rights		
Number of Shares bought back	**NIL**	

	As at 31.03.2015 ₹	As at 31.03.2014 ₹
3) RESERVES AND SURPLUS		
(a) General Reserve		
As per last Balance Sheet	**4,475,000**	*4,475,000*
Add: Transferred from surplus in Statement of Profit and Loss		
Closing balance	**4,475,000**	*4,475,000*
(b) Capital Redemption Reserve		
As per last Balance Sheet		
(d) Surplus in Statement of Profit and Loss		
As per last Balance Sheet	**327,477,932**	*304,186,343*
Add : Profit After Tax	**18,748,480**	*23,291,589*
	346,226,412	*327,477,932*
Appropriations :		
Less: Transfer to General Reserve	–	–
Less: interim dividend	–	–
Less: Distribution Tax on dividend	–	–
Closing balance	**346,226,412**	*327,477,932*
Total (a) +(b) +(c)+(d)	**350,701,412**	*331,952,932*

NOTES FORMING PART OF THE ACCOUNTS (Contd.)

	As at 31.03.2015 ₹	As at 31.03.2014 ₹
4) LONG TERM PROVISIONS		
Provision for Employee Benefits		
Leave Encashment to Employees	–	2,759,775
ESI Arrears payable	508,009	–
TOTAL	508,009	2,759,775
5) OTHER CURRENT LIABILITIES		
Other payables		
- Statutory dues payable	9,507	14,307
- Expenses Payable	270,950	144,989
- Others		
TOTAL	280,457	159,296

6) FIXED ASSETS

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	as on 01.04.2014	Additions	Deduction	as on 31.03.2015	Upto 01.04.2014	For the year	Withdrawn	Upto 31.03.2015	As on 31.03.2015	As on 31.03.2014
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Tangible assets										
Computers	29,658,439	–	–	**29,658,439**	29,658,439	–	–	**29,658,439**	–	–
Office Equipments	741,691	–	–	**741,691**	402,111	37,080	–	**439,191**	**302,500**	339,580
Electrical Fittings	164,596	–	–	**164,596**	119,606	16,464	–	**136,070**	**28,526**	44,990
Furniture & Fittings	486,373	–	–	**486,373**	273,900	48,636	–	**322,536**	**163,837**	212,473
Total	**31,051,099**	–	–	**31,051,099**	**30,454,056**	**102,180**	–	**30,556,236**	**494,863**	597,043
Previous year	*31,051,099*	–	–	*31,051,099*	*30,380,219*	*73,837*	–	*30,454,056*	*597,043*	*670,881*

Deferred TaxAsset

Depreciation as per Income Tax Act	351,781.00
Depreciation as per Companies Act	102,180.00
Difference	249,601.00
Deferred Tax Liability @30.9%	77,127
Opening DTA	763,331
Deferred Tax Liability for the year	77,127
Closing DTA	686,204

	As at 31.03.2015 ₹	As at 31.03.2014 ₹
7) DEFERRED TAX ASSET		
Opening Balance	763,331	869,974
Less: Deferred Tax Liability Provided for the year	77,127	106,643
TOTAL	686,204	763,331

NOTES FORMING PART OF THE ACCOUNTS (Contd.)

		As at 31.03.2015 ₹	As at 31.03.2014 ₹
8)	**CURRENT INVESTMENTS**		
	Investmet in Mutual Funds (Quoted)		
	Birla Sun Life Floating STP-Direct Reinvestment	–	58,205,187
	Franklin India Treasury Mgmt Super IP	–	33,010,748
	Franklin Templeton IUSFB-Super IP		
	Market Value ₹ 5,74,10,346.50/-(5705205.96 units @ 10.0628)	57,609,930	20,781,809
	L&T Liquid Fund-DDR		
	Market Value ₹ 28,53,02,632.68/-(27585727.94 units @ 10.3424)	285,236,495	173,664,573
		342,846,425	285,662,317
	Aggregate Value of Quoted Investments	342,846,425	285,662,317
	AGGREGATE MARKET VALUE OF QUOTED INVESTMENTS	342,712,979	285,519,111
9	**CASH AND BANK BALANCES**		
	Cash and cash equivalents		
	Balance with banks in Current accounts	141,169	168,317
	Funds in Transit	–	37,001,432
	Other Bank balances (Deposit with Commissioner of Customs)	105,206	105,206
		246,375	37,274,955
	Cash on Hand	2,396	1,588
	TOTAL	248,771	37,276,543
10	**SHORT TERM LOANS AND ADVANCES**		
	Unsecured, considered good		
	i) Input Tax Credit	4,382,906	4,383,678
	ii) Income Tax (Net of Provisions)	2,398,308	5,384,603
	iii) MAT credit receivable	2,114,372	2,486,458
	TOTAL	8,895,586	12,254,739

		Year ended March 31, 2015 ₹	Year ended March 31, 2014 ₹
11	**REVENUE FROM OPERATIONS**		
	Export Sales	–	–
	Domestic Sales	–	–
	Exchange Variation (Net)	–	3,326,563
	TOTAL	–	3,326,563
12	**OTHER INCOME**		
	Interest Received	3,063	2,802
	Dividend Received	21,288,155	19,106,352
	Povision for Expenses Written Back	2,759,775	–
	TOTAL	24,050,993	19,109,154

NOTES FORMING PART OF THE ACCOUNTS (Contd.)

		Year ended March 31, 2015 ₹	Year ended March 31, 2014 ₹
13)	**OTHER EXPENSES**		
	Audit Fees	**125,000**	*168,540*
	Travelling & Conveyance	**640**	*1,975*
	Professional Fees	**395,436**	*342,395*
	Rent - Office	**48,000**	*48,000*
	Telephone Expenses	**6,234**	*10,275*
	Administrative Charges	**588,699**	*(66,236)*
	Taxes & Fees	**1,915**	*306,866*
	Interest and Bank Charges	**12,290**	*3,291*
	Repairs & Maintenance Short/(Excess) Provision	**–**	*–*
	TOTAL	**1,178,214**	*815,106*
	Details of Audit Remuneration :		
	Audit fees	**75,000**	*84,270*
	Certification and Other fees	**50,000**	*84,270*
	TOTAL	**125,000**	*168,540*
14)	**PROVISION FOR TAXATION**		
	Current Tax	**745,017**	*635,000*
	MAT credit entitlement for current year	**–**	*(398,963)*
	MAT credit entitlement for earlier years	**–**	*(2,087,495)*
	Provision for earlier year/excess provision for earlier year written back	**3,199,974**	*–*
	TOTAL	**3,944,991**	*(1,851,458)*

As per our report of even date attached

For S. V. VISVANATHAN & ASSOCIATES
Chartered Accountants
Firm's Registration No. 005944S

R. MUGUNTHAN
Partner
Membership No. 21397

Place : Mumbai
Date : May 07, 2015

For and on behalf of the Board

DR. KESHAB PANDA
Director
DIN: 05296942

M. V. GOVINDARAJAN
Director
DIN: 02467311

Place : Mumbai
Date : May 07, 2015

DIRECTORS' REPORT

The Directors have pleasure in presenting their Annual report and Audited Accounts for the year ended March 31, 2015.

1. FINANCIAL HIGHLIGHTS:

	2014-15 **Euro**	*2013-14* *Euro*
Total Income	**13.433.159**	*12.320.788*
Profit / (Loss) before Tax	**1.444.546**	*494.819*
Less : Tax	**437.622**	*164.424*
Net Profit / (Loss) after Tax	**1.006.924**	*330.394*
Add: Balance b/f from previous year	**2.316.029**	*1.985.635*
Balance to be carried forward	**3.322.953**	*2.316.029*

2. CAPITAL EXPENDITURE:

As at Mar 31, 2015 the gross fixed and intangible assets including leased Assets, stood at EUR 169.959 and the net fixed and intangible assets, including leased assets, at EUR 5.541. Capital Expenditure during the year amounted to EUR 6.019.

3. STATE OF COMPANY AFFAIRS:

The gross sales and other income for the financial year under review were EUR 13,43 Mn as against EUR 12,32 Mn for the previous financial year registering an increase of 9%. The profit after tax from including extraordinary and exceptional items was EUR 1,01 Mn for the financial year under review as against EUR 0,33 Mn for the previous financial year. The profit for the current year includes capital gains/profit arising due to sale of Product Engineering Business.

4. DIVIDEND:

In order to conserve the resources for future business growth, the Directors do not recommend dividend for the current year.

5. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL APPOINTED/RESIGNED DURING THE YEAR:

During the year Dr. Mukesh Aghi resigned as a Director with effect from February 28, 2015. The Board places on record the valuable contribution made by him during his tenure as Director of the Company.

Mr. Makarand Deolalkar was appointed as a Director of the Company with effect from February 28, 2015.

6. AUDITORS:

M/s. Pohner & Von Loeben are the auditors of the Company. They have been reappointed as Statutory Auditors of the Company for the ensuing financial year.

7. DIRECTORS RESPONSIBILITY STATEMENT:

The Board of Directors of the Company confirms:

a) In the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) 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 and of the profit or loss of the Company for that period;

c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The Directors have prepared the Annual Accounts on a going concern basis;

e) The Directors have laid down an adequate system of internal financial control with respect to reporting on financial statements and the said system is operating effectively;

f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

8. ACKNOWLEDGEMENT

Your Directors acknowledge the invaluable support extended by the Government authorities in Germany and take this opportunity to thank them as well as the customers, employees, Financial Institutions, Banks and all the various stakeholders for their continued co-operation and support to the Company.

For and on behalf of the Board

Place: Mumbai
Date : April 20, 2015

MAKARAND DEOLALKAR
Director

1. Assignment

Mr. Sunil Sapre as Managing Director of

Larsen & Toubro Infotech GmbH, Leipzig,

- authorised signatory hereinafter referred to as “Larsen” as well as the “Company”-

appointed us (confirmation of order dated April 7, 2015) by the shareholders resolution dated, April 6, 2015 to audit the financial statements and the accounting records for the year ended March 31, 2015.

The maintenance of the books and records and the preparation of the annual financial statements in accordance with the German Commercial Code (HGB) and the additional regulations of the articles of association are on the responsibility of the Company’s management. Our responsibility is to express an opinion on the annual financial statements based on our audit.

We carried out our audit in accordance with the general conditions of assignment for Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften of the “Institut der Wirtschaftsprüfer” in Germany e.V. (IDW), dated January 01, 2002 (added in appendix 3). Our responsibility and our liability, especially to third parties, is based on these conditions of assignment.

We report about our audit in accordance with § 321 German Commercial Code (HGB) and in accordance with the reporting standards of IDW PS 450. Our report is directed to the audited Company and consists of a main part, which includes all essential statements summarized and three appendices, which are an essential part of our report.

We certify in accordance with § 321 par. 4 a German Commercial Code (HGB) that we have observed the Audit Independence Rules.

2. General Statements

2.1. Situation of the Company

The Company, as a small company with regard to § 267 par. 1 German Commercial Code used its right to choose according to § 264 par. 1 sent. 4 German Commercial Code and did not prepare a management report. The evaluations of the management about the situation of the Company and the risks of the future development affect disclosure and valuation decisions already within the scope of the preparation of the annual financial statements by the legal representatives. As far as the judgement of the situation of the Company by the legal representatives was considered in the annual financial statements in the form of the audited papers and documents as well as additionally given information we make the following statements:

Within the scope of the audit of the annual financial statements as well as the business situation of the Company we noted no facts which argue against the judgement of the situation of the Company according to the submitted annual financial statements.

2.2. Statements according to § 321 par. 1 sent. 3 German Commercial Code Irregularities

In the course of our audit no irregularities have been found.

3. Subject, character and audit scope

The subject of our audit was the Company’s accounting and the financial statements.

The Company is a small sized Company in accordance with § 267 par. 1 German Commercial Code (HGB). Therefore the Company is not obliged by applicable law to be audited with regard to § 316 pf. German Commercial Code (HGB). The Company applies the statutory accounting requirements in Germany.

The audit was carried out in accordance with § 317 German Commercial Code (HGB) and the auditing Standards promulgated in the statement of IDW PS 200 pf. by the German “Institut der Wirtschaftsprüfer” (IDW). We have audited, whether the regulations of the German Commercial Code and additional regulations of the articles of association of the Company and the regulations and standards of accounting were noticed. The audit covers other regulations only in so far as these regulations contain rules with which the financial statements have to comply. This audit does neither cover any specific information on criminal offences such as breach of public trust or embezzlements nor any offences committed beyond accounting.

The audit was performed by defining an audit strategy, taking a risk-orientated approach. Based on this approach, significant criteria for the determination of audit procedures is the risk of errors and violations of statutory provisions. Knowledge of the business activities and the economic and legal environment of the Company and evaluations of possible misstatements are taken into account in the determination of audit procedures.

On the basis of this determination we have planned our audit procedures.

The effectiveness of the internal control system and the evidence supporting the disclosures in the books and records, the annual financial statements are examined primarily on a test basis within the framework of the audit. We focused on economic importance of each part of the audit and the type of accounting principles. Because of this assurance of the proper business transactions the scope of the individual audit procedures could be cut down. The audit procedures included plausibility checks and the audit of evidence of individual business transactions.

We carried out our audit in April 2015 in our office premises in Munich. Our auditor’s functions were essentially finished on April 20, 2015.

Our audit was focused on:

- Valuation of accruals
- Reconcile and evaluation of trade receivables and trade payables including affiliated companies

We have requested confirmations of affiliated companies concerning trade receivables and trade payables. Amounts due from and to affiliated companies have been agreed upon with the companies concerned.

The cash in banks and liabilities due to banks are in accordance with confirmations and statement of accounts.

Details about the audit scope and methods are included in our working papers.

All requested documents had been at our entire disposal. Necessary explanations were given to us by:

- Mr. Sunil Sapre, Managing Director (Mumbai/India)
- Warth & Klein Grant Thornton AG, the tax adviser of the Company (Munich)
- Ms. Chitra Joshi, Larsen & Toubro Infotech Ltd. (Mumbai/India)

We have received the Letter of Representation by the managing director. In the Letter of Representation the management promised that the bookkeeping contains all assets, liabilities and risks and that the information given to us is complete.

4. Statements and explanation to accounting

4.1. Adequacy of the accounting

4.1.1 Accounting and other reviewed documents

The accounting of the Company including the wage and salary accounting of the reporting year are performed outside by Warth & Klein Grant Thornton AG Wirt-schaftsprüfungsgesellschaft (tax consultant company), Munich, by the use of a data processing program called DATEV.

We have convinced ourselves of the adequacy and procedure of the accounting as a whole and its practical use. The vouchers are orderly and conclusive. Journal and ledger accounts are properly recorded. The accounting records documents handling is in accordance with the general accepted accounting principles. Assets and liabilities were properly proved. When we finished our audit all accounts were closed.

In the course of our audit and due to the information given to us we did not find any indications that the safety of the data processed for the purposes of accounting is not guaranteed.

4.1.2 Financial statements

The Balance Sheet as of March 31, 2015 and the Profit and Loss Account for the period from April 1, 2014 to March 31, 2015 were correctly deduced from the accounting. The Balance Sheet format complies with the German Commercial Code. The assets were proven by balance files, confirmations, correspondences of the Company and other documents.

We audited the financial statements as of March 31, 2014 and supplied it with the auditors' opinion on April 25, 2014. The financial statements as of March 31, 2014 were approved at the shareholders' meeting on April 25, 2014.

The financial statements of Larsen & Toubro Infotech GmbH, Leipzig, were prepared in accordance with §§ 242-256 German Commercial Code (HGB) and the complementing regulations of §§ 264-288 German Commercial Code (HGB). Furthermore the regulations in the German GmbH-Law were noticed.

The valuation of assets and liabilities applied to the German Commercial Code. The used accounting and valuation methods are presented in the notes to the financial statements (appendix 1.3).

Valuation methods and classifications of the financial statements as of March 31, 2014 are applied. The standards of § 252 of German Commercial Code (HGB) were followed by the Company.

The notes to the financial statements are in accordance with the applicable law and regulations. The notes to the financial statements especially contain all necessary disclosures, representations, analysis, explanations and reasons with regard to recording methods of the accounting and valuation of the individual items in the Balance Sheet and Profit and Loss Account as well as the other necessary disclosures. We examined the individual disclosures of the notes to the financial statements within our audit of the individual items in the Balance Sheet and Profit and Loss Account.

4.2. Overall picture conveyed by the financial statements

4.2.1 Result of the financial statements

According to the result of our audit the financial statements, in compliance with generally accepted accounting principles, present overall a true and fair view of its net worth, financial position and results of operations.

4.2.2 Substantial valuation methods

Tangible assets and intangible assets stated at purchase costs reduced by systematic depreciation. Fixed assets are depreciated on a straight-line method. Low value items up to EUR 410,00 are completely written-off in their first year.

The inventories are evaluated with the original purchase or production costs. As far as there were lower values at the day of the Balance Sheet, those were stated.

Receivables are stated at nominal value. Receivables denominated in a foreign currency are converted into EURO at the average spot exchange rate at the Balance Sheet date. Risks on receivables are taken into account by lump-sum valuation adjustments to appropriate extent.

Other accruals are set up for uncertain liabilities and are stated at the amount required based on sound business judgement.

Liabilities are stated at their settlement amounts. Liabilities denominated in a foreign currency are converted into EURO at the average spot exchange rate at the date of the Balance Sheet.

4.2.3 Change in accounting and evaluation methods

The application of accounting and evaluation choices of the German Commercial Code (HGB) as well as other bases of evaluation for the financial statements are unchanged compared to prior year. A change in accounting and evaluation methods as well as basic influences on the reporting of the net assets, financial position and results of operations by a changed practice of the scope of discretion are, according to our assessment, not existing.

4.2.4 Statements concerning single items of the Balance Sheet

We refer to the notes of financial statements (Appendix 1.3).

As requested we did not give a detailed report about the net assets, financial position and results of operations of the Company.

5. Repetition of the Auditors' opinion

Based on the results of our audit of the financial statements as of March 31, 2015 of Larsen & Toubro Infotech GmbH, Leipzig, we render the following

Auditors' opinion:

We have audited the annual financial statements, comprising the Balance Sheet, the income statement and the notes to the financial statements, together with the bookkeeping system of Larsen & Toubro Infotech GmbH, Leipzig, for the period from April 1, 2014 to March 31, 2015. The bookkeeping system and the preparation of these documents in accordance with German commercial law and supplementary articles of incorporation are the responsibility of the Company's management. Our responsibility is to express an opinion on the annual financial statements, together with the bookkeeping system based on our audit.

We conducted our audit of the annual financial statements in accordance with § 317 HGB ("German Commercial Code") and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the annual financial statements in accordance with German principles of proper accounting and in the management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Company and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the books and records, the annual financial statements are examined primarily on a test basis within the framework of the audit. The audit includes assessing the accounting principles used and the evaluation of significant estimates made by management and evaluating the overall presentation of the annual financial statements. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the annual financial statements comply with the legal requirements and supplementary provisions of the shareholder agreement and give a true and fair view of the net assets, financial position and results of operations of the Company in accordance with German principles of proper accounting.

Munich, April 20, 2015

signed Pöhner	signed von Loeben
Wirtschaftsprüfer	vereidigter Buchprüfer

We submit this auditors' report according to § 321 German Commercial Code (HGB) while considering the generally accepted auditing standards (IDW-PS 450).

Munich, April 20, 2015

Pöhner	von Loeben
Wirtschaftsprüfer	vereidigter Buchprüfer

(Signet-No. 15/07)

Appendix 1.1

BALANCE SHEET AS OF MARCH 31, 2015

ASSETS

	EUR	EUR	previous year TEUR
A. Fixed assets			
I. Tangible assets			
Other equipment, factory and office equipment	5.540,00		4
II. Financial assets			
Investments	1,00	5.541,00	–
B. Inventories			
Orders in progress		37.482,03	21
C. Current assets			
I. Receivables and other assets			
1. Trade receivables	3.073.269,06		3.316
2. Receivables from affiliated companies	840,50		224
3. Other assets	211.171,06		156
II. Cash, Bank Balances	1.865.158,42	5.150.439,04	495
D. Accrued items		11.311,73	18
		5.204.773,80	**4.234**

LIABILITIES

	EUR	EUR	previous year TEUR
A. Equity			
I. Subscribed capital	25.000,00		25
II. Retained profits	2.316.029,31		1.986
III. Net income for the year	1.006.923,58	3.347.952,89	330
B. Accruals			
I. Tax accruals	238.224,00		103
II. Other accruals	620.861,97	859.085,97	311
C. Liabilities			
I. Trade payables			
thereof due within one year EUR 45.439,98 (p.y. 32 TEUR)	45.439,98		32
II. Amounts due to affiliated companies	341.700,60		1.117
thereof due within one year EUR 341.700,60 (p.y. 1.117 TEUR)			
III. Other liabilities	610.594,36	997.734,94	330
– thereof due to tax payments EUR 62.414,48 (p.y. 325 TEUR)			
– thereof due to social security and similiar obligations EUR 3.356,62 (p.y. 1 TEUR)			
– thereof due within one year EUR 610.594,36 (p.y. 330 TEUR)			
		5.204.773,80	**4.234**

APPENDIX 1.2

PROFIT & LOSS ACCOUNT FOR THE PERIOD FROM APRIL 1, 2014 TO MARCH 31, 2015

		EUR	EUR	*previous year TEUR*
1.	Sales revenues		**12.645.675,77**	*12.245*
2.	Increase in orders in progress		**16.690,79**	*21*
3.	Other operating income		**770.792,05**	*55*
	– of which currency translation gains EUR 693.907,26 (p.y. 50 TEUR)		**13.433.158,61**	*12.321*
4.	Costs of purchased services		**-6.205.658,91**	*-6.028*
			7.227.499,70	*6.293*
5.	Personnel expenses			
	a) Wages and salaries	**3.701.694,62**		*-4.125*
	b) social charges	**526.600,51**		*-608*
6.	Depreciation on intangible fixed and tangible assets	**3.340,53**		*-3*
7.	Other operating expenses	**2.677.050,94**	**-6.908.686,60**	*-1.062*
	– of which expenses translation gains EUR 258.834,33 (p.y. 132 TEUR)		**318.813,10**	*495*
8.	Other interest and similar income	**0,00**		*–*
9.	Interest and similar expenses	**-0,00**	**0,00**	*–*
10.	Result of ordinary activities		**318.813,10**	*495*
11.	Extraordinary income	**1.125.732,82**		*–*
12.	Extraordinary result		**1.125.732,82**	
13.	Taxes on income	**437.622,34**		*-165*
	– of which deferred taxes EUR 0,00 (p.y. - TEUR)			
14.	Other taxes	**0,00**	**-437.622,34**	*–*
15.	Net income for the year		**1.006.923,58**	*330*
16.	Retained profits		**2.316.029,31**	*1.986*
17.	Disposable profits		**3.322.952,89**	*2.316*

APPENDIX 1.3

NOTES TO THE FINANCIAL STATEMENTS AS OF MARCH 31, 2015

1. Classification

The Larsen & Toubro Infotech GmbH - hereinafter referred to as the Company - with its seat in Leipzig, was founded by notarial record agreement dated June 14, 1999 and has a capital stock of EUR 25.000,00. The Company was registered at the commercial register Leipzig (HRB 15958) on July 28, 1999.

The parent company is Larsen & Toubro Infotech Limited with its domicile in Mumbai, India.

Object of the Company is the provision of consulting services in the area of information technology as well as the trade with products and rights of every type, particularly with assets, devices and fittings regarding information technology as well as software.

The Company is a small Company according to § 267 HGB (German Commercial Code), as the characteristics of size with regard to § 267 par. 1 HGB are not reached. The financial statements are set up according to the HGB and the GmbHG (Limited liability Company law).

The structure of the Balance Sheet and profit and loss summary is according to the regulations of the HGB. The Profit and Loss Account was set up in total expenditure format according to § 275 Abs. 2 HGB. The notes were prepared under consideration of the alleviation of § 288 HGB.

2. Accounting principles and standard of valuation and Notes to the financial statement

The applied accounting principles and valuation methods of the annual financial statements are in accordance with §§ 238 ff. HGB as well as with §§ 264 ff. HGB for corporations.

Fixed assets are capitalized at acquisition or production costs less normal depreciation. Moveable assets are depreciated using the straight-line method. Low value items up to EUR 410,00 are completely written-off in their first year.

The inventories are evaluated with the original purchase or production costs. As far as there were lower values at the day of the Balance Sheet, those were stated.

Receivables are stated at nominal value. Receivables denominated in a foreign currency are converted into EURO at the average spot exchange rate at the Balance Sheet date. Risks on receivables are taken into account by lump-sum valuation adjustments to appropriate extent.

Tax and other accruals are carried at the settlement amount computed in accordance with prudent commercial practice.

Other assets and liabilities are considered with the nominal face respectively settlement value.

Liabilities are stated at their settlement amounts. Liabilities denominated in a foreign currency are converted into EURO at the average spot exchange rate at the date of the Balance Sheet.

The liabilities include liabilities against affiliated companies of EUR 341.700,60 that are all due within one year.

The Company has transferred its “Product Engineering Services” Business Unit to Larsen & Toubro Technology Services Ltd. Profits of this transfer are recorded as extraordinary income.

Contingencies according to § 251 HGB did not exist at closing date.

Deferred tax assets and deferred tax liabilities were not to be taken into account.

3. Other information

Managing Director:	Sunil Sapre, Mumbai/India
	(Power to sole representation, exempt of § 181 BGB)
	Dr. Mukesh Aghi, Princeton, USA
	(Power to sole representation, exempt of § 181 BGB)
	(upto February 28,2015)
	Makarand Deolalkar, Mumbai/India
	(Power to sole representation, exempt of § 181 BGB)
	(since February 28, 2015)

Leipzig, April 17, 2015

Larsen & Toubro Infotech GmbH,
Leipzig

CEO

APPENDIX 1.4

FIXED ASSETS MOVEMENT FOR THE YEAR ENDED MARCH 31, 2015

		Purchase and manufacturing costs				Depreciation				Net book value	
		Balance at April 1, 2014	Additions	Disposals	Balance at March 31, 2015	Balance at April 1, 2014	Additions	Disposals	Balance at March 31, 2015	Balance at March 31, 2015	Balance at March 31, 2014
		€	€	€	€	€	€	€	€	€	€
A.	**Fixed Assets**										
I.	**Tangible assets**										
	Other equipment, fixtures, furniture and office equipment	52.034,87	6.019,53	1.589,00	56.465,40	47.990,87	3.340,53	406,00	50.925,40	5.540,00	4.044,00
II.	**Financial Assets**										
	Investments	113.494,50	0,00	0,00	113.494,50	113.493,50	0,00	0,00	113.493,50	1,00	1,00
		165.529,37	**6.019,53**	**1.589,00**	**169.959,90**	**161.484,37**	**3.340,53**	**406,00**	**164.418,90**	**5.541,00**	**4.045,00**

APPENDIX 2

LEGAL POSITION

A. Company's structure

Legal form:	Limited liability Company
Company name:	Larsen & Toubro Infotech GmbH
Legal domicile:	D-04356 Leipzig
Articles of association:	June 14, 1999 (Dr. Carsten Ritter, Leipzig/Germany)
Commercial Register:	Local first-instance court Leipzig, HR B 15958. We received the updated Commercial Registered dated April 15, 2015.
Object of the Company:	Delivery of consulting services in the field of informa-tion technology as well as dealing with goods and rights of all kind, especially with assets, equipment and fixtures for information technology as well as software.
Nominal Capital:	EUR 25.000,00 (py. 25 TEUR)
	100 % of the shares of the Company are being held by Larsen & Toubro Infotech Ltd., Mumbai, India
Managing Directors:	Sunil Sapre, Mumbai/India
	Dr. Mukesh Aghi, Princeton USA
	(upto February 28,2015)
	Makarand Deolalkar, Mumbai/India
	(since February 28, 2015)
Fiscal Year:	April 1 until March 31
Prior financial Statements:	The financial statements as of March 31, 2014 were approved at the shareholders´ meeting on April 25, 2014.

B. Tax basis

General

The Company is recorded by the local tax office for corporations in Munich (registration-number: 143/156/50411).

The tax authorities carried out a tax audit in the year 2012 for the assessment periods 2007 to 2009.

DIRECTORS' REPORT

Dear Members,

The Directors have pleasure in presenting their Annual Report and Audited Accounts for the year ended March 31, 2015.

1. **FINANCIAL HIGHLIGHTS:**

Particulars	USD*	
	2014-15	*2013-14*
Total Income	**2,584,486**	*4,381,788*
Profit/(Loss) before Tax	**123,070**	*188,873*
Less : Tax	**–**	*–*
Net Profit / (Loss) after Tax	**123,070**	*188,873*
Add: Balance b/f from previous year	**1,479,447**	*1,290,574*
Balance to be carried forward	**1,602,517**	*1,479,447*

Note: *United States Dollars

2. **STATE OF COMPANY AFFAIRS:**

The total income for the financial year under review were USD 2.58 Mn as against USD 4.38 Mn for the previous financial year. The profit after tax was USD 0.12 Mn for the financial year under review as against USD 0.19 Mn for the previous financial year.

3. **DIVIDEND:**

In order to conserve the resources for future business growth, the Directors do not recommend dividend for the current year.

4. **DETAILS OF DIRECTORS APPOINTED/RESIGNED DURING THE YEAR:**

During the year, Dr. Mukesh Aghi resigned as a Director with effect from February 28, 2015. The Board places on record the valuable contribution made by him during his tenure as Director of the Company.

Mr. Sunil Pande was appointed as a Director of the Company with effect from February 28, 2015.

5. **AUDITORS:**

M/s Ramesh Sarva, C.P.A, P.C. are the auditors of the Company. They have been re-appointed as Statutory Auditors of the Company for the ensuing financial year.

6. **DIRECTORS RESPONSIBILITY STATEMENT:**

The Board of Directors of the Company confirms that:

a) In the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) 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 and of the profit or loss of the Company for that period;

c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The Directors have prepared the Annual Accounts on a going concern basis;

e) The Directors have laid down an adequate system of internal financial control with respect to reporting on financial statements and the said system is operating effectively ;

f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

7. **ACKNOWLEDGEMENT**

Your Directors acknowledge the invaluable support extended by the Government authorities in USA and take this opportunity to thank them as well as the customers, supply chain partners, employees, Financial Institutions, Banks and all the various stakeholders for their continued co-operation and support to the Company.

For and on behalf of the Board

SUNIL PANDE
Director

Date: April 30, 2015

INDEPENDENT AUDITORS' REPORT

RAMESH SARVA, C.P.A., P.C.
CERTIFIED PUBLIC ACCOUNTANTS

RAMESH SARVA, C.P.A.

109-17 72nd ROAD
FOREST HILLS, N.Y. 11375
TEL (718) 268 - 6906
FAX (718) 575 - 3375

April 30, 2015

Larsen & Toubro Infotech LLC,
2035 Lincoln Hwy, #3000
Edison NJ 08817

Gentlemen:

We have audited the accompanying Balance Sheet of Larsen & Toubro Infotech LLC as of March 31, 2015 and the related statements of Income, Retained Earnings and Cash Flows for the twelve months ended March 31, 2015. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Larsen & Toubro Infotech LLC as of the twelve months ended and the results of its operations and its cash flows for the year then ended are in conformity with the generally accepted accounting principles.

Respectfully

For Ramesh Sarva, C.P.A., P.C.

Ramesh Sarva, CPA

BALANCE SHEET AS OF MARCH 31, 2015

	Amount ($)	Amount ($)
CURRENT ASSETS		
CASH IN BANK	151,566	
ACCOUNTS RECEIVABLE	11,958	
DUE FROM AFFILIATES	1,637,200	
TOTAL CURRENT ASSETS		1,800,724
PROPERTY AND EQUIPMENT		
TOTAL ASSETS		1,800,724
CURRENT LIABILITIES		
EMPLOYEE ADVANCES PAYABLE	2,055	
ACCRUED EXPENSE	196,151	
		198,207
LONG-TERM LIABILITIES		
BRANCH EQUITY		
Retained Earnings	1,602,517	
Total Stockholders' Equity		1,602,517
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		1,800,724

RAMESH SARVA, C.P.A., P.C.
Certified Public Accountants

INCOME STATEMENT

	For the 12 months Ended March 31, 2015 Amount ($)
SALES	
Gross Revenue	**2,584,486**
	2,584,486
Cost of Goods Sold	
Travel	**34,965**
Employee Medical Insurance	**92,222**
Payroll Taxes	**158,010**
Salaries	**1,977,183**
Total Cost of Goods Sold	**2,262,381**
Gross Profit	**322,105**
OPERATING EXPENSES	
Bank Charges	**1,098**
Insurance	**17,879**
Exchange Difference	**105,747**
State Franchise Tax	**61,242**
Office Expenses	**4,174**
Professional Fees	**8,590**
Telephone Expense	**306**
Total Operating Expenses	**199,034**
NET INCOME (LOSS)	**123,070**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

1- The LLC was incorporated in the State of Delaware as a wholly owned subsidiary of Larsen & Toubro Infotech Ltd , to take over the work and absorb the staff from a large client. Client closed IT operations and transferred to Larsen & Toubro Infotech LLC.

2- There are no contingent liabilities. Capital is fully provided by the parent, Larsen & Toubro Infotech Ltd.

3- There are no outstanding taxes due for more than 3 months to any tax authority. Separate tax return is not filed for the LLC as it has a single owner, and elected to file taxes together with owner, Larsen & Toubro Infotech Ltd of New Jersey.

4- Tax Provision: State Franchise and Federal income taxes are provided in full.

RAMESH SARVA, C.P.A., P.C.
Certified Public Accountants

DIRECTORS' REPORT

The Directors have pleasure in presenting their Nineteenth report and Audited Accounts for the year ended March 31, 2015.

1. FINANCIAL RESULTS:

₹ Lakhs

Particulars	**2014-15**	*2013-14*
Profit Before Depreciation and Tax	**2,198**	*3,976*
Less: Depreciation, amortization and obsolescence	**201**	*164*
Profit/(Loss) before tax	**1,996**	*3,812*
Less: Provision for tax	**699**	*1,300*
Profit after tax for the year carried to balance sheet	**1,297**	*2,512*
Add: Balance brought forward from previous year	**7,938**	*7,521*
Less: Interim Dividend paid (including dividend distribution tax)	**7,956**	*1,843*
Balance available for disposal (which directors appropriate as follows)	**1,279**	*8,190*
General reserve	**–**	*252*
Balance carried to balance sheet	**1,279**	*7,938*

Acquisition by Larsen & Toubro Infotech Limited

On October 16, 2014, Larsen & Toubro Infotech Limited acquired 2,100,000 equity shares of the Company from Otis Elevator Company, USA and 1,400,000 equity shares from Otis Elevator Company (India) Limited, making the Company a wholly owned subsidiary of Larsen & Toubro Infotech Limited.

Proposed Amalgamation with Larsen & Toubro Infotech Limited

The Board of Directors of the Company vide their resolution dated December 04, 2014 have approved the Scheme of Amalgamation of the Company with the Holding Company, Larsen & Toubro Infotech Limited and their respective shareholders and creditors ("the Scheme") under sections 391 to 394 and other applicable provisions of the Companies Act, 1956 with the appointed date as October 17, 2014. The petition for sanctioning the Scheme of Amalgamation has been admitted by the Hon'ble High Court of Judicature at Bombay on April 18, 2015, while the final order of the Hon'ble High Court is awaited.

State of Company Affairs:

The gross sales and other income for the financial year under review were ₹ 5,652 lakhs as against ₹ 7,654 lakhs for the previous financial year. The profit before tax was ₹ 1,996 lakhs and the profit after tax of ₹ 1,297 lakhs for the financial year under review as against ₹ 3,812 lakhs and ₹ 2,512 lakhs respectively for the previous financial year.

There are no material changes and commitments affecting the financial position of the Company, between the end of the financial year and the date of the report.

Capital Expenditure:

As at March 31, 2015 the gross fixed and intangible assets including leased assets, stood at ₹ 1,923 lakhs and the net fixed and intangible assets,at ₹ 274 lakhs. Capital expenditure during the year amounted to ₹ 50 lakhs.

Deposits:

During the period under review, the Company has not accepted any public deposits and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

2. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN OR SECURITY PROVIDED BY THE COMPANY:

The Company has disclosed the full particulars of the loans given, investments made or guarantees given or security provided in the notes forming part of the financial statements provided in this Annual Report.

3. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All the related party transactions are entered on arm's length basis and are in compliance with the applicable provisions of the Act. There are no materially significant related party transactions entered by the company with directors which have potential conflict with the interest of the company at large.

The details of material contracts or arrangement or transactions at arm's length basis as per **form AOC-2** as per Companies (Accounts) Rules, 2014 is annexed as **Annexure A** to this report.

4. DIVIDEND:

During the year, the Directors have paid an interim dividend at the rate of ₹ 194 per share on 35,00,000 paid-up equity shares of ₹ 10 each. The dividend payment has resulted in an outflow of ₹ 6790 lakhs towards dividend (previous year ₹ 1,575 lakhs) and ₹ 1,166 lakhs towards dividend distribution tax (previous year ₹ 267 lakhs) resulting in a total outflow of ₹ 7,956 lakhs *(previous year ₹ 1,842 lakhs)*. The Directors do not recommend any final dividend.

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

Conservation of Energy:

Since the Company is engaged in software development, it is not a major consumer of energy.

Technology Absorption:

There was no Technology absorption during the year 2014-15.

Foreign Exchange Earnings and Outgo:

Foreign Exchange earnings : ₹ 3,852 Lakhs

Foreign Exchange outgo : ₹ 98 Lakhs

6. RISK MANAGEMENT POLICY:

The Company has laid down a well-definedrisk management framework covering the risk mapping, risk exposure, potential impact and risk mitigation process. A detailed exercise is being carried out to identify, evaluate, manage and monitor both business and non-business risks which covers areas like Technological Obsolescence, Increased competition, Risk of Rejection, Marketing Risk, Risk of Debtors collections, Foreign Exchange Fluctuation, Product Liability Risk.

7. CORPORATE SOCIAL RESPONSIBILITY (CSR):

The Company constituted a CSR committee on August 26, 2014. The Committee got dissolved on October 16, 2014, when all the directors representing Otis Elevator Group of Companies ('OTIS') resigned on the transfer of shares held by OTIS to Larsen & Toubro Infotech Limited ('L&T Infotech'). The CSR Committee was re-constituted on January 9, 2015 with Mr. Chandrashekara Kakal, Mr. Makarand Deolalkar and Mr. Sunil Y. Sapre as members.

a) Amount to be spent on CSR:

Particulars	₹ (lakhs)
Average Net Profit of the Company for the last three financial years	3,059
Prescribed CSR Expenditure (2% of the Average Net Profits)	61
Total amount spent for the financial year	Nil
Amount unspent	61

b) Manner in which amount spent during the financial year:

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 project is undertaken	Amount Outlay (Budget)project or programs wise	Amount spent on the projects or programs (1) Direct Expenditure on projects or programs (2) Overheads	Cumulative Expenditure up to the reporting period	Amount spent : Direct or through implementing agency
NIL	NIL	NIL	NIL	NIL	NIL	NIL

c) Reasons for not spending the amount:

The Company was not able to spend the requisite amount as appropriate CSR activities could not be identified since there were changes in the ownership of the Company and the process of amalgamation with Larsen & Toubro Infotech Limited, Holding Company was initiated soon after the acquisition.

8. DETAILS OF DIRECTORS& KEY MANAGERIAL PERSONNEL (KMP) APPOINTED / RESIGNED DURING THE YEAR:

Consequent to the changes in the ownership during the year, the following appointments and cessation on the Board took place on October 16, 2014.

A. Appointment/Re-appointment of Directors:

Following additional directors representing Larsen & Toubro Infotech Limited were appointed on the Board:-

a) Mr. Chandrashekara Kakal

b) Mr. Makarand Deolalkar

c) Mr. Sunil Sapre

B. Cessation of Directors:

Following directors, representing Otis Elevator Group resigned:-

a) Mr. Omar Fathi, Non-Executive Chairman,
b) Mr. Ramaswamy Narayanan, Whole-time Director
c) Ms. Sunitha Narahari, Non-Executive Director
d) Mr. V. Subramaniam, Non-Executive Director

The Board places on record the valuable contribution of above-mentioned directors during their tenure as Directors of the Company.

C. Key Managerial Personnel other than the Directors:

Mr. Sadashiv Javalagi, Head Finance & Accounts continues to be Company Secretary of the Company.

9. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

The Meeting of the Board are held at regular intervals with a time gap of not more than 120 days between two consecutive meetings.

During the year under review six meetings were held on the following dates:

1) June 12, 2014
2) August 26, 2014
3) October 16, 2014 (2 meetings held)
4) December 04, 2014
5) January 09, 2015

Minutes of the meetings of the Board of Directors are circulated amongst the Members of the Board for their perusal.

10. EXTRACT OF ANNUAL RETURN:

As per the provisions of Section 92(3) of the Companies Act, 2013, an extract of the Annual Return is attached as Annexure B.

11. DIRECTORS RESPONSIBILITY STATEMENT:

The Board of Directors of the Company confirms:

a) In the preparation of Annual Accounts, the applicable accounting standards have been followed and there has been no material departure;

b) 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 as on March 31, 2015 and the profit of the Company for the year ended March 31, 2015.

c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d) The Directors have prepared the Annual Accounts on a going concern basis; and

e) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

12. STATUTORY DISCLOSURE:

The Directors wish to state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention,Prohibition and Redressal) Act, 2013.

13. STATUTORY AUDITORS:

M/s Deloitte Haskins and Sells LLP (Formerly M/s Deloitte Haskins and Sells), Chartered Accountants, who are Statutory Auditors of the Company retire at the ensuing Annual General Meeting and are eligible for re-appointment as per Section 139 of the Companies Act, 2013. M/s Deloitte Haskins and Sells LLP have expressed their willingness to get re-appointed as the Statutory Auditors of the Company and has furnished a certificate to the effect that their re-appointment, if made, would be in line with requirement laid under Section 139 & 141 of the Companies Act, 2013. The Board recommends their re-appointment as Statutory Auditors as required under the provisions of section 141 of the Companies Act, 2013, from the conclusion of the ensuing AGM until the conclusion of the next AGM.

14. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

During the year under review, there were no material and significant orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

15. ACKNOWLEDGEMENTS:

Your Directors take this opportunity to thank the customers,vendors,employees, Banks, Central and State Government authorities, Regulatory authorities and all the various stakeholders for their continued co-operation and support to the Company.

For and on behalf of the Board

Place : Mumbai	**CHANDRASHEKARA KAKAL**	**SUNIL Y. SAPRE**
Date : May 06, 2015	*Director*	*Director*
	(DIN: 02662215)	*(DIN: 06475949)*

ANNEXURE A

AOC-2

RELATED PARTY TRANSACTIONS STATEMENT

Details of material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2015 are as follows:

S. N.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:	Amount (₹)
1	Otis Elevator Company, USA (Holding Company untill October 16, 2014)	Sale of Software & Other services	1 year	As per commercial terms in line with business practices and comparable with unrelated parties	Not Applicable	–	338,442,627
2	Larsen & Toubro Infotech Ltd (Holding Company effective October 16, 2014)	Sale of Software & Other services	1 year	As per commercial terms in line with business practices and comparable with unrelated parties	Not Applicable	–	143,590,286

For and behalf of the Board

CHANDRASHEKARA KAKAL
Director
(DIN: 02662215)

SUNIL Y. SAPRE
Director
(DIN: 06475949)

Place: Mumbai
Date: May 6, 2015

ANNEXURE B

FORM NO. MGT - 9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2015

[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:

S.N.	Particulars	
1	CIN	U72200MH1996PTC100517
2	Registration Date	June 25, 1996
3	Name of the Company	Information Systems Resource Centre Private Limited
4	Category / Sub-Category of the Company	Private Company Limited by Shares
5	Address of the Registered office and contact details	L&T House, Ballard Estate, Mumbai 400001 Maharashtra, INDIA
6	Whether listed Company	No
7	Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Applicable

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:-

S.N.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Writing , modifying, testing of computer program to meet the needs of a particular client excluding web-page designing	62011	20%
2.	Providing software support and maintenance to the clients	62013	80%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S.N.	Name and address of the company	CIN / GLN	Holding / subsidiary / associate	% of Shares held	Applicable Section
1	Larsen & Toubro Infotech Limited	U72900MH1996PLC104693	Holding	100%	2(46)

IV. SHARE HOLDING 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. Promoters									
1) Indian									
a) Individual / HUF									
b) Central Govt									
c) State Govt (s)									
d) Bodies Corp.	–	–	–			3500000	3500000	100%	100%
e) Banks / FI									
f) Any Other….									
Sub-total (A) (1):-	–	–	–			3500000	3500000	100%	100%
2) Foreign									
a) NRIs - Individuals									
b) Other - Individuals									

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) Bodies Corp.	–	–	–			–	–	–	
d) Banks / FI									
e) Any Other….									
Sub-total (A) (2):-	–	–	–			–	–	–	
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	–	–	–			3500000	3500000	100%	100%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt.									
d) State Govt(s).									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1):-									
2. Non-Institutions									
a) Bodies Corp.									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh									
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh									
c) Others (specify)									
Sub-total (B)(2):-									
Total Public Shareholding (B)=(B)(1)+ (B)(2)					–	–	–	–	–
C. Shares held by Custodian for GDRs & ADRs					–	–	–	–	–
Grand Total (A+B+C)					**–**	**3500000**	**3500000**	**100%**	**–**

Note: On October 16, 2014, Larsen & Toubro Infotech Limited acquired 2,100,000 equity shares of the Company from Otis Elevator Company, USA and 1,400,000 equity shares from Otis Elevator Company (India) Limited, making the Company a wholly owned subsidiary of Larsen & Toubro Infotech Limited.

ii) Shareholding of Promoters

S.N.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding 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	Larsen & Toubro Infotech Limited				3500000	100%	0%	100%
	TOTAL				**3500000**	**100%**	**0%**	**100%**

Note: On October 16, 2014, Larsen & Toubro Infotech Limited acquired 2,100,000 equity shares of the Company from Otis Elevator Company, USA and 1,400,000 equity shares from Otis Elevator Company (India) Limited, making the Company a wholly owned subsidiary of Larsen & Toubro Infotech Limited.

iii) Change in Promoters' Shareholding-

S.N.	Shareholder's Name	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
	At the beginning of the year	3500000	100%	3500000	100%
	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):	On October 16, 2014, Larsen & Toubro Infotech Limited acquired 2,100,000 equity shares of the Company from Otis Elevator Company, USA and 1,400,000 equity shares from Otis Elevator Company (India) Limited, making the Company a wholly owned subsidiary of Larsen & Toubro Infotech Limited. There was no fresh issue of shares during the year.			
	At the End of the year	3500000	100%	3500000	100%

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): Not Applicable, since all the shareholding is promoter shareholding.

S.N.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Top 10 Shareholders	No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	At the beginning of the year	–	–	–	–
	Date wise Increase / Decrease in 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 (or on the date of separation, if separated during the year)	–	–	–	–

v) Shareholding of Directors and Key Managerial Personnel-

None of the Directors and Key Managerial Personnel hold any shares in the Company.

S.N.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each of the Directors and KMP	No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	At the beginning of the year	–	–	–	–
	Date wise Increase / Decrease in 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 (or on the date of separation, if separated during the year)	–	–	–	–

V. INDEBTEDNESS-

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due				
Total (i+ii+iii)	–	–	–	–
Change in Indebtedness during the financial year • Addition • Reduction				
Net Change	–	–	–	–
Indebtedness at the end of the financial year i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due				
Total (i+ii+iii)	–	–	–	–

VI. REMUNERATION OF DIRECTORS-

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

(₹ Lakhs)

S.N.	Particulars of Remuneration	Name of WTD - Ramaswamy Narayanan	Total Amount
1.	**Gross salary**		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	49.49	49.49
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.17	0.17
	(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 :** Provident fund and other fund	1.74	1.74
	Total (A)	**51.40**	**51.40**
	Ceiling as per the Act	5% of the net profits of the Company – ₹ 102.40 Lakhs	

B. Remuneration to other directors:

(₹ Lakhs)

S.N.	Particulars of Remuneration	Name of Director – Ms. Sunitha Narahari	Total Amount
1.	**Independent Directors**		
	• Fee for attending board / committee meetings	–	–
	• Commission	–	–
	• Others, please specify	–	–
	Total (1)	**–**	**–**
2.	**Other Non-Executive Directors**		
	• Fee for attending board / committee meetings	0.10	0.10
	• Commission	–	
	• Others, please specify	–	–
	Total (2)	0.10	0.10
	Total (B)=(1+2)	0.10	0.10
	Total Managerial Remuneration	0.10	0.10
	Overall Ceiling as per the Act	1% of the Net Profits of the Company – ₹ 20. 48 Lakhs	

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD :

(₹ Lakhs)

S.N.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CFO	Company Secretary	Total
1.	**Gross salary**				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			34.52	34.52
	(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**				
	Contribution to PF and Other Funds			1.31	1.31
	Incentive			7.60	7.60
	Total			**43.43**	**43.43**

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES – NONE

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

For and on behalf of the Board

Place : Mumbai
Date : May 06, 2015

CHANDRASHEKARA KAKAL
Director
(DIN: 02662215)

SUNIL Y. SAPRE
Director
(DIN: 06475949)

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF INFORMATION SYSTEMS RESOURCE CENTRE PRIVATE LIMITED

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **INFORMATION SYSTEMS RESOURCE CENTRE PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, 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 for the year then ended.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, 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.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015 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, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   (c) The Balance Sheet, 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 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 March 31, 2015 taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2015 from being appointed as a Director in terms of Section 164(2) of the Act.

(f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

HEMANT M. JOSHI
Partner
Membership No. 38019

Place : Pune
Date : May 7, 2015

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Having regard to the nature of the Company's business / activities / results during the year, clause (ii) of paragraph 3 of the Order is not applicable to the company.

(i) In respect of its fixed assets:

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

(b) The major portions of the fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(ii) 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 the provisions of sub clauses (a) and (b) of Clause (iii) of paragraph 3 of the Order are not applicable to the company.

(iii) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the sale of goods and services and during the course of our audit we have not observed any continuing failure to correct major weaknesses in such internal control system. There are no purchases of inventories during the year.

(iv) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits. Therefore, the provisions of the clause (v) of paragraph 3 of the Order are not applicable to the Company.

(v) According to the information and explanations given to us, the provisions of the clause (vi) of paragraph 3 of the Order are not applicable to the Company as the Company is not covered by the Companies (Cost Records and Audit) Rules, 2014.

(vi) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax and Value Added Tax which have not been deposited as on March 31, 2015 on account of disputes are given below:

(Amount in ₹)

Name of Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates (Financial Year)	Amount involved
The Income Tax Act, 1961	Income tax	Assessing officer	2007-08	1,510,388
The Income Tax Act, 1961	Income tax	Assessing officer	2008-09	2,082,696
Maharashtra Value added Tax Act, 2002	Value Added Tax	Deputy Commissioner of Sales Tax	2008-09	1,276,208

(d) According to the information and explanations given to us, there are no amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.

(vii) The Company has accumulated profits at the end of the financial year and the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

(viii) In our opinion and according to the information and explanations given to us, there are no dues payable to financial institutions or bank. The Company has not issued any debenture.

(ix) According to the information and explanations given to us, the Company has not given guarantee for loans taken by others from bank or financial institutions, the terms and conditions whereof are prejudicial to the interest of the Company.

(x) According to the information and explanations given to us, the Company did not avail any term loan during the year.

(xi) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

HEMANT M. JOSHI
Partner
Membership No. 38019

Place : Pune
Date : May 7, 2015

BALANCE SHEET AS AT MARCH 31, 2015

	Note No.	As at 31.03.2015 ₹	*As at 31.03.2014* ₹
I. EQUITY AND LIABILITIES			
1. Shareholders' Funds			
(a) Share Capital	2	**35,000,000**	*35,000,000*
(b) Reserves and Surplus	3	**184,764,875**	*850,650,678*
		219,764,875	*885,650,678*
2. Non-Current Liabilities			
(a) Long-Term Provisions	4	**–**	*1,979,033*
3. Current Liabilities			
(a) Trade Payables	5	**40,283,154**	*18,058,405*
(b) Other Current Liabilities	6	**4,320,622**	*6,055,060*
(c) Short-Term Provisions	7	**11,888,216**	*9,680,530*
		56,491,992	*33,793,995*
TOTAL		**276,256,867**	*921,423,706*
II. ASSETS			
1. Non-Current Assets			
(a) Fixed Assets	8		
(i) Tangible Assets		**23,973,815**	*39,370,183*
(ii) Intangible Assets		**3,416,788**	*7,177,791*
		27,390,603	*46,547,974*
(b) Deferred Tax Asset (net) (refer note 18 (vi))		**8,148,871**	*6,071,601*
(c) Long-Term Loans and Advances	9	**52,525,084**	*22,456,900*
		88,064,558	*75,076,475*
2. Current Assets			
(a) Current Investments	10	**70,346,639**	*–*
(b) Trade Receivables	11	**71,988,820**	*109,296,493*
(c) Cash and Cash Equivalents	12	**18,462,798**	*662,232,025*
(d) Short-Term Loans and Advances	13	**27,206,874**	*26,035,763*
(e) Other Current Assets	14	**187,178**	*48,782,950*
		188,192,309	*846,347,231*
TOTAL		**276,256,867**	*921,423,706*
See accompanying notes forming part of the financial statements	1 to 18		

In terms of our report attached

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

HEMANT M JOSHI
Partner
Membership No. 38019

Place : Pune
Date : May 07, 2015

For and on behalf of the Board of Directors

CHANDRASHEKARA KAKAL
Director
DIN 02662215

SUNIL YESHWANT SAPRE
Director
DIN 06475949

SADASHIV JAVALAGI
Head of Finance and Company Secretary

Place : Mumbai
Date : May 06, 2015

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

		Note No.	As at 31.03.2015 ₹	*As at 31.03.2014 ₹*
I.	**Revenue From Services**		**539,087,198**	*706,912,289*
II.	**Other Income**	15	**26,125,731**	*58,525,299*
III.	**Total Revenue (I + II)**		**565,212,929**	*765,437,588*
IV.	**Expenses:**			
	(a) Employee Benefits Expense	16	**225,375,667**	*238,476,218*
	(b) Operating and Other Expenses	17	**120,121,430**	*129,385,821*
	(c) Depreciation and Amortisation Expense	8	**20,064,968**	*16,414,167*
	Total Expenses		**365,562,065**	*384,276,206*
V	**Profit Before Tax (III-IV)**		**199,650,864**	*381,161,382*
VI	**Tax Expense:**			
	(a) Current Tax		**72,000,000**	*129,683,500*
	(b) Deferred Tax (refer note 18 (vi))		**(2,077,270)**	*321,330*
VII	**Profit For the year (V-VI)**		**129,728,134**	*251,156,552*
	Earnings Per Equity Share (Face Value ₹ 10 each) in ₹ (refer note 18 (xvii))			
	(a) Basic		**37.07**	*71.76*
	(b) Diluted		**37.07**	*71.76*
	See accompanying notes forming part of the financial statements	1 to 18		

In terms of our report attached

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/ W-100018)

HEMANT M JOSHI
Partner
Membership No. 38019

Place : Pune
Date : May 07, 2015

For and on behalf of the Board of Directors

CHANDRASHEKARA KAKAL
Director
DIN 02662215

SUNIL YESHWANT SAPRE
Director
DIN 06475949

SADASHIV JAVALAGI
Head of Finance and Company Secretary

Place : Mumbai
Date : May 06, 2015

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH, 2015

	Cash Flow Statement for the year ended	Year Ended 31.03.2015		*Year Ended 31.03.2014*
		₹	₹	*₹*
A	**Cash Flow from Operating Activities**			
	Net Profit Before Tax		**199,650,864**	*381,161,382*
	Adjustment For			
	Depreciation and Amortisation	**20,064,968**		*16,414,167*
	(Profit) / Loss on Sale of Assets (Net)	**4,028,454**		*(173,873)*
	Interest Income	**(25,314,839)**		*(47,653,379)*
	Dividend Income	**(346,639)**		
			(1,568,056)	
	Operating Profit before working capital changes		**198,082,808**	*349,748,297*
	Changes in working capital			
	Adjustments for (increase)/decrease in operating assets:			
	- Trade Receivables	**37,307,673**		*(8,766,851)*
	- Short Term Loans & Advances	**(1,171,111)**		*(10,835,518)*
	- Long Term Loans & Advances	**(2,583,926)**		*1,315,088*
	- Other Current Assets	**43,227,175**		*270,110*
	Adjustments for increase/(decrease) in operating liabilities:			
	- Trade Payables	**22,224,749**		*3,331,874*
	- Other Current Liabilities	**(1,734,438)**		*(689,361)*
	- Long Term Provisions	**(1,979,033)**		*(1,212,251)*
	- Short Term Provisions	**2,322,788**		*2,299,198*
			97,613,877	
	Cash Generated from Operations		**295,696,685**	*335,460,586*
	Income Tax Paid		**(99,599,361)**	*(139,180,462)*
	Net Cash Flow from / (used in) Operating Activities (A)		**196,097,324**	*196,280,124*
B	**Cash Flow from Investing Activities**			
	Purchase of Fixed Assets	**(4,989,206)**		*(29,945,844)*
	Proceeds from Sale of Fixed Assets	**53,155**		*400,010*
	Interest Received	**30,683,437**		*46,963,142*
	Purchase of Mutual Funds	**(80,000,000)**		*–*
	Receipts from redemption of Mutual Funds	**10,000,000**		*–*
	Net Cash Flow from / (used in) Investing Activities (B)		**(44,252,614)**	*17,417,308*
C	**Cash Flow from Financing Activities**			
	Dividend Paid	**(679,000,000)**		*(157,500,000)*
	Tax on Dividend	**(116,613,937)**		*(26,767,125)*
	Net Cash Flow from / (used in) Financing Activities (C)		**(795,613,937)**	*(184,267,125)*
	Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)		**(643,769,227)**	*29,430,307*
	Cash and Cash Equivalents at the Beginning of the year		**662,232,025**	*632,801,718*
	Cash and Cash Equivalents at the End of the year		**18,462,798**	*662,232,025*
	Net Increase / (Decrease) in Cash and Cash Equivalents		**(643,769,227)**	*29,430,307*

Cash and Cash Equivalents at the end of the year comprises	Year Ended March 31, 2015		*Year Ended March 31, 2014*
	₹	₹	*₹*
Cash in Hand		**23,408**	*1,827*
Balances with Scheduled Banks:			
- In Current Account		**17,989,390**	*44,480,198*
- In Deposit Accounts with original maturity less than 3 months		**–**	*617,300,000*
- Other Deposit Account		**450,000**	*450,000*
Total		**18,462,798**	*662,232,025*

In terms of our report attached

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

HEMANT M JOSHI
Partner
Membership No. 38019

Place : Pune
Date : May 07, 2015

For and on behalf of the Board of Directors

CHANDRASHEKARA KAKAL
Director
DIN 02662215

SUNIL YESHWANT SAPRE
Director
DIN 06475949

SADASHIV JAVALAGI
Head of Finance and Company Secretary

Place : Mumbai
Date : May 06, 2015

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT MARCH 31, 2015

Background

Information Systems Resource Centre Private Limited ("ISRC" or "the company") is a leading IT solutions & service provider. ISRC was a subsidiary of OTIS Elevators Company, USA till October 16, 2014 and subsequently became a subsidiary of Larsen & Toubro Infotech Limited. The main source of revenue of the company is from software development. ISRC has a strong expertise in the areas of remote elevator monitoring systems, web based training, business intelligence & data warehousing, embedded software development etc. ISRC is providing software development work for OTIS group Companies and Larsen & Toubro Infotech Limited.

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting and Preparation of Financial Statements:

The financial statements of the Company have been prepared on accrual basis under the historical cost convention, in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the, accounting standards specified under section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013, as applicable. The accounting policies adopted in preparation of the financial statements are consistent with those followed in the previous year except for change in the accounting policy for depreciation.

b) Use of Estimates:

The preparation of financial statements, in conformity with the Indian GAAP, requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reported period. Differences between the actual results and estimates are recognised in the period in which the results are known / materialised.

c) Fixed Assets and Depreciation:

Fixed Assets are stated at cost less accumulated depreciation. Cost includes all expenses related to acquisition and installation of the concerned assets and any attributable cost of bringing the asset to the condition of its intended use.

Depreciation on fixed assets is provided under the straight line method based on useful lives of assets as per the useful life prescribed in Schedule II to the Companies Act, 2013. Depreciation is charged on a monthly pro-rata basis for assets purchased / sold during the year.

The useful lives for various fixed assets as prescribed under Schedule II of the Companies Act, 2013 is as under:

Asset	Useful Life Of Asset In Years
Plant & Machinery (Including Computer Hardware)	3-6
Furniture and Fixtures	10
Office Equipment	3-5
Vehicle	8
Computers Software	3

Leasehold improvements are amortised over primary period of the lease.

d) Leases:

Lease agreements where the risks and rewards incidental to ownership of asset substantially vest with the lessor are classified as operating leases. Lease rentals under operating leases are recognized in the Statement of Profit and Loss on the straight line basis over the term of the lease.

e) Impairment of Fixed Assets:

As per the Accounting Standard 28 on Impairment of Assets at each Balance Sheet date, the Company reviews using internal resources, the carrying amounts of its fixed assets to determine whether there is an indication that the assets suffered an impairment loss. If any such condition exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flow expected from continuing use of the asset and from its eventual disposal is discounted to their present value using a pre-tax rate that reflects the current market assessment of time value of money and the risks specific to the asset.

f) Employee Benefits:

Post Employment Benefits:

i) Defined Contribution Plans:

The Company has Defined Contribution Plan for post employment benefit in the form of Provident Fund for its employees managed by the Regional Provident Fund Commissioner. The Company's contributions are charged to the Statement of Profit and Loss and the Company has no further obligation beyond making the contribution.

ii) Defined Benefit Plans:

Funded

The employee's gratuity fund scheme with Life Insurance Corporation of India is Company's defined benefit plan. Gratuity is a benefit

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

to an employee based on 15 days last drawn salary for each completed year of service. The present value of the obligation under the plan is determined based on actuarial valuation using the Projected Unit Credit Method as at the date of Balance Sheet, carried out by independent actuary.

iii) Other Long Term Employee Benefit:

Liability for Compensated Absences is provided on the basis of valuation, as at the Balance Sheet date, carried out by independent actuary. The Actuarial valuation method used for measuring the liability is the Projected Unit Credit Method.

Actuarial gains and losses in respect of such benefits are charged to the Statement of Profit and Loss in the year in which they occur.

g) Revenue Recognition:

Revenue from time and material contracts for software development is recognised on completion of contracts or statements of work or at stages as per the applicable terms and conditions agreed with the customers and when the deliverables are despatched to customers. In case of fixed price contracts revenue is recognized based on proportionate completion basis. Revenue from Annual Maintenance Contracts is recognized proportionately over the period covered by the contract.

Revenue from sale of services are recognised on an accrual basis as per the terms of the specific contracts. (Refer Note 18 (xvi))

Dividends are recorded when the right to receive payment is established. Interest income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

h) Income Tax:

Current Tax is determined as the amount of tax payable in respect of taxable income for the year calculated as per the provisions of the Income Tax Act, 1961. The Company provides for Minimum Alternate Tax (MAT) in accordance with the provisions of section 115JB of the Income Tax Act, 1961. The Company offsets, on year on year basis, the current tax assets and liabilities, where it has legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

The Minimum Alternate Tax (MAT) credit 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 specified period. In the period in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement.

Deferred tax for the year is recognized, subject to consideration of prudence on timing difference; being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realise these assets.

i) Foreign Exchange Transactions:

Transactions in foreign currency are recorded at the average monthly exchange rates. Foreign currency denominated monetary assets and liabilities related to foreign currency transactions, remaining unsettled at the year end, are stated at the exchange rate prevailing on the Balance Sheet Date. Exchange differences arising on settlement of transactions and translation of monetary items are recognized as income or expense in the Statement of Profit and Loss in the year in which they arise.

j) Provision, Contingent Liabilities and Contingent Assets:

As per Accounting Standard 29, ‘Provisions, Contingent Liabilities and Contingent Assets’, the Company recognizes provisions only when it has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

No Provisions are recognized for –

A. any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or

B. any present obligation that arises from past events but is not recognized because-

- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- A reliable estimate of the amount of obligation cannot be made.

Such obligations are disclosed as Contingent Liabilities. These are assessed periodically and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in the extremely rare circumstances where no reliable estimate can be made.

Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

k) Earnings Per Share:

The Company reports basic Earnings per share in accordance with AS – 20 “Earnings per Share”. Basic Earnings per Share is computed by dividing the Net Profit / Loss for the period by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit or loss for the period by weighted average number of equity shares outstanding during the period as adjusted for the effects of all diluted potential equity shares unless the effect of the potential dilutive equity shares is anti dilutive.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

NOTE 2: SHARE CAPITAL

Particulars	As at 31.03.2015		As at 31.03.2014	
	No. of Shares	₹	No. of Shares	₹
Authorised				
Equity Shares of ₹ 10 each	4,000,000	40,000,000	4,000,000	40,000,000
Issued, Subscribed & Paid up				
Equity Shares of ₹ 10 each	3,500,000	35,000,000	3,500,000	35,000,000
Total Issued, Subscribed & Paid up share capital	3,500,000	35,000,000	3,500,000	35,000,000

a. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31.03.2015		As at 31.03.2014	
	Equity Shares		Equity Shares	
	No. of Shares	₹	No. of Shares	₹
Shares Outstanding at the Beginning of the year	3,500,000	35,000,000	3,500,000	35,000,000
Shares Issued during the year	–	–	–	–
Shares Outstanding at the end of the year	3,500,000	35,000,000	3,500,000	35,000,000

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

The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

b. Details of shares held by each shareholder holding more than 5 percent equity shares of the company are as follows:

Name of Shareholder	As at 31.03.2015		As at 31.03.2014	
	No. of Shares	% holding	No. of Shares	% holding
OTIS Elevator Company (U.S.A)	–	–	2,100,000	60.00
OTIS Elevator Company (India) Limited	–	–	1,400,000	40.00
Larsen & Toubro Infotech Limited * #	3,500,000	100.00	–	–

*On October 16, 2014, Larsen and Toubro Infotech Ltd. has acquired 2,100,000 equity shares of the Company from Otis Elevator Company (U.S.A.) and 1,400,000 equity shares from Otis Elevator Company India Limited. Hence the Company is now wholly owned subsidiary of Larsen & Toubro Infotech Ltd.

Includes 10 equity shares held by Chandrashekara Kakal (Director) jointly with Larsen & Toubro Infotech Ltd.

	As at 31.03.2015	As at 31.03.2014
	₹	₹
NOTE 3 : RESERVES & SURPLUS		
Capital Reserve	423,514	423,514
General Reserve		
Balance Brought forward	56,399,696	31,199,696
Add : Transferred from Statement of Profit and Loss	–	25,200,000
	56,399,696	56,399,696
Surplus in Statement of Profit and Loss		
Opening Balance	793,827,468	752,138,041
Add: Net Profit for the year	129,728,134	251,156,552
Less: Interim Dividend	679,000,000	157,500,000
Less: Tax on Interim Dividend	116,613,937	26,767,125
Less: Transferred to General Reserve	–	25,200,000
Closing Balance	127,941,665	793,827,468
	184,764,875	850,650,678

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

	As at 31.03.2015	As at 31.03.2014
	₹	₹
NOTE 4 : LONG TERM PROVISIONS		
Provision for Employee Benefits		
- Gratuity (refer note 18 (v))	–	1,979,033
- Compensated Absences	–	–
	–	1,979,033
NOTE 5 : TRADE PAYABLES		
Trade Payables (refer note 18 (iv))	40,283,154	18,058,405
	40,283,154	18,058,405
NOTE 6 : OTHER CURRENT LIABILITIES		
Statutory Remittances	4,320,622	6,055,060
	4,320,622	6,055,060
NOTE 7 : SHORT-TERM PROVISIONS		
(a) Provision for Employee Benefits		
- Gratuity (refer note 18 (v))	4,915,312	2,924,829
- Compensated Absences	2,142,846	1,810,542
(b) Provision for Taxation (Net of Advance Tax ₹ 181,963,929)	4,830,058	4,945,159
	11,888,216	9,680,530

NOTE 8 : FIXED ASSETS

₹

Particular	Gross Block (at cost)				Accumulated Depreciation / Amortisation				Net Block
	As at 01.04.2014	Additions during year	Deletions during year	Balance as at 31.03.2015	As at 01.04.2014	For the year	Deductions during year	Up to 31.03.2015	As at 31.03.2014
a) Tangible Assets									
Plant and Machinery (Including Computer Hardware)	118,747,207	3,441,168	17,628,261	104,560,114	90,706,963	11,887,014	14,724,501	87,869,476	16,690,638
	99,405,455	19,341,752	–	118,747,207	83,578,543	7,128,420	–	90,706,963	28,040,244
Furniture and Fixtures	10,454,448	209,142	–	10,663,590	4,445,777	1,241,161	–	5,686,938	4,976,652
	10,444,948	9,500	–	10,454,448	3,409,045	1,036,732	–	4,445,777	6,008,671
Office Equipment	14,105,859	410,442	1,584,772	12,931,529	11,439,731	2,014,016	1,474,743	11,979,004	952,525
	13,600,980	504,879	–	14,105,859	9,250,513	2,189,218	–	11,439,731	2,666,128
Vehicle	1,720,159	–	–	1,720,159	143,348	222,811	–	366,159	1,354,000
	1,507,576	1,720,159	1,507,576	1,720,159	1,080,429	344,358	1,281,439	143,348	1,576,811
Leasehold Improvements	15,096,606	–	–	15,096,606	14,018,277	1,078,329	–	15,096,606	–
	15,096,606	–	–	15,096,606	10,783,290	3,234,987	–	14,018,277	1,078,329
Total	**160,124,279**	**4,060,752**	**19,213,033**	**144,971,998**	**120,754,096**	**16,443,331**	**16,199,244**	**120,998,183**	**23,973,815**
Previous Year	*140,055,565*	*21,576,290*	*1,507,576*	*160,124,279*	*108,101,820*	*13,933,715*	*1,281,439*	*120,754,096*	*39,370,183*
b) Intangible Assets (other than internally generated)									
Computer Software	52,732,624	928,454	6,376,208	47,284,870	45,554,833	3,621,637	5,308,388	43,868,082	3,416,788
	44,363,070	8,369,554	-	52,732,624	43,074,381	2,480,452	–	45,554,833	7,177,791
Total	**52,732,624**	**928,454**	**6,376,208**	**47,284,870**	**45,554,833**	**3,621,637**	**5,308,388**	**43,868,082**	**3,416,788**
Previous Year	*44,363,070*	*8,369,554*	*–*	*52,732,624*	*43,074,381*	*2,480,452*	*–*	*45,554,833*	*7,177,791*
Grand total (a+b)	**212,856,903**	**4,989,206**	**25,589,241**	**192,256,868**	**166,308,929**	**20,064,968**	**21,507,632**	**164,866,265**	**27,390,603**
Previous Year	*184,418,635*	*29,945,844*	*1,507,576*	*212,856,903*	*151,176,201*	*16,414,167*	*1,281,439*	*166,308,929*	*46,547,974*

Note: Number in italics pertains to previous year.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Particulars	As at 31.03.2015 ₹	As at 31.03.2014 ₹
NOTE 9 : LONG-TERM LOANS AND ADVANCES		
Unsecured, Considered good unless otherwise stated		
(a) Security Deposits		
- Considered Good	**13,013,204**	*12,980,774*
- Considered Doubtful	**–**	*214,140*
	13,013,204	*13,194,914*
Less: Provision for Doubtful Deposits	**–**	*214,140*
	13,013,204	*12,980,774*
(b) Prepaid Expenses	**3,569,444**	*1,187,520*
(c) Advance Income Tax (Net of Provision of ₹ 310,729,136)*	**35,642,121**	*8,157,863*
(d) Balances with Government Authorities	**300,315**	*130,743*
	52,525,084	*22,456,900*

* Includes current year's Advance Income Tax of ₹ 26,741,802 *(Previous Year ₹ 6,214,130)* Net of Provision of ₹ 72,000,000 *(Previous Year ₹ 129,683,502)*.

Particulars	As at 31.03.2015 ₹	As at 31.03.2014 ₹
NOTE 10 : CURRENT INVESTMENTS		
Investment in Mutual Funds - Unquoted (at cost or fair value whichever is lower)		
- 5,927,831.106 units of ₹ 10.1660 of L&T Ultra Short Term Fund - Daily Dividend Reinvestment Plan	**60,262,331**	*–*
- 9,968.327 units of ₹ 1,011.6349 of L&T Liquid Fund - Daily Dividend Reinvestment Plan	**10,084,308**	*–*
	70,346,639	*–*
NOTE 11 : TRADE RECEIVABLES		
Unsecured, Considered Good unless Otherwise Stated		
(a) Debts Outstanding for a Period Exceeding Six Months	**694,007**	*18,145*
(b) Other Debts	**71,294,813**	*109,278,348*
	71,988,820	*109,296,493*
NOTE 12 : CASH AND CASH EQUIVALENTS		
(a) Cash on Hand	**23,408**	*1,827*
(b) Balances With Banks		
- In current Accounts	**17,989,390**	*44,480,198*
- In Deposit Accounts with Original Maturity of Less than 3 Months	**–**	*617,300,000*
(c) Other Bank Balances		
- In Deposit Accounts	**450,000**	*450,000*
(Pledged with Bankers for issuing bank guarantee)		
	18,462,798	*662,232,025*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Particulars	As at 31.03.2015 ₹	As at 31.03.2014 ₹
NOTE 13 : SHORT-TERM LOANS AND ADVANCES		
Unsecured, Considered Good Unless Otherwise Stated		
(a) Advances to Employees	–	1,017,169
(b) Balances with Government Authorities	22,373,607	18,135,486
(c) Prepaid Expenses	4,695,156	6,663,537
(d) Others	138,111	219,571
	27,206,874	26,035,763
NOTE 14 : OTHER CURRENT ASSETS		
(a) Interest Accrued on Fixed Deposits	187,178	5,555,776
(b) Unbilled Revenue	–	43,227,174
	187,178	48,782,950
NOTE 15 : OTHER INCOME		
(a) Interest Income (Gross)	25,314,839	47,653,379
(b) Profit on Sale of Fixed Assets	–	173,873
(c) Dividend Income on Current Investments - Mutual Funds	346,639	-
(d) Foreign Exchange (Loss)/Gain - (Net)	(252,987)	10,544,877
(e) Miscellaneous Income	717,240	153,170
	26,125,731	58,525,299
NOTE 16 : EMPLOYEE BENEFITS EXPENSE		
(a) Salaries, Wages and Bonus	202,368,877	213,363,802
(b) Contribution to Provident and Other Funds	8,602,619	13,469,131
(c) Gratuity (refer note 18 (v))	2,936,279	1,841,529
(d) Staff Welfare Expenses	11,467,892	9,801,756
	225,375,667	238,476,218
NOTE 17 : OPERATING AND OTHER EXPENSES		
(a) Rent		
i) Premises	15,763,980	14,425,401
ii) Others	59,830	231,745
(b) Travelling and Conveyance	13,208,790	29,105,795
(c) Subcontracting Cost	56,981,546	36,748,433
(d) Communication Expenses	2,541,016	13,531,076
(e) Software Support Charges	4,411,419	10,098,161
(f) Electricity Charges	5,448,211	6,107,819
(g) Professional Fees	3,025,838	6,465,789
(h) Auditors' Remuneration (refer note 18 (ix))	758,329	756,861
(i) Repairs and Maintenance		
i) Building	1,014,867	1,133,844
ii) Machinery	3,855,350	3,884,627
(j) Printing and Stationery	261,511	455,858
(k) Insurance	156,502	329,096
(l) Rates and Taxes	4,206,377	445,729
(m) Recruitment Expenses	839,048	1,178,073
(n) Loss on Sale of Fixed Assets	4,028,454	–
(o) Donations	–	110,956
(p) Miscellaneous Expenses	3,560,362	4,376,558
	120,121,430	129,385,821

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

NOTE 18 : NOTES TO ACCOUNTS:

i. Proposed scheme of Amalgamation and Arrangement:

The Board of Directors of the Company and Larsen & Tourbo Infotech Limited subject to the approvals of the Hon'ble High Court of Judicature at Bombay, and other authorities, have approved the Scheme of Amalgamation of the Company with Larsen & Toubro Infotech Limited and their respective shareholders and creditors ("the Scheme") under sections 391 to 394 and other applicable provisions of the Companies Act, 1956, on December 04, 2014 and October 17, 2014, respectively. The appointed date for the proposed amalgamation is October 17, 2014. Accordingly, a petition for sanctioning the Scheme of Amalgamation has been filed with the Hon'ble High Court of Judicature at Bombay.

As the company is a 100% subsidiary of Larsen & Tourbo Infotech Limited, no shares would be issued to shareholders of Larsen & Tourbo Infotech Limited.

Upon coming into effect of the Scheme and with effect from the Appointed Date i.e. October 17, 2014 and subject to the provisions of the Scheme, the entire business and whole of the undertaking of the Company as a going concern including but not limited to all the movables and immovable properties, assets, debts, liabilities, duties and obligations of the Company, shall without any further act or deed, but subject to the charges affecting the same, be transferred and/or deemed to be transferred to and vested in Larsen & Tourbo Infotech Limited as a going concern so as to become the assets and liabilities of Larsen & Tourbo Infotech Limited.

ii. Capital Commitments:

Tangible Assets:

Estimated amount of contracts remaining to be executed on capital account (net of advances) ₹ 2,074,600/- *(Previous year ₹ 1,951,691)* to the extent not provided for, ₹ 2,074,600/- *(Previous year ₹ 1,951,691)*.

iii. Contingent Liabilities:

(a) Bank Guarantee issued on behalf of the Company ₹ 450,000/- *(Previous Year ₹ 450,000/-)* this is covered by the margin money deposit of ₹ 450,000/- *(Previous Year ₹ 450,000/-)* kept with the bank by way of a lien.

(b) The company has received notice of demand from Income tax authorities for Assessment Year 2008-2009 to 2010-2011 resulting in a liability of ₹ 2,655,599/- *(Previous year ₹ 2,665,336/-)*. This is mainly due to disallowance of foreign withholding tax and transfer pricing adjustment on account of adjustment of arm's length transaction.

(c) The company has received notice of demand from department of Sales Tax under Maharashtra Value Added Tax Act, 2002 for Financial Year 2008-2009 resulting in a liability of ₹ 1,276,208/- *(previous year ₹ 1,194,171/-)*.

(d) Legal notice was received from ISS Hicare Pvt. Ltd. for an amount of INR 23,255/- *(Previous Year ₹ 23,255/-)* claimed as outstanding towards pest control services.

iv. Micro and Small Enterprises:

Based on the information available with the Company, no creditors have been identified as "supplier" within the meaning of "The Micro, Small and Medium Enterprises Development Act, 2006". The above information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

v. Employee Benefits:

The Disclosures as per the revised Accounting Standard 15 on "Employee Benefits", (AS 15) are as follows:

(a) Defined Contribution Plan (Provident Fund):

Amount recognized as an expense in the Statement of Profit & Loss in respect of Defined contribution plan is 8,022,517/- *(Previous Year ₹ 8,480,614/-)*.

(b) Defined benefit plan (Gratuity):

Change in defined benefit obligation

Particulars	**Current Year** ₹	*Previous Year* ₹
Present Value of obligation at the Beginning of the year	**11,840,870**	*12,436,650*
Interest Cost	**878,390**	*988,149*
Current Service Cost	**2,097,223**	*2,353,141*
Benefits Paid	**(1,158,913)**	*(3,107,897)*
Transfer Out	**(4,546,144)**	–
Actuarial (gain) loss on obligation	**1,069,743**	*(829,173)*
Present Value of obligation at the end of the year	**10,181,169**	*11,840,870*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Change in fair value of the plan assets

Particulars	Current Year ₹	Previous Year ₹
Fair value at the beginning of the year	**6,937,008**	*8,701,154*
Expected return on plan assets	**533,875**	*684,170*
Contributions	**2,924,829**	*673,163*
Benefits paid	**(1,158,913)**	*(3,107,897)*
Transfer Out	**(4,546,144)**	–
Actuarial (gain) / Loss on the plan assets	**575,202**	*13,582*
Fair value at the end of the year	**5,265,857**	*6,937,008*

The Company's gratuity plan is a defined benefit plan and the liability is provided for the shortfall of fair value of plan assets as compared to the present value of obligation. Defined benefit asset is recognized only to the extent of present value of obligation as no economic benefit available in the form of refunds from the plan or reductions in the future contributions to the plan.

Amount to be Recognized in the Balance Sheet	Current Year ₹	Previous Year ₹
Present Value of Obligation	**10,181,169**	*11,840,870*
Fair Value of Plan Assets	**(5,265,857)**	*(6,937,008)*
Liability(+)/Assets(-) Recognized in Balance sheet	**4,915,312**	*4,903,862*

Amount to be Recognized in the Statement of Profit and Loss	Current Year ₹	Previous Year ₹
Current Service Cost	**2,097,223**	*2,353,141*
Interest Cost	**878,390**	*988,149*
Expected Return on Plan Assets	**(533,875)**	*(684,170)*
Net Actuarial (Gain)/Loss recognised in the year	**494,541**	*(815,592)*
Expenses recognized in Statement of Profit and Loss	**2,936,279**	*1,841,529*

Category of Assets	Current Year ₹	Previous Year ₹
Insurer managed funds	**5,265,857**	6,937,008
Total	**5,265,857**	6,937,008

Assumptions:	Current Year	Previous Year
Discount rate	**7.80% p.a.**	*9.08% p.a.*
Salary escalation rates	**8% p.a.**	*8% p.a.*
Expected rate of return on plan assets	**8.75% p.a.**	*8.75% p.a.*

- The discount rate is based on the prevailing market yields of Indian Government Bonds as at the balance sheet date for the estimated terms of the obligations.
- Salary escalation rates: The estimates of future salary increase is considered taking into account the inflation, seniority, promotion and other relevant factors.

Experience Adjustments:

Particulars	31 Mar'15 ₹	31 Mar'14 ₹	31 Mar'13 ₹	31 Mar'12 ₹	31 Mar'11 ₹
1. Defined Benefit Obligation	**10,181,169**	11,840,870	12,436,650	10,916,426	10,081,850
2. Fair value of plan assets	**5,265,857**	6,937,008	8,701,154	6,404,835	6,170,382
3. Surplus/(Deficit)	**4,915,312**	4,903,862	3,735,496	4,511,591	3,911,468
4. Experience adjustment on plan liabilities [Gain/(Loss)]	**451,734**	280,201	101,679	27,537	(290,211)
5. Experience adjustment on plan assets [Gain/(Loss)]	**575,202**	(33,129)	(18,338)	(24,368)	(49,366)
6. Actuarial Gain / (Loss) due to change on assumptions	**618,009**	815,592	799,613	(2,322,779)	1,769,797

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

vi. Disclosures Relating To Deferred Tax:

The effects of significant timing differences that result in deferred tax assets and liabilities as at the end of the year are given below:

Deferred Tax Asset:	**Current Year** ₹	*Previous Year* ₹
Difference between Written Down Value of books and tax	**5,720,052**	*3,713,012*
Provisions allowed for Tax purposes on payment basis	**2,428,819**	*2,358,589*
Total	**8,148,871**	*6,071,601*

vii. Accounting For Leases:

The Lease rentals charged during the year and maximum lease obligations on long-term non-cancellable operating leases payable as per the rentals stated in the lease agreement are given in accordance with the Accounting Standard (AS- 19) on "Leases".

Particulars	**Current Year** ₹	*Previous Year* ₹
1. Lease rental paid during the year	**15,327,725**	*15,470,889*
2. Recognized in the Statement of Profit & Loss on Straight Line Basis during the year	**15,763,980**	*14,425,401*
3. Future Lease Obligations		
- Due within one year	**13,247,592**	*4,842,303*
- Due Between one year and five years	**34,813,788**	–
- Due after five years	**–**	–

viii. As required under Accounting Standard 18 "Related Party Disclosures" (AS – 18) and Companies Act 2013 ("the Act"), following are details of transactions during the year with the related parties of the Company:

A. Related parties and their Relationships

Relationship	**Name of the Company**
Ultimate Holding Company	United Technologies Corporation#
Holding Company	Larsen & Toubro Infotech Limited (Refer Note (a)) Otis Elevator Company (U.S.A) #
Parties having substantial interest	Otis Elevator Company (India) Ltd #
Parties Exercising Significant Influence	Express Elevator Company Ltd # Nippon Otis Elevator Company# Otis Elevator Company (Thailand) Ltd # Otis Elevator Comp Pty. Ltd, Australia# Otis Elevator (China) Co. # Otis E & M Philippines Company, Inc. # Otis Elevator Comp Pte Ltd # Otis Elevator Company (M) SDN BHD # P.T. Citas Otis Elevator # Otis Elevator International Inc. (Located At Singapore) # Otis Elevator International Inc. (Located At Hong Kong) # CEAM SRL# Otis Servizi Srl, Italy # Otis Elevator Korea# Otis SCS, France # OTIS Gmbh & Co OHG # Otis Elevator Company (H.K) Limited #

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Relationship	Name of the Company
	Otis Limited, UK #
	Otis SCS, France#
	Zardoya Otis S.A. #
	Turkey-BGA#
	Otis Elevator Vietnam Company Limited#
	Xizi Otis Elevator Co. Ltd. #
	Otis Elevator Company Saudi Arabia Ltd #
	JSC MOS Otis#
	Sigma Elevator (HK) Limited#
	Sigma Elevator (M) SDN BHD#
	Sigma Elevator Singapore Pte Ltd#
	Sigma Elevator (Thailand) Co. Ltd#
	Sigma Elevator Company (China) Ltd#
	Tatung Otis Elevator Company#
	Trio Elevators Company (India) Ltd. #
	Zayani Otis Elevator Co W.L.L. #
	Chubb Alba Control Systems Ltd. #
	OTIS Vytahy S.R.O., Slovakia#
	Ascensores Otis De Uruguay, Sa#
	Otis Lift S.R.L., Romania #
	Otis Lift E.O.O.D., Bulgaria#
	Otis Felvono Kft, Hungary#
	Otis Elevator Company, Kuwait#
	Otis Elevator (China) Investment Co. Ltd. #
	Otis Elevator Company S.A.E., Egypt#
	Otis Dizala D.O.O., Croatia#
	Otis Switzerland#
	Otis Lift D.O.O. Slovenia#
	Carrier Corporation, USA#
Key Management Personnel (KMP)	Chandrashekara Kakal – Director@
	Makarand Deolalkar – Director@
	Sunil Yeshwant Sapre – Director@
	Ramaswamy Narayanan – Director#
	V Subramaniam – Director#
	Sunita Narhari Punjala – Director#
	Omar Fathi – Director#
	Sadashiv Ishwar Javalagi – Head of Finance and Company Secretary

Till October 16, 2014

@ From October 17, 2014

(a) On October 16, 2014 Otis Elevator Company (U.S.A) and Otis Elevator Company (India) Ltd transferred their entire equity shares held in Information Systems Resource Centre Private Limited (ISRC) to Larsen & Toubro Infotech Limited. Pursuant to this transfer, ISRC became wholly owned subsidiary of Larsen & Toubro Infotech Limited with effect from October 17, 2014.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

B. TRANSACTIONS WITH RELATED PARTIES AND BALANCES OUTSTANDING AS ON 31ST MARCH 2015 (Amount in ₹)

Period	April 01, 2014 to October 16, 2014			October 17, 2014 to March 31, 2015
Nature of Transaction	**Holding Company**	**Parties having Substantial Interest**	**Parties Exercising Significant Influence**	**Holding Company**
Sales – Software Services (Including Unbilled)	**338,442,627**	**9,591,377**	**–**	**143,590,286**
	599,269,583	*17,573,458*	*69,875,771*	*–*
Reimbursement of Expenses (Income)	–	–	–	–
	18,504,533	*32,600*	*1,654,567*	
Reimbursement of Expenses	–	–	–	**5,922,675**
	–	*–*	*–*	*–*
Services Received	**408,619**	–	**181,807**	–
	27,488,595	*–*	*345,000*	*–*
Embedded Test and Proto-type Material	**67,142**	–	–	–
	–	*–*	*–*	*–*
Purchase of Assets	**1,779,863**	–	**297,286**	–
	–	*–*	*–*	*–*
Dividend Paid	**407,400,000**	**271,600,000**	–	–
	94,500,000	*63,000,000*	*–*	*–*
Payable	–	–	–	**5,922,675**
	390,227	*–*	*1,481,107*	*–*
Receivable	–	–	–	**55,145,639**
	100,689,405	*7,429,101*	*1,177,986*	*–*

Note: Figures in Italics indicates previous year's amounts.

C. REMUNERATION TO KEY MANAGEMENT PERSONS (KMPs):

Key Management Person	Salaries and Perquisites ₹	Sitting Fees ₹
Ramaswamy Narayanan (Upto October 16, 2014)	**5,140,147**	**–**
	9,702,554	*–*
Sunitha Narhari (Upto October 16, 2014)	**–**	**10,000**
	–	*10,000*
Sadashiv Javalagi#	**4,343,901**	**–**
	–	*–*

Note: Figures in Italics indicates previous year's amounts.
Previous year numbers has not been given as he is considered as Key Management Personnel w.e.f April 01, 2014

ix. Auditors Remuneration (net of service tax) :

Particulars	Current Year ₹	*Previous Year ₹*
a) Audit Fees	**750,000**	*750,000*
b) Out of Pocket Expenses	**8,329**	*6,861*
Total	**758,329**	*756,861*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

x. Value Of Imports On CIF Basis :

Particulars	**Current Year** ₹	*Previous Year* ₹
Capital Goods	**2,077,149**	*10,790,520*

xi. Expenditure In Foreign Currency:

Particulars	**Current Year** ₹	*Previous Year* ₹
Travelling & Conveyance	**7,178,154**	*18,921,264*
Training (Under Staff Welfare Expenses)	**11,837**	*451,920*
Test and Prototype Material	**162,917**	*623,130*
Communication Expenses	**0**	*14,546,414*
Professional Fees	**776,563**	*6,090,751*
Software Consultancy Charges	**1,203,344**	*1,740,476*
Contribution to Provident and Other Funds- Reimbursement of Expenses	**443,290**	*4,821,899*
Total	**9,776,105**	*47,195,854*

xii. Earnings In Foreign Currency:

Particulars	**Current Year** ₹	*Previous Year* ₹
Export Sales	**385,206,569**	*689,025,631*

xiii. Unhedge Foreign Currency Exposure:

The year end foreign currency exposure that have not been hedged by a derivative instrument or otherwise are given below

Particulars	**Amount in foreign currency**	Amount in ₹
Account receivables (USD)	**182,074**	**11,535,868**
	1,700,198	*101,867,363*
Creditors (Euro)	**1,500**	**116,250**
	–	–
Creditors (USD)	**2,500**	**154,675**
	37,329	*2,236,543*
EEFC Account Balance (USD)	**134,009**	**8,375,569**
	112,720	*6,754,183*

Notes: Figures in Italic indicates previous years' amounts.

xiv. Remittance in foreign currency on account of dividends to non-Resident shareholders:

Dividend relating to Financial Year	**Dividend paid in Financial Year**	**Number of Shareholders**	**Dividend**	**Number of Equity Shares**	**Amount remitted** ₹
2014-2015	2014-2015	1	Interim	2,100,000	407,400,000
2013-2014	2013-2014	1	Interim	2,100,000	94,500,000

xv. The company is engaged in the business of Software development and allied services. The nature of services is governed by same set of risks and returns, and the company does not have more than one business or geographical segment as defined in Accounting Standard 17 (AS-17) issued by Institute of Chartered Accountants of India (ICAI). Therefore, segment information is not disclosed.

xvi. The company has entered into an agreement with Larsen & Toubro Infotech Limited (Holding Company) dated October 17, 2014 for providing technical services. In consideration for the above services, Larsen & Toubro Infotech Limited shall reimburse the company all the costs incurred in providing the required services at cost plus 20% mark up.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

xvii. Earnings Per Share:

Particulars	**Current Year** ₹	*Previous Year* ₹
Net Profit after Tax	**129,728,134**	*251,156,552*
No. of equity shares	**3,500,000**	*3,500,000*
Earnings per Equity Share of ₹10/- each.		
Basic	**37.07**	*71.76*
Diluted	**37.07**	*71.76*

xviii. Figures for the previous year have been regrouped / rearranged wherever necessary to conform to the current year's presentation.

In terms of our report attached

For and on behalf of the Board of Directors

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

CHANDRASHEKARA KAKAL
Director
DIN 02662215

SUNIL YESHWANT SAPRE
Director
DIN 06475949

SADASHIV JAVALAGI
Head of Finance and Company Secretary

HEMANT M JOSHI
Partner
Membership No. 38019

Place : Pune
Date : May 07, 2015

Place : Mumbai
Date : May 06, 2015

DIRECTORS' REPORT

Dear Members,

The Directors have pleasure in presenting their Annual Report and Audited Accounts for the year ended March 31, 2015.

1. FINANCIAL HIGHLIGHTS:

CAD*

Particulars	2014-2015	2013-2014
Total Income	**38,025,340**	*43,493,585*
Profit / (Loss) before Tax	**(4,305,210)**	*1,273,316*
Less : Tax	**(1,019,604)**	*420,823*
Net Profit / (Loss) after Tax	**(3,285,606)**	*852,493*
Add: Balance b/f from previous year	**10,264,474**	*9,411,981*
Balance to be carried forward	**6,978,868**	*10,264,474*

*Note: *Canadian Dollars*

2. CAPITAL EXPENDITURE:

As at March 31, 2015, the gross fixed and intangible assets including leased Assets, stood at CAD 96.57 Mn and the net fixed and intangible assets, including leased assets, at CAD 58.41 Mn. Capital Expenditure during the year amounted to CAD 4.66 Mn.

3. STATE OF COMPANY AFFAIRS:

The total income for the financial year under review were CAD 38.02 Mn as against CAD 43.49 Mn for the previous financial year. The loss after tax was CAD 3.29 Mn for the financial year under review as against profit after tax of CAD 0.85 Mn for the previous financial year.

The loss in the year under review is primarily due to reduction in revenue and provision of CAD 2.16 Mn made for doubtful debts.

4. DIVIDEND:

The Directors do not propose payment of any dividend for the year ended March 31, 2015.

5. DETAILS OF DIRECTORS APPOINTED/RESIGNED DURING THE YEAR:

During the year, Dr. Mukesh Aghi resigned as a Director with effect from February 28, 2015. The Board places on record the valuable contribution made by him during his tenure as Director of the Company.

6. AUDITORS:

M/s KNAV Professional Corporation are the auditors of the Company. They have been re-appointed as Statutory Auditors of the Company for the ensuing financial year.

7. DIRECTORS RESPONSIBILITY STATEMENT:

The Board of Directors of the Company confirms:

a) In the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) 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 and of the profit or loss of the Company for that period;

c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The Directors have prepared the Annual Accounts on a going concern basis;

e) The Directors have laid down an adequate system of internal financial control with respect to reporting on financial statements and the said system is operating effectively;

f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

8. ACKNOWLEDGEMENT:

Your Directors acknowledge the invaluable support extended by the Government authorities in Canada and take this opportunity to thank them as well as the customers, employees, Financial Institutions, Banks and all the various stakeholders for their continued co-operation and support to the Company.

For and on behalf of the Board

SUNIL PANDE

Date : April 20, 2015 *Director*

INDEPENDENT AUDITOR'S REPORT

To the Shareholder

L&T Infotech Financial Services Technologies Inc.

We have audited the accompanying financial statements of **L&T INFOTECH FINANCIAL SERVICES TECHNOLOGIES INC.** ("the Company") which comprise the Balance Sheet as at March 31, 2015 and March 31, 2014 and the related statements of income and retained earnings and Statements of Cash Flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for private enterprises and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the financial statements present fairly, in all material respects, the financial position of L&T Infotech Financial Services Technologies Inc. as at March 31, 2015 and March 31, 2014 and its financial performance and its Cash Flows for the years then ended in accordance with Canadian accounting standards for private enterprises.

KNAV Professional Corporation

Chartered Accountants

Licensed Public Accountants

Place : Toronto

Date : April 20, 2015.

BALANCE SHEETS

(All amounts in Canadian Dollars, unless otherwise stated)

	Notes		As at 31.03.2015	*As at 31.03.2014*
ASSETS				
Current assets				
Cash and cash equivalents	7		8,849,971	*8,003*
Accounts receivable, net of provision	8		7,021,536	*10,115,064*
Unbilled revenue			1,070,942	*976,035*
Income tax recoverable			101,862	*101,862*
Other current assets	9		874,989	*794,039*
Total current assets		$	17,919,300	*11,995,003*
Future tax asset	21		5,697,386	*6,181,207*
Computers	10		1,753,748	*2,811,344*
Furniture and office equipment	11		561,215	*681,775*
Software	12		37,361,204	*43,490,377*
Customer relationship intangibles	13		11,908,250	*13,979,250*
Goodwill	6		6,822,971	*6,822,971*
TOTAL ASSETS		$	82,024,074	*85,961,927*
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	14		3,374,060	*2,681,911*
Bank loan	15		–	*495,000*
Deferred revenue			685,198	*–*
Other current liabilities	16		352,088	*260,123*
Total current liabilities		$	4,411,346	*3,437,034*
Future tax liabilities	21		8,133,860	9,760,419
Total liabilities		$	12,545,206	*13,197,453*
SHAREHOLDER'S EQUITY				
Share capital	17		62,500,000	*62,500,000*
Retained earnings			6,978,868	*10,264,474*
Total shareholder's equity		$	69,478,868	*72,764,474*
Total liabilities and shareholder's equity		$	82,024,074	*85,961,927*

(The accompanying notes are an integral part of these financial statements)

Approved on behalf of the Board

SUNIL PANDE
Director

Place : Toronto
Date : April 20, 2015

STATEMENTS OF INCOME AND RETAINED EARNINGS

(All amounts in Canadian Dollars, unless otherwise stated

	Notes		For the year ended 31.03.2015	31.03.2014
Revenue			**37,695,953**	*43,289,174*
Other income	19		**329,387**	*204,411*
Total Revenue		$	**38,025,340**	*43,493,585*
Employee cost			**11,019,917**	*13,284,441*
Subcontracting expenses			**5,558,531**	*7,223,153*
Computer lease rent			**2,083,617**	*1,897,422*
Transition service agreement direct costs			**193,848**	*530,544*
Software purchase annual license fee			**1,099,360**	*837,708*
Other direct cost			**743,480**	*722,444*
Total direct expenses		$	**20,698,753**	*24,495,712*
Sales and administration expenses			**4,082,138**	*3,855,278*
Provision for doubtful debts			**2,162,454**	–
Premises rent			**1,167,907**	*892,172*
Transition service agreement indirect costs			**–**	*31,977*
Professional charges			**413,383**	*314,487*
General repairs and maintenance			**171,224**	*481,715*
Travelling and conveyance			**191,397**	*272,975*
Telephone and link expenses			**164,119**	*224,458*
Auditor's remuneration			**62,290**	*63,892*
Foreign exchange (gain) loss			**(14,997)**	*9,737*
Miscellaneous expenses			**133,901**	*252,339*
Total indirect costs		$	**8,533,816**	*6,399,030*
Depreciation and amortization			**13,097,981**	*11,162,671*
Interest			**–**	*162,856*
(Loss) Income before tax		$	**(4,305,210)**	*1,273,316*
Income taxes	4 & 21		**(1,019,604)**	*420,823*
Net (Loss) income after taxes		$	**(3,285,606)**	*852,493*
Retained earnings, beginning of the year			**10,264,474**	*9,411,981*
Retained earnings, end of the year		$	**6,978,868**	*10,264,474*

(The accompanying notes are an integral part of these financial statements)

Approved on behalf of the Board

SUNIL PANDE
Director

Place : Toronto
Date : April 20, 2015

STATEMENTS OF CASH FLOWS

(All amounts in Canadian Dollars, unless otherwise stated)

		For the year ended	
		31.03.2015	*31.03.2014*
CASH FLOW FROM OPERATING ACTIVITIES			
Net (loss) income after tax		**(3,285,606)**	*852,493*
Adjustment for non-cash items			
Depreciation and amortization		**13,097,981**	*11,162,671*
Future income tax (benefit) expense		**(1,019,604)**	*420,823*
Provision for doubtful debts		**2,162,454**	*–*
Write back of liabilities no longer required		**(136,988)**	*(95,005)*
Net change in non-cash operating working capital			
Accounts receivable, net of provision		**931,075**	*(3,186,975)*
Unbilled revenue		**(94,906)**	*2,955,513*
Other current assets		**(80,952)**	*(106,131)*
Income taxes recoverable (net)		**(123,134)**	*(84,597)*
Accounts payable and accrued liabilities		**829,137**	*(3,691,866)*
Other current liabilities		**777,163**	*(68,330)*
Net cash provided by operating activities	**$**	**13,056,620**	*8,158,596*
CASH FLOW FROM INVESTING ACTIVITIES			
Purchases of computers		**(212,798)**	*(297,938)*
Additions to furniture and office equipment		**(33,484)**	*(123,791)*
Capitalization of software		**(3,473,370)**	*(3,266,029)*
Net cash used in investing activities	**$**	**(3,719,652)**	*(3,687,758)*
CASH FLOW FROM FINANCING ACTIVITIES			
Net utilisation of demand operating credit facility		**(495,000)**	*(3,720,000)*
Repayment of term loan		**–**	*(750,000)*
Net cash used in financing activities	**$**	**(495,000)**	*(4,470,000)*
Net increase in cash and cash equivalents		**8,841,968**	*838*
Cash and cash equivalents, at beginning of the year		**8,003**	*7,165*
Cash and cash equivalents, at end of the year	**$**	**8,849,971**	*8,003*
Supplemental Cash Flow information			
Interest paid		**–**	*162,856*

(The accompanying notes are an integral part of these financial statements)

NOTES TO FINANCIAL STATEMENTS

(All amounts in Canadian Dollars, unless otherwise stated)

1. DESCRIPTION OF BUSINESS

L&T Infotech Financial Services Technologies Inc. (the “Company” or “LTIFST”) is incorporated under the Canada Business Corporations Act. The Company is a wholly owned subsidiary of Larsen & Toubro Infotech Ltd. (“Parent”). The Company commenced operations on January 1, 2011 with the acquisition of the information technology operations business of Citigroup Fund Services Canada Inc. by the Company’s Parent.

2. BASIS OF PRESENTATION

The financial statements of the Company have been prepared by the management in accordance with Canadian accounting standards for private enterprises (“GAAP”).

3. BASIS FOR MEASUREMENT

The financial statements have been prepared on historical cost basis.

4. FUNCTIONAL AND PRESENTATION CURRENCY

The Company’s functional and presentation currency is the Canadian dollar.

5. SIGNIFICANT ACCOUNTING POLICIES

Use of estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Management bases the estimates on a number of factors, including historical experience, current events and actions that the Company may undertake in the future and other assumptions that the Company believes are reasonable under the circumstances. Estimates are used in accounting for items and matters such as revenues, allowance for doubtful accounts, useful lives of non-current assets, legal and tax contingencies, employee compensation plans, income taxes and investment tax credit.

The estimates and judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

i. Estimated useful lives and valuation of intangible assets: Management estimates the useful lives of intangible assets based on the period during which the assets are expected to be available for use and also estimates their recoverability to assess if there has been an impairment. The amounts and timing of recorded expenses for amortization and impairments of intangible assets for any period are affected by these estimates. The estimates are reviewed at least annually and are updated if expectations change as a result of technical or commercial obsolescence, threats and legal or other limits to use. It is possible that changes in these factors may cause significant changes in the estimated useful lives of the Company’s intangible assets in the future.

ii. Income taxes: Management uses estimates when determining current and deferred income taxes. These estimates are used to determine the recoverability of tax loss carry forward amounts, research and development expenditures and investment tax credits.

Foreign currency transactions

Transactions denominated in foreign currencies are translated into the Canadian dollar at the rate of exchange in effect at the time of the transaction. Monetary assets and liabilities are translated into Canadian dollars at the period-end exchange rate. Non-monetary items are translated at historical rates. All exchange gains and losses are included in net income.

Revenue recognition

The Company recognizes revenues across all the revenue streams when they are earned, specifically when all the following conditions are met:

a) Services are provided or products are delivered to customers;

b) There is clear evidence that an arrangement exists;

c) Amounts are fixed or can be determined; and

d) The ability to collect is reasonably assured.

The Company recognizes revenues for different revenue streams as follows:

- Application Service Provider (“ASP”) Service: Revenue is recognized by applying the contracted rates on the total number of active and inactive fund accounts across all client customer environments.
- Time and Material Service: Revenue with respect to time-and-material contracts is recognized as related services are performed applying the contracted rates.

NOTES TO FINANCIAL STATEMENTS (Contd..)

- Development Service: Revenue from development service is recognised on accomplishment of milestone. Milestone is measured based upon the time and material efforts incurred to date. The Company monitors estimates of total contract revenue and cost on a routine basis through the delivery period. The cumulative impact of any change in estimates of the contract revenue or costs is reflected in the period in which the changes become known. In the event that a loss is anticipated on a particular contract, provision is made for the estimated loss. Revenue recognised under this method is included in unbilled revenue if it is not invoiced by the year end.
- License Service: Revenue from sale of license is recognized upon delivery of license.

Billings in advance of work performed are included in deferred revenue.

Provision for doubtful debts

The Company follows specific identification method for providing for doubtful debts. Management analyses accounts receivable and the composition of the accounts receivable ageing, historical bad debts, when evaluating the adequacy of the allowance for doubtful debts.

Financial instruments

Financial instruments are measured at fair value on initial recognition. After initial recognition, financial instruments are measured at their fair values, except for loans and receivables and other financial liabilities, which are measured at cost or amortized cost using the effective interest rate method.

The Company has made the following classifications:

- Cash and cash equivalents are classified as assets held for trading and are measured at fair value. Gains and losses resulting from the periodic revaluation are recorded in net income;
- Accounts receivable are classified as loans and receivables and are initially recorded at fair value and subsequent measurements are recorded at amortized cost using the effective interest rate method; and
- Accounts payable and accrued liabilities are classified as other financial liabilities and are initially measured at their fair value. Subsequent measurements are recorded at amortized cost using the effective interest rate method.

Income taxes

The Company follows asset and liability method of accounting for income taxes. Under this method, future income taxes are recognized for the future income tax consequences attributable to differences between the financial statement carrying values and their respective income tax basis [temporary differences]. Future income tax assets and liabilities are measured using substantively enacted income tax rates expected to apply to taxable income in the years during which temporary differences are expected to be realized or settled. The effect on future income tax assets and liabilities of a change in tax rates is included in income in the period that includes the enactment date. A valuation allowance is provided to the extent that it is more likely than not; that future income tax asset will not be realized.

Investment tax credit

The Company is entitled to investment tax credits, which are earned as a percentage of eligible research and development expenditures incurred in each taxation year. Income tax investment tax credits related to expensed research and development costs are recorded as a reduction of the total expenditure. Income tax investment tax credits related to property and equipment are accounted for as a reduction in the cost of the related asset.

Cash and cash equivalents

Cash and cash equivalents, including cash on account, demand deposits and short-term investments with original maturities of three months or less, are recorded at cost, which approximates market value.

Computers, furniture and office equipment and software

Computers, furniture and office equipment and software are stated at cost less accumulated depreciation and amortization. Depreciation and amortization is calculated on the straight-line method over the following estimated useful lives:

Computers	:	3 to 5 years
Furniture and office equipment	:	5 years
Acquired software	:	10 years
Internally developed software	:	1 to 5 years

Certain costs are capitalized for the development or enhancement of computer software used internally to process customer transactions or sold externally through software license or service arrangements. Routine software maintenance and customer support costs are expensed when incurred.

During the year, the Company changed the useful life of an intangible asset named as Pendo system from 5 years to 1 year. This change was implemented to better match its utility, taking into account the nature of the asset and the Company's business. The effect of the change for the year ended March 31, 2015 was to increase amortization by CAD $368,534 and net loss by CAD $368,534.

NOTES TO FINANCIAL STATEMENTS (Contd..)

Customer relationship intangibles

Customer relationship intangibles, which are comprised of customer contracts and relationships acquired, are stated net of amortization. Customer relationship intangibles are amortized on a straight-line basis over their estimated useful lives of ten years.

Impairment of long-lived assets

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The carrying amount of a long-lived asset is not recoverable if the carrying amount exceeds the sum of the undiscounted Cash Flows expected to result from its use and eventual disposition. This assessment is based on the carrying amount of the asset at the date it is tested for recoverability, whether it is in use or under development. In cases where the undiscounted expected future Cash Flows are less than the carrying amount, an impairment loss shall be recognized when the carrying amount of a long-lived asset is not recoverable and exceeds its fair value. An impairment loss shall be measured as the amount by which the carrying amount of a long-lived asset exceeds its fair value. If an impairment loss is recognized, the adjusted carrying amount becomes the new cost basis.

An impairment loss shall not be reversed if the fair value subsequently increases.

Goodwill

Goodwill represents the cost of acquired businesses in excess of the fair value of net identifiable assets acquired. Goodwill is not amortized but is instead tested for impairment if events or changes in circumstances indicate that an impairment loss may have occurred. In the impairment test, the carrying amount of the reporting unit, including goodwill, is compared with its fair value. When the carrying amount of the reporting unit exceeds its fair value, a goodwill impairment loss is recognized, up to a maximum amount of the recorded goodwill related to the reporting unit. Goodwill impairment losses are not reversed.

6. ACQUISITION

On January 1, 2011, the Company's parent, Larsen & Toubro Infotech Ltd, acquired the information technology operations business of Citigroup Fund Services Canada Inc. for cash consideration of CAD $62,500,000 and contributed the acquired business to the Company in return for 1,000,000 shares of the Company.

The Company's parent allocated the purchase price to the underlying assets acquired and liabilities assumed based upon their fair value at the date of acquisition. The Company's Parent determined the fair values based on discounted Cash Flows and management's estimates.

Changes to the preliminary purchase price allocation reported as at March 31, 2011 resulted in a decrease in accounts payable and accrued liabilities by CAD $359,577.

The final allocation of the purchase price is as follows:

Accounts receivable	$	**5,317,728**
Other assets		**89,457**
Computers		**1,368,265**
Software		**29,676,000**
Customer relationship intangibles		**20,710,000**
Accounts payable and accrued liabilities		**(1,263,420)**
Other liabilities		**(221,001)**
Net identifiable assets		**55,677,029**
Residual purchase price allocated to goodwill	$	**6,822,971**
Total consideration	$	**62,500,000**

7. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise the following:

	As at 31.03.2015	*As at 31.03.2014*
Bank balance with TD Canada Bank	**4,199,971**	*8,003*
Short-term marketable investments*	**4,650,000**	–
Total	**8,849,971**	*8,003*

*Short-term marketable investments represent demand deposit with Toronto-Dominion Commercial Banking with original maturities of three months or less. Following is the schedule depicting the issue date, original principal, rate of interest on deposit, the currency in which the investments are denominated and the maturity date of the total marketable investments as on March 31, 2015.

NOTES TO FINANCIAL STATEMENTS (Contd..)

Serial No.	Issues Date	Original Principal	Rate of interest	Currency	Maturity Date
I.	February 03, 2015	1,500,000	1.1000%	CAD	May 05, 2015
II.	February 03, 2015	1,250,000	1.1000%	CAD	May 05, 2015
III.	February 18, 2015	500,000	1.1000%	CAD	May 28, 2015
IV.	March 11, 2015	400,000	1.0000%	CAD	April 13, 2015
V.	March 31, 2015	500,000	0.5000%	CAD	April 13, 2015
VI.	March 31, 2015	500,000	0.5000%	CAD	April 17, 2015
Total		**4,500,000**			

The carrying amount of the short-term marketable investments represent the fair value as on March 31, 2015.

8. ACCOUNT RECEIVABLE, NET OF PROVISION

The Company's accounts receivables primarily relate to sale of services as described above. Accounts receivables comprise the following:

	As at 31.03.2015	*As at 31.03.2014*
Account receivable	**9,183,990**	*10,115,064*
Less: Provision for doubtful debts	**2,162,454**	–
Total	**7,021,536**	*10,115,064*

The activities in provision for doubtful debts account for year March 31, 2015 and March 31, 2014 are as given below-

	For the year ended 31.03.2015	*For the year ended As at 31.03.2014*
Balance at beginning of the year	**–**	–
Provisions made during the year	**2,162,454**	–
Bad debts written-off during the year	**–**	–
Balance at end of the year	**2,162,454**	–

For the year ended March 31, 2014 above accounts receivable includes CAD $ 2,081,840 for which negative customer confirmation was received from customer. The management had reasonable basis to believe that the full amount was recoverable against these invoices and hence no provision for doubtful debts was warranted. During the year ended March 31, 2015 management believes there exist doubt over their recoverability and has made provision for the entire amount.

9. OTHER CURRENT ASSETS

Other current assets comprise the following:

	As at 31.03.2015	*As at 31.03.2014*
Prepaid expenses	**874,989**	*791,589*
Advance to employees	**–**	*2,450*
Total	**874,989**	*794,039*

10. COMPUTERS

	As at 31.03.2015	*As at 31.03.2014*
Cost	**5,471,648**	*5,409,078*
Less: Accumulated depreciation	**(3,717,900)**	*(2,597,734)*
Total	**1,753,748**	*2,811,344*

Depreciation expense for the year ended March 31, 2015 amounted to CAD $1,270,395 *(March 31, 2014 – CAD $ 1,344,660)*. During the year ended March 31, 2015 assets having cost of CAD $ 150,230 with zero net book value were retired. During the previous year ended March 31, 2014, assets having cost of CAD $ 842,960 with zero net book value were retired.

NOTES TO FINANCIAL STATEMENTS (Contd..)

11. FURNITURE AND OFFICE EQUIPMENT'S

Accounts payable and accrued liabilities comprise of:

	As at 31.03.2015	*As at 31.03.2014*
Cost	**786,563**	*753,079*
Capital work in progress - office equipment	**116,200**	*116,200*
Less: Accumulated depreciation	**(341,548)**	*(187,504)*
Total	**561,215**	*681,775*

Depreciation expense for the year ended March 31, 2015 amounted to CAD $ 154,044 *(year ended March 31, 2014 - CAD $ 150,230).*

12. SOFTWARE

	As at 31.03.2015	*As at 31.03.2014*
Cost		
Acquired and purchased software	**23,706,558**	*23,483,791*
Internally developed software	**39,133,628**	*36,285,063*
	62,840,186	*59,768,854*
Less: Accumulated depreciation		
Acquired software	**(9,852,867)**	*(7,364,345)*
Internally developed and purchased software	**(15,626,115)**	*(8,914,132)*
	(25,478,982)	*(16,278,477)*
Total	**37,361,204**	*43,490,377*

Internally developed and purchased software includes CAD $42,224 *(year ended March 31, 2014 – CAD $ 411,932*) of software under internal development which has not been amortized during the year.

Amortization expense for the year ended March 31, 2015 amounted to CAD $ 9,602,542 (*year ended March 31, 2014 – CAD $ 7,596,782)*.

During the year, the Company changed the useful life of an intangible asset named as Pendo system from 5 years to 1 year. This change was implemented to better match its utility, taking into account the nature of the assets and the Company's business. The effect of the change for the year ended March 31, 2015 was to increase amortization by CAD$ 368,534 and net loss by CAD$ 368,534.

13. CUSTOMER RELATIONSHIP INTANGIBLES

	As at 31.03.2015	*As at 31.03.2014*
Cost	**20,710,000**	*20,710,000*
Less: Accumulated depreciation	**(8,801,750)**	*(6,730,750)*
Total	**11,908,250**	*13,979,250*

Amortization expense for the year ended March 31, 2015 amounted to CAD $ 2,071,000 (*year ended March 31, 2014 – CAD $ 2,071,000)*.

14. ACCOUNT PAYABLE AND ACCRUED LIABILITIES

	As at 31.03.2015	*As at 31.03.2014*
Account payable	**2,044,776**	*1,635,718*
Accrued liabilities	**1,329,284**	*1,046,193*
Total	**3,374,060**	*2,681,911*

15. BANK LOAN

	As at 31.03.2015	*As at 31.03.2014*
Demand operating credit facility – The Toronto Dominion Bank	**–**	*495,000*
Total	**–**	*495,000*

NOTES TO FINANCIAL STATEMENTS (Contd..)

I. Demand operating credit facility – The Toronto Dominion Bank

As per agreement dated January 10, 2012 the Company has established a revolving credit facility with The Toronto Dominion Bank (Revised agreement dated October 1, 2013) where in it is permitted to receive an advance, which is the lesser of :

- CAD $7,000,000[or its USD equivalent] and
- The total of (A) 80% of the net receivable, net of over 90 days accounts, related party accounts, contra account, customer deposit, deferred revenue and priority payables (i.e. source / employee deduction, GST remittance).

These funds are for the working capital and for general corporate purpose.

The facility is available by way of:

- Prime rate based loan in CAD$ (“ Prime Based Loans”)
- Bankers acceptance in CAD$ or USD$ (“ B/A’s”)
- United State base rate loan in USD$ (“USBR Loan”)
- London Interbank Offered Rate loan in USD$ (“LIBOR Loan”)
- Stand-by letters of guarantee in CAD$ (“L/G”)

The rate of interest charged by The Toronto Dominion Bank is prime rate plus 0.50% per annum. The credit facility is repayable and renewable on demand. The agreement contains financial covenants which require maintaining current ratio of not less than 1.20:1 (to be tested quarterly).

The facility is collateralised by all accounts receivable which had a carrying value of CAD $ 7,006,359 at March 31, 2015 (*March 31, 2014 – CAD $ 8,768,401)*.

The effective interest rate during the year ended March 31, 2015 was 3.5% *(March 31, 2014: 3.5%)*. For the year ended March 31, 2015 finance charge of CAD NIL *(March 31, 2014: CAD $ 148,061)* have been included in interest expenses in the statement of income and retained earnings.

16. OTHER CURRENT LIABILITIES

	As at 31.03.2015	*As at 31.03.2014*
Sales tax recoverable	**352,088**	*260,123*
Total	**352,088**	*260,123*

17. SHARE CAPITAL

	As at 31.03.2015	*As at 31.03.2014*
Authorization:		
Unlimited common shares		
Issued : 1,000,000 common shares	**62,500,000**	*62,500,000*
Total	**62,500,000**	*62,500,000*

18. FINANCIAL INSTRUMENTS

In the normal course of business, the Company is exposed to financial risks that may potentially impact its operating results. The Company employs risk management strategies with a view to mitigating these risks on a cost-effective basis.

Credit risk

Financial instruments that potentially subject the Company to credit risk consist of cash equivalents and accounts receivable. The carrying amount of assets included on the Balance Sheet represents the maximum credit exposure.

Cash equivalents consist mainly of short-term investments, such as bank deposits. No asset-backed commercial paper products were held. The Company has deposited the cash equivalents with a reputable financial institution, from which management believes the risk of loss to be remote.

The Company’s accounts receivable are from customers engaged in the fund management sector. As at March 31, 2015, three customers accounted for 78% [*March 31, 2014 - two customers accounted for 65*%] of the accounts receivable.

Currency risk

Currency risk is the risk that the fair value or future Cash Flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Certain of the Company’s purchases are denominated in U.S. dollars. As at March 31, 2015, the accounts payable and accrued liabilities denominated in U.S. dollars amounted to Nil [*March 31, 2014–USD $84,207*].

NOTES TO FINANCIAL STATEMENTS (Contd..)

Interest rate risk

Interest rate risk is the risk that the fair value or future Cash Flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on its bank loan, which subjects the Company to a Cash Flow risk.

Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulties in meeting obligations associated with financial liabilities. Accounts payable are primarily due within 90 days and will be satisfied from current working capital.

19. OTHER INCOME

	As at 31.03.2015	*As at 31.03.2014*
Interest income	**69,265**	*24,785*
Investment tax credit claim	**123,134**	*84,597*
Write back of liabilities no longer required	**136,988**	*95,029*
Total	**329,387**	*204,411*

20. EMPLOYEE FUTURE BENEFITS

The Company sponsors pension arrangements for substantially all of its employees through defined contribution plans. The Company makes regular contributions to the employees' individual accounts, which are administered by a plan trustee, in accordance with the plan documents. The cost of this plan, which is expensed as incurred, amounted CAD $ 908,320 [*March 31, 2014–CAD $ 966,187*].

21. INCOME TAX

A reconciliation of income taxes at Canadian statutory rates with the reported income taxes is as follows:

	For the year ended 31.03.2015	*For the year ended As at 31.03.2014*
Statutory federal and provincial income tax rates	**26.50%**	*26.50%*
Expected taxes on income	**(1,140,881)**	*407,950*
Increase (decrease) in income taxes resulting from		
Non-deductible items	**6,493**	*10,455*
Impact of future income tax rate changes	**–**	*–*
True-up of tax provision	**22,418**	*–*
Others	**92,366**	*2,418*
Provision for income taxes	**(1,019,604)**	*420,823*

The income tax effects of temporary differences that gave rise to significant portions of the future income tax assets and future income tax liabilities were as follows:

	As at 31.03.2015	*As at 31.03.2014*
Future income tax assets		
Non-capital losses	**4,157,408**	*4,809,767*
Accounts payable and accrued liabilities	**6,850**	*7,746*
Deferred rent	**302,081**	*321,180*
Customer relationship intangible	**69,502**	*4,103*
Research & development expenses	**319,343**	*319,343*
	4,855,184	*5,462,139*
Ontario corporate minimum tax	**393,324**	*393,324*
Investment tax credit receivable	**448,878**	*325,744*
Total	**5,697,386**	*6,181,207*

NOTES TO FINANCIAL STATEMENTS (Contd..)

	As at 31.03.2015	*As at 31.03.2014*
Future income tax liabilities		
Computers and software	**8,133,860**	*9,760,419*
Total	**8,133,860**	*9,760,419*
Net future tax liabilities	**2,436,474**	*3,579,212*

The Company has non-capital losses in the amount of CAD $ 15,688,332 (*2014 – CAD $ 18,234,661*) available for carry forward, of which CAD $ 15,688,332 expires in 2032. The benefits of these losses have been recognized in the financial statements.

22. COMMITMENTS

Premises is leased under several non-cancellable operating leases that require future minimum annual payments as follows:

Year to March 31,	*Amount*
2016	**1,224,195**
2017	**1,240,170**
2018	**1,262,756**
Thereafter	**6,457,306**
Total	**10,184,427**

23. RELATED PARTY TRANSACTIONS

A. Related parties:

a. Larsen & Toubro Infotech Ltd., India – parent Company

b. Larsen & Toubro Infotech Ltd., UK – branch of the Larsen & Toubro Infotech Ltd., India

c. Larsen & Toubro Infotech Ltd., USA – branch of the Larsen & Toubro Infotech Ltd., India

d. Larsen & Toubro Infotech Canada Ltd. – fellow subsidiary

e. L&T Technology Services Ltd. – fellow subsidiary

B. Summary of transactions with related parties are as follows:

	As at 31.03.2015	*As at 31.03.2014*
Expenses reimbursed to:		
Larsen & Toubro Infotech Ltd., USA	**–**	*6,602*
Larsen & Toubro Infotech Canada Ltd.	**172**	*1,992*
Larsen & Toubro Infotech Ltd., India	**23,876**	*81,819*
Expenses reimbursed by:		
Larsen & Toubro Infotech Ltd., India	**4,935**	*913,891*
Larsen & Toubro Infotech Ltd., USA	**1,457**	*–*
L&T Technology Services Ltd.	**95**	*–*
Procurement of services recorded as expenses:		
Larsen & Toubro Infotech Ltd., USA	**–**	*13,633*
Larsen & Toubro Infotech Canada Ltd	**58,704**	*50,111*

NOTES TO FINANCIAL STATEMENTS (Contd..)

	As at 31.03.2015	*As at 31.03.2014*
Procurement of sub-contracting services recorded as expense / capitalized to software:		
Larsen & Toubro Infotech Canada Ltd.	**310,036**	*1,178,007*
Larsen & Toubro Infotech Ltd., India	**5,333,029**	*5,686,959*
Larsen & Toubro Infotech Ltd., UK	**134,154**	–
Services rendered to:		
L&T Technology Services Ltd.	**11,410**	*4,316*
Larsen & Toubro Infotech Ltd., USA	**262,800**	*174,683*
Larsen & Toubro Infotech Canada Ltd.	**71,958**	*69,136*
Larsen & Toubro Ltd (IES)	**–**	*4,293*
Larsen & Toubro Infotech Ltd., India	**–**	*1,190*

These transactions are under normal credit terms and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

The following balances are due to / (due from) related parties and are non-interest bearing:

	As at 31.03.2015	*As at 31.03.2014*
Larsen & Toubro Infotech Ltd., USA	**(12,257)**	*(134,374)*
Larsen & Toubro Infotech Canada Ltd.	**48,485**	*114,590*
Larsen & Toubro Infotech Ltd., India	**933,372**	*(1,206,543)*
Larsen & Toubro Ltd., UK	–	*(1,431)*
L&T Technology Services Ltd.	**(2,919)**	*(4,316)*

Parent Guarantee: Larsen & Toubro Infotech Ltd., India (parent Company) has provided guarantee to one of the customers of the Company. The obligation of Larsen & Toubro Infotech Ltd is limited in aggregate to the amount of CAD $ 70,000,000.

24. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the presentation adopted in the current year.

25. SUBSEQUENT EVENT

The Company evaluated all events and transactions that occurred after March 31, 2015 through April 20, 2015; the date the financial statements are issued. Based on the evaluation, the Company is not aware of any events or transactions that would require recognition or disclosure in the financial statements.

DIRECTORS' REPORT

Dear Members,

The Directors have pleasure in presenting their Annual Report and Audited Accounts for the year ended March 31, 2015.

1. FINANCIAL HIGHLIGHTS

CAD*

Particulars	2014-15	*2013-14*
Total Income	**8,427,921**	*7,253,010*
Profit / (Loss) before Tax	**386,066**	*73,232*
Less: Tax	**76,793**	*19,488*
Net Profit / (Loss) after Tax	**309,273**	*53,744*
Add: Balance b/f from previous year	**1,109,553**	*1,055,809*
Balance to be carried forward	**1,418,826**	*1,109,553*

*Note: *Canadian Dollars*

2. CAPITAL EXPENDITURE

As at 31st March 2015, the gross fixed and intangible assets including leased Assets, stood at CAD 26,467 and the net fixed and intangible assets, including leased assets, at CAD 2,268. Capital Expenditure during the year amounted to Nil.

3. STATE OF COMPANY AFFAIRS

The total income for the financial year under review was CAD 8.43Mn as against CAD 7.25 Mn for the previous financial year registering an increase of 16.2%. The profit after tax for the year under review was CAD 0.31Mn as against CAD 0.05 Mn for the previous financial year.

4. DIVIDEND

In order to conserve the resources for future business growth, the Directors do not recommend dividend for the current year.

5. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL APPOINTED / RESIGNED DURING THE YEAR

During the year under review there was no change in the Directors & Key Managerial Personnel of the Company.

6. AUDITORS

M/s KNAV Professional Corporation (Chartered Accountants) are the auditors of the Company. They have been re-appointed as Statutory Auditors of the Company for the ensuing financial year.

7. DIRECTORS RESPONSIBILITY STATEMENT

The Board of Directors of the Company confirms:

a) In the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) 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 and of the profit or loss of the Company for that period;

c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The Directors have prepared the Annual Accounts on a going concern basis;

e) The Directors have laid down an adequate system of internal financial control with respect to reporting on financial statements and the said system is operating effectively ;

f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

8. ACKNOWLEDGEMENT

Your Directors acknowledge the invaluable support extended by the Government authorities in Canada and take this opportunity to thank them as well as the customers, employees, Financial Institutions, Banks and all the various stakeholders for their continued co-operation and support to the Company.

For and on behalf of the Board

SUNIL PANDE

Date : April 23, 2015 *Director*

INDEPENDENT AUDITOR'S REPORT

To the Shareholder

L&T Infotech Canada Ltd / **Infotech Larsen & Toubro Canada LTEE**

We have audited the accompanying financial statements of **L&T INFOTECH CANADA LTD** / **INFOTECH LARSEN & TOUBRO CANADA LTEE** ("the Company") which comprise the Balance Sheet as at March 31, 2015 and March 31, 2014 and the related statements of income and retained earnings and Statements of Cash Flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for private enterprises and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the financial statements present fairly, in all material respects, the financial position of L&T Infotech Canada Ltd / Infotech Larsen & Toubro Canada LTEE as at March 31, 2015 and March 31, 2014 and its financial performance and its Cash Flows for the years then ended in accordance with Canadian accounting standards for private enterprises.

KNAV Professional Corporation

Chartered Accountants

Licensed Public Accountants

Place : Toronto

Date : April 23, 2015.

BALANCE SHEETS

(All amounts in Canadian Dollars, unless otherwise stated)

	Notes		As at 31.03.2015	*As at 31.03.2014*
ASSETS				
Current assets				
Cash and cash equivalents	**7**		**1,500,790**	*149,483*
Accounts receivable, net of provision	**8**		**1,743,984**	*1,569,396*
Advance taxes			**15,138**	*30,297*
Other assets	**9**		**162,658**	*46,575*
Total current assets		**$**	**3,422,570**	*1,795,751*
Property, plant and equipment	**10**		**2,269**	*3,116*
TOTAL ASSETS		**$**	**3,424,839**	*1,798,867*
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	**11**		**1,737,513**	*622,605*
Other current liabilities	**12**		**259,736**	*62,259*
Total current liabilities		**$**	**1,997,249**	*684,864*
Future tax liabilities	**15**		**8,664**	4,350
Total liabilities		**$**	**2,005,913**	*689,214*
Shareholder's equity				
Share capital	**13**		**100**	*100*
Retained earnings			**1,418,826**	*1,109,553*
Total shareholder's equity		**$**	**1,418,926**	*1,109,653*
Total liabilities and shareholder's equity		**$**	**3,424,839**	*1,798,867*

(See accompanying notes to the financial statements)

Approved on behalf of the Board

SUNIL PANDE
Director

Date : April 23, 2015

STATEMENTS OF INCOME AND RETAINED EARNINGS

(All amounts in Canadian Dollars, unless otherwise stated)

	Notes		For the year ended 31.03.2015	31.03.2014
Revenue			**8,359,891**	*7,212,399*
Other income	14		**68,030**	*40,611*
Total revenue		$	**8,427,921**	*7,253,010*
Employee cost			**2,933,632**	*3,564,190*
Subcontracting expenses			**4,887,143**	*3,328,213*
Other direct costs			**23,055**	–
Total direct expense		$	**7,843,830**	*6,892,403*
Sales and administration expenses			**108,485**	*112,201*
Rent			**36,278**	*31,780*
Professional charges			**103,251**	*117,850*
Travelling and conveyance			**22,913**	*26,532*
Telephone charges			**9,117**	*10,843*
Auditor's remuneration			**8,639**	*8,250*
Foreign exchange gain			**(102,688)**	*(25,539)*
Miscellaneous expenses			**8,404**	*1,232*
Total indirect costs		$	**194,399**	*283,149*
Depreciation	10		**849**	*1,380*
Bank charges			**2,777**	*2,846*
Income before tax		$	**386,066**	*73,232*
Current income taxes			**72,479**	*15,138*
Future income taxes			**4,314**	*4,350*
Income taxes	15		**76,793**	*19,488*
Net income for the year		$	**309,273**	*53,744*
Retained earnings, beginning of the year			**1,109,553**	*1,055,809*
Retained earnings, end of the year		$	**1,418,826**	*1,109,553*

(See accompanying notes to the financial statements)

Approved on behalf of the Board

SUNIL PANDE
Director

Date : April 23, 2015

STATEMENTS OF CASH FLOWS

(All amounts in Canadian Dollars, unless otherwise stated)

		For the year ended	
		31.03.2015	*31.03.2014*
CASH FLOW FROM OPERATING ACTIVITIES			
Net income		**309,273**	*53,744*
Adjustments for:			
Depreciation		**849**	*1,380*
Future income taxes		**4,314**	*4,350*
Unrealized foreign exchange loss		**71,884**	*44,503*
Loss on sale of asset		**–**	*412*
Net change in operating working capital			
Accounts receivable, net of provision		**(196,218)**	*1,932,069*
Other assets		**(116,493)**	*31,647*
Accounts payable and accrued liabilities		**1,071,801**	*(2,063,812)*
Income taxes recoverable (net)		**15,159**	*100,107*
Other liabilities		**197,878**	*(45,652)*
Cash provided by (used in) operating activities	**$**	**1,358,447**	*(58,748)*
CASH FLOW FROM INVESTING ACTIVITIES			
Disposal of fixed assets		**–**	*135*
Cash provided by investing activities	**$**	**–**	*135*
Net foreign exchange difference on cash and cash equivalents		**(7,140)**	*(10,718)*
Increase in cash and cash equivalents		**1,351,307**	*48,165*
Cash and cash equivalents, at beginning of the year		**149,483**	*101,318*
Cash and cash equivalents, at end of the year	**$**	**1,500,790**	*149,483*
Supplemental Cash Flow information			
Income taxes paid		**15,138**	*130,404*

(See accompanying notes to the financial statements)

NOTES TO FINANCIAL STATEMENTS

(All amounts are in Canadian Dollars, unless otherwise stated)

1. DESCRIPTION OF BUSINESS

Larsen & Toubro Infotech Canada Ltd. / Infotech Larsen & Toubro Canada LTEE (the "Company") is incorporated under the Canada Business Corporations Act (Ontario). The Company is a wholly owned subsidiary of Larsen & Toubro Infotech Ltd., an India company ("Parent"). The Company is engaged in software consulting and development services.

2. BASIS OF PRESENTATION

The financial statements of the Company have been prepared by the management in accordance with Canadian accounting standards for private enterprises ("GAAP").

3. BASIS FOR MEASUREMENT

The financial statements have been prepared on historical cost basis.

4. FUNCTIONAL AND PRESENTATION CURRENCY

The Company's functional and presentation currency is the Canadian dollar.

5. SIGNIFICANT ACCOUNTING POLICIES

a) Use of estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Management bases the estimates on a number of factors, including historical experience, current events and actions that the Company may undertake in the future and other assumptions that the Company believes are reasonable under the circumstances. Estimates are used in accounting for items and matters such as revenues, allowance for doubtful accounts, useful lives of non-current assets, legal and tax contingencies, employee compensation plans, income taxes and investment tax credit.

The estimates and judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

i. Income taxes: Management uses estimates when determining current and deferred income taxes. These estimates are used to determine the recoverability of tax loss carry forward amounts, research and development expenditures and investment tax credits.

b) Foreign currency transactions

Transactions denominated in foreign currencies are translated into the Canadian dollar at the rate of exchange in effect at the time of the transaction. Monetary assets and liabilities are translated into Canadian dollars at the period-end exchange rate. Non-monetary items are translated at historical rates. All exchange gains and losses are included in net income.

c) Revenue recognition

The Company recognizes revenues across all the revenue streams when they are earned, specifically when all the following conditions are met:

a) Services are provided or products are delivered to customers;

b) There is clear evidence that an arrangement exists;

c) Amounts are fixed or can be determined; and

d) The ability to collect is reasonably assured.

The Company recognizes revenue for different revenue streams as follows:

- Time and material service: Revenue with respect to time-and-material contracts is recognized as related services are performed applying the contracted rates.
- Development service: Revenue from development service is recognized on a percentage completion method. Percentage completion is measured based upon the efforts incurred to date in relation to the total estimated efforts to complete the contract. The Company monitors estimates of total contract revenue and cost on a routine basis through the delivery period. The cumulative impact of any change in estimates of the contract revenue or costs is reflected in the period in which the changes become known. In the event that a loss is anticipated on a particular contract, provision is made for the estimated loss. Revenue recognized under this method is included in accrued income if it is not invoiced by the year end.

d) Provision for doubtful debts

The Company follows specific identification method for providing for doubtful debts. Management analyses accounts receivable and the composition of the accounts receivable ageing, historical bad debts, when evaluating the adequacy of the allowance for doubtful debts.

NOTES TO FINANCIAL STATEMENTS (Contd..)

e) Financial instruments

Financial instruments are measured at fair value on initial recognition. After initial recognition, financial instruments are measured at their fair values, except for loans and receivables and other financial liabilities, which are measured at cost or amortized cost using the effective interest rate method.

The Company has made the following classifications:

- Cash and cash equivalents are classified as assets held for trading and are measured at fair value. Gains and losses resulting from the periodic revaluation are recorded in net income;
- Accounts receivable are classified as loans and receivables and are initially recorded at fair value and subsequent measurements are recorded at amortized cost using the effective interest rate method; and
- Accounts payable and accrued liabilities are classified as other financial liabilities and are initially measured at their fair value. Subsequent measurements are recorded at amortized cost using the effective interest rate method.

f) Income taxes

The Company follows asset and liability method of accounting for income taxes. Under this method, future income taxes are recognized for the future income tax consequences attributable to differences between the financial statement carrying values and their respective income tax basis [temporary differences]. Future income tax assets and liabilities are measured using substantively enacted income tax rates expected to apply to taxable income in the years during which temporary differences are expected to be realized or settled. The effect on future income tax assets and liabilities of a change in tax rates is included in income in the period that includes the enactment date. A valuation allowance is provided to the extent that it is more likely than not; that future income tax asset will not be realized.

g) Investment tax credits

The Company is entitled to investment tax credits, which are earned as a percentage of eligible research and development expenditures incurred in each taxation year. Income tax investment tax credits related to expensed research and development costs are recorded as a reduction of the total expenditure. Income tax investment tax credits related to property and equipment are accounted for as a reduction in the cost of the related asset.

h) Cash and cash equivalents

Cash and cash equivalents, including cash on account, demand deposits and short-term investments with original maturities of three months or less, are recorded at cost, which approximates market value.

i) Computers, furniture and office equipment

Computers, furniture and office equipment are stated at cost less accumulated amortization. Capital assets are amortized over their estimated useful lives at the following rates and methods:

Equipment	:	20% declining balance method
Computer equipment	:	30% declining balance method
Furniture and fixtures	:	20% declining balance method

The Company regularly reviews its capital assets to eliminate obsolete items.

6. CHANGE IN ACCOUNTING POLICY

During the previous year ended March 31, 2014, the Company elected to account for income taxes using the future income taxes method. The change in the accounting policy during the previous year resulted in the recognition of future tax liability of NIL in year 2014.

7. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise of:

		As at 31.03.2015	*As at 31.03.2014*
Cash in hand		**1,500,790**	*149,483*
TOTAL	**$**	**1,500,790**	*149,483*

NOTES TO FINANCIAL STATEMENTS (Contd..)

8. ACCOUNTS RECEIVABLE, NET OF PROVISION

Accounts receivable comprise of:

		As at 31.03.2015	*As at 31.03.2014*
Related party accounts receivable		**48,485**	*761,247*
Other accounts receivable		**1,695,499**	*808,122*
Total accounts receivable	$	**1,743,984**	*1,569,396*

There were no activities in allowance for bad and doubtful debts for the year ended March 31, 2015 and March 31, 2014.

9. OTHER ASSETS

Other assets comprise of:

		As at 31.03.2015	*As at 31.03.2014*
Accrued income		**111,731**	*12,603*
Deposits		**–**	*3,510*
Investment tax credit receivable (Refer Note 14)		**30,427**	*16,825*
Advance to employees		**20,500**	*13,637*
TOTAL	$	**162,658**	*46,575*

10. PROPERTY, PLANT AND EQUIPMENT

Other assets comprise of:

		Cost	Accumulated depreciation	Net book value	*Net book value*
			As at 31.03.2015	As at 31.03.2015	*As at 31.03.2014*
Computers		**21,823**	**20,431**	**1,392**	*2,021*
Furniture and fixture		**2,546**	**2,065**	**481**	*601*
Equipment		**2,097**	**1,701**	**396**	*494*
TOTAL	$	**26,466**	**24,197**	**2,269**	*3,116*

Depreciation expense for the year ended March 31, 2015 amounted to $849 (*year ended March 31, 2014 - $1,380*).

11. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities comprise of:

		As at 31.03.2015	*As at 31.03.2014*
Accounts payable		**1,472,894**	*492,978*
Accrued liabilities		**264,619**	*129,627*
TOTAL	$	**1,737,513**	*622,605*

12. OTHER CURRENT LIABILITIES

Other current liabilities comprise of:

		As at 31.03.2015	*As at 31.03.2014*
Provision for income tax		**108,464**	*15,138*
GST payable		**78,334**	*47,121*
Advance from customer		**72,938**	*–*
TOTAL	$	**259,736**	*62,259*

NOTES TO FINANCIAL STATEMENTS (Contd..)

13. SHARE CAPITAL

		As at 31.03.2015	As at 31.03.2014
Authorized:			
Unlimited common shares		–	–
Issued:			
100 common shares	$	100	100

14. OTHER INCOME

Other income (expense) comprise of:

		As at 31.03.2015	As at 31.03.2014
Investment tax credit claim*		13,602	16,825
Loss on sale of assets		–	(412)
Unclaimed customer balances written back		54,876	23,975
Interest received / (charged)		(448)	223
Total	$	68,030	40,611

*During the year ended March 31, 2015 the Company has accrued income on investment tax credits of $13,602 [*March 31, 2014 - $ 16,825*] for the SR&ED claim filed for fiscal year 2013. The accrual is based on management estimates and the CRA audits and submissions during those audits in the current year.

15. INCOME TAX

A reconciliation of income taxes at Canadian statutory rates with the reported income taxes is as follows:

		As at 31.03.2015	As at 31.03.2014
Statutory federal and provincial income tax rates		26.50%	26.50%
Expected taxes on income		111,843	19,406
Increase (decrease) in income taxes resulting from:			
Permanent differences		(35,985)	-
Non-deductible items		–	58
Others		935	24
Provision for income taxes	$	76,793	19,488
Future income tax assets:			
Capital assets		–	109
Total	$	–	109
Future income tax liabilities:			
Investment tax credits		(8,063)	(4,459)
Capital assets		(601)	–
Total	$	(8,664)	(4,459)
Net future tax liabilities	$	(8,664)	(4,350)

NOTES TO FINANCIAL STATEMENTS (Contd..)

16. RELATED PARTY TRANSACTIONS

A. Related parties:

a. Larsen & Toubro Limited, India – ultimate parent Company
b. Larsen & Toubro Infotech Limited, India – parent Company
c. Larsen & Toubro Infotech Limited, USA – branch of the Larsen & Toubro Infotech Ltd., India
d. Larsen & Toubro Infotech Limited, UK – branch of the Larsen & Toubro Infotech Ltd., India
e. Larsen & Toubro Infotech Limited, France – branch of the Larsen & Toubro Infotech Ltd., India
f. Larsen & Toubro Infotech Financial Services Technologies Inc. – fellow subsidiary
g. L&T Technology Services Limited – fellow subsidiary
h. L&T Integrated Engineering Services – branch of Larsen & Toubro Limited, India

B. Summary of transactions with related parties are as follows:

		For the year ended 31.03.2015	*For the year ended 31.03.2014*
Expenses reimbursed to:			
Larsen & Toubro Infotech Limited, USA	$	**–**	*2,087*
Larsen & Toubro Infotech Limited, UK	$	**11,646**	*202,438*
Larsen & Toubro Infotech Financial Services Technologies Inc.	$	**4,935**	*69,136*
Larsen & Toubro Infotech Limited, India	$	**–**	*122,551*
Procurement of services recorded as expenses:			
Larsen & Toubro Infotech Financial Services Technologies Inc.	$	**71,958**	*–*
Larsen & Toubro Infotech Limited, USA	$	**653,492**	*82,241*
L&T Technology Services Limited	$	**209,268**	*–*
Larsen & Toubro Infotech Limited, India	$	**2,994,585**	*2,640,542*
Sale of services			
Larsen & Toubro Infotech Limited, USA	$	**2,297,811**	*2,063,973*
Larsen & Toubro Infotech Financial Services Technologies Inc.	$	**310,036**	*1,178,007*
Larsen & Toubro Infotech Limited, India	$	**–**	*649,419*
Larsen & Toubro Infotech Limited, France	$	**114,589**	*–*
Overheads charged to fellow subsidiary			
L&T Technology Services Limited	$	**4,000**	*125,172*
L&T Integrated Engineering Services	$	**–**	*9,875*
Larsen & Toubro Infotech Financial Services Technologies Inc.	$	**58,704**	*52,103*
Expenses reimbursed by:			
L&T Technology Services Limited	$	**46,810**	*–*
Larsen & Toubro Infotech Financial Services Technologies Inc.	$	**172**	*–*

These transactions are under normal credit terms and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

The following balances are due to related parties and is non-interest bearing:

		As at 31.03.2015	*As at 31.03.2014*
Larsen & Toubro Infotech Limited, UK	$	**–**	*66,785*
Larsen & Toubro Infotech Limited, India	$	**957,624**	*407,108*
L&T Technology Services Limited	$	**3,393**	*–*
Larsen & Toubro Infotech Limited, USA	$	**551,626**	*–*
Total	$	**1,512,643**	*473,893*

NOTES TO FINANCIAL STATEMENTS (Contd..)

The following balances are due from related parties and is non-interest bearing:

		As at 31.03.2015	*As at 31.03.2014*
Larsen & Toubro Infotech Limited, USA	$	–	*519,712*
Larsen & Toubro Infotech Financial Services Technologies Inc.	$	**48,485**	*114,590*
L&T Technology Services Limited	$	–	*125,945*
L&T Integrated Engineering Services	$	–	*1,000*
Total	$	**48,485**	*761,247*

17. FINANCIAL INSTRUMENTS

In the normal course of business, the Company is exposed to financial risks that may potentially impact its operating results. The Company employs risk management strategies with a view to mitigating these risks on a cost-effective basis.

Credit risk

Financial instruments that potentially subject the Company to credit risk consist of cash equivalents and accounts receivable. The carrying amount of assets included on the Balance Sheet represents the maximum credit exposure.

No asset-backed commercial paper products were held. The Company has deposited the cash equivalents with a reputable financial institution, from which management believes the risk of loss to be remote.

As at March 31, 2015, six customers accounted for 75% [*March 31, 2014 - four customers accounted for 72*%] of the accounts receivable.

Currency risk

Currency risk is the risk that the fair value or future Cash Flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Certain of the Company's sales are denominated in U.S. dollars. As at March 31, 2015, the accounts receivable denominated in U.S. dollars amounted to USD 574,494 [*March 31, 2014 – USD 972,645]*.

Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulties in meeting obligations associated with financial liabilities. Accounts payable are primarily due within 90 days and will be satisfied from current working capital.

18. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the presentation adopted in the current year.

19. SUBSEQUENT EVENTS

The Company evaluated all events and transactions that occurred after March 31, 2015 through April 23, 2015, the date the financial statements are issued. Based on the evaluation, the Company is not aware of any events or transactions that would require recognition or disclosure in the financial statements.

INDEPENDENT AUDITORS REPORT

TO THE SHAREHOLDERS OF LARSEN AND TOUBRO INFOTECH SOUTH AFRICA (PTY) LTD

Report on the financial statements

We have audited the annual financial statements of **LARSEN AND TOUBRO INFOTECH SOUTH AFRICA (PTY) LTD** set out on pages 1991-2001, which comprise the statement of financial position as at 31 March 2015, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

Directors' responsibility for the financial statements

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standard and the requirements of the Companies Act 71 of 2008, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements fairly present, in all material respects, the financial position of Larsen and Toubro Infotech South Africa (Pty) Ltd as at 31 March 2015 and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard and the requirements of the Companies Act 71 of 2008.

Other matter

Without qualifying our opinion, we draw your attention to the fact that supplementary information set out on pages 2000-2001 do not form part of the annual financial statements and is presented as additional information. We have not audited this information and accordingly do not express an opinion thereon.

Other reports required by the Companies Act

As part of our audit of the financial statements for the year ended 31 March 2015, we have read the Directors' Report for the purpose of identifying whether there are material inconsistencies between these reports and the audited financial statements. These reports are the responsibility of the respective preparers. Based on these reports we have not identified material inconsistencies between these reports and the audited financial statements. However, we have not audited these reports and accordingly do not express an opinion on these reports.

LEVITT KIRSON

Per: A Lewis

Registered Auditors

Chartered Accountants (SA)

Johannesburg

27 April 2015

DIRECTORS' RESPONSIBILITIES AND APPROVAL

The directors are required in terms of the Companies Act of South Africa, 2008 to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of Larsen & Toubro Infotech South Africa (Pty) Ltd as at the end of the financial period and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and places considerable importance on maintaining a strong control environment.

To enable these responsibilities, the directors set standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the select entity endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year ended 31 March 2015 and, in the light of this review and the current financial position, they are satisfied that the company has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on page 1988.

The annual financial statements set out on pages 1991 to 2001, which have been prepared on the going concern basis, were approved by the directors on 23 April 2015 and were signed on its behalf by:

KIRAN PAI	**V. K. MAGAPU**
Director	*Director*

Place : Mumbai
Date : April 23, 2015

DIRECTORS REPORT

The directors submit their report for the period ended 31 March 2015.

1 **Incorporation**

The company was incorporated on 5th April 2011 and obtained its certificate to commence business on the same day. 2012 was the first year of operation for the company, with operations begining on 1st December 2012.

2 **Review of activities**

The company is engaged in providing IT & outsourcing support & all other related IT services to the customers in South Africa.

3 **Events after the reporting period**

The directors are not aware of any matter or circumstance arising since the end of the financial year to the date of this report.

4 **Going concern**

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern.

This basis presumes that the company will continue to receive the support of its related companies and that the realisation of assets and settlement of liabilities will occur in the ordinary course of business.

5 **Authorised and issued share capital**

The company issued no new (2014: 443,725) shares during the period under review, with total issued Share Capital of 443,725 shares.

There are 6275 unissued authorised shares.

6 **Dividends**

There were no dividends declared during the period ended 31 March 2015.

7 **Directors**

The following persons served as directors during the period under review and to the date of issue of the financial statements:

Mr. Vijay Kumar Magapu

Mr. Uday Srikrishna Gharpure

Mr. Kiran Krishna Pai

Mr. Ravindra Pravin Desai

Ms. Ayanda Sinenhlanhla Mfeka

8 **External auditor**

Levitt Kirson will continue in office in accordance with section 90 of the Companies Act 71 of 2008.

KIRAN PAI	**V. K. MAGAPU**
Director	*Director*

Place : Mumbai
Date : April 23, 2015

STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2015

	Note No.	2015 R	*2014* *R*
Assets			
Non-Current Assets			
Deferred taxation	**7**	**727,764**	*199,498*
		727,764	*199,498*
Current Assets			
Cash and cash equivalents	**1**	**2,355,307**	*3,657,270*
Trade and other receivables	**2**	**75,306,939**	*29,093,114*
Current tax receivable	**6**	**265,622**	*88,815*
		77,927,868	*32,839,199*
Total Assets		**78,655,632**	*33,038,697*
EQUITY AND LIABILITIES			
Equity			
Stated capital	**3**	**443,725**	*443,725*
Accumulated profit		**2,585,551**	*957,324*
Total Equity		**3,029,276**	*1,401,049*
LIABILITIES			
Current Liabilities			
Trade and other payables	**4**	**75,181,948**	*31,637,648*
Current tax payable	**6**	**–**	*–*
Deferred taxation	**7**	**444,408**	
Total Liabilities		**75,626,356**	*31,637,648*
Total Equity and Liabilities		**78,655,632**	*33,038,697*

STATEMENT OF COMPREHENSIVE INCOME

	Note No.	2015 R	2014 R
Revenue		**118,179,598**	*86,055,204*
Cost of sales		**(114,017,558)**	*(83,034,239)*
Gross profit		**4,162,040**	*3,020,965*
Other income		**21,061,217**	*10,992,691*
Finance income		**90,145**	*131,684*
Operating expenses		**(22,981,711)**	*(13,289,346)*
Operating profit	**5**	**2,331,691**	*855,995*
Finance costs		**(2,209)**	*(5,007)*
Profit before taxation		**2,329,482**	*850,987*
Taxation	**6**	**(701,255)**	*(269,077)*
Profit for the year		**1,628,227**	*581,911*
Other comprehensive income		**–**	*–*
Total comprehensive profit		**1,628,227**	*581,911*

STATEMENT OF CHANGES IN EQUITY

	Accumulated profit R	Stated Capital R	Total equity R
Balance at 01 April 2013	375,413	443,725	819,138
Changes in equity	–		
Total comprehensive profit for the period	581,911	–	581,911
Total changes	581,911	–	581,911
Balance at 31 March 2014	957,324	443,725	1,401,049
Balance at 01 April 2014	957,324	443,725	1,401,049
Changes in equity			
Total comprehensive profit for the period	1,628,227	–	1,628,227
Total changes	1,628,227	–	1,628,227
Balance at 31 March 2015	2,585,551	443,725	3,029,276
Note(s)		3	

STATEMENT OF CASH FLOWS

	Note No.	2015 R	*2014* *R*
Cash flows from operating activities			
Cash used in operations	8	**(427,978)**	4,001,980
Interest income		**90,145**	131,684
Finance costs		**(2,209)**	(5,007)
Income taxes paid		**(961,921)**	(511,861)
Net cash from operating activities		**(1,301,963)**	3,616,795
Total cash movement for the year		**(1,301,963)**	3,616,795
Cash at the beginning of the year		**3,657,270**	40,475
Total cash at end of the year		**2,355,307**	*3,657,270*

ACCOUNTING POLICIES

1 PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

The annual financial statements have been prepared in accordance with International Financial Reporting Standards and the Companies Act of South Africa. The annual financial statements have been prepared on the historical cost basis, except for those assets and liabilities stated at fair value, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

1.2 Financial instruments

Initial recognition and measurement

Financial instruments are recognised initially when Larsen & Toubro Infotech South Africa (Pty) Ltd becomes a party to the contractual provisions of the instruments.

Larsen & Toubro Infotech South Africa (Pty) Ltd classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents, and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit and loss, any directly attributable transaction costs, except as described below. Subsequent to initial recognition, non-derivative financial instruments are measured as described below.

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

Cash and cash equivalents comprise cash balances and call deposits.

Trade and other payables are classified according to the substance of the contractual arrangements entered into.

1.3 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to issue of ordinary shares are recognised as a deduction from equity.

1.4 Income Taxation

Income tax on the profit or loss for the period comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income, in which case it is recognized in equity or other comprehensive income.

Current tax

Current tax represents the expected tax payable on taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustments to tax payable in respect of previous reporting periods.

Deferred tax

Deferred tax is recognised in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying values for the financial reporting purposes. Deferred tax is not recognised for the following temporary differences:

- the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and
- differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

1.5 Provisions and contingencies

Provisions are recognised when:

* Larsen & Toubro Infotech South Africa (Pty) Ltd has a present obligation as a result of a past event;
* it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
* a reliable estimate can be made of the obligation.

ACCOUNTING POLICIES (Contd.)

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are not recognised for future operating losses.

If an entity has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

1.6 Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates.

1.7 Adoption of New and Revised Standards

A number of new standards, amendments to standards and interpretations are not yet effective for the period ended March 31, 2015, and have not been applied in preparing these financial statements:

*IFRS 9	Financial Instruments	Annual years beginning on or after 1 January 2018
*IFRS 15	Revenue from contracts with customers	Annual years beginning on or after 1 January 2017
*IFRS 11	Joint Arrangements	Annual years beginning on or after 1 January 2016
*IAS 19	Employee Benefits	Annual years beginning on or after 1 July 2014
*Amendments to IFRSs	Annual improvements to IFRSs 2010-2012 cycle	Annual years beginning on or after 1 July 2015
*Amendments to IFRSs	Annual improvements to IFRSs 2011-2013 cycle	Annual years beginning on or after 1 July 2014

The directors anticipate that all of the above Standards and Interpretations will be adopted in the financial statements of the period in which they become effective and that their adoption will have no material impact on the financial statements in the period of initial application.

1.8 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

Management has not made any judgements or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2015 R	2014 R
1. CASH AND CASH EQUIVALENTS		
Cash and cash equivalents consists of the following:		
ABSA Account	***11,333***	*3,471,913*
State Bank of India Account	***2,244,175***	*154,318*
State Bank of India Call Account	***99,799***	*31,039*
TOTAL	***2,355,307***	*3,657,270*
2. TRADE AND OTHER RECEIVABLES		
Trade & other receivables consists of the following:		
Trade receivables	**64,554,487**	*15,817,673*
Accruals	**10,714,217**	*13,246,560*
Advance receivable	**38,235**	*98,778*
TOTAL	**75,306,939**	*29,163,011*

	2015 Shares	2014 Shares
3. STATED CAPITAL		
Authorised		
450 000 Ordinary shares at no par value	**450,000**	*450,000*
Issued		
443 725 Ordinary shares at no par value	**443,725**	*443,725*

6 275 unissued no par value ordinary shares are under the control of the directors in terms of a resolution of members passed at the last annual general meeting. This authority remains in force until the next annual general meeting.

	2015 R	2014 R
4. TRADE AND OTHER PAYABLES		
Trade and other payables consists of the following:		
TRADE PAYABLES	***71,599,969***	*30,570,659*
VAT RECEIVABLE	***368,482***	*69,897*
ACCRUALS	***1,568,761***	*1,066,989*
ADVANCE BILLING	***1,644,736***	*–*
TOTAL	***75,181,948***	*31,707,545*
5. OPERATING PROFIT		
Operating profit for the period is stated after accounting for the following:		
Staff costs	**21,630,900**	*11,415,279*

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Contd.)

	2015 R	2014 R
6. TAXATION		
Major components of the tax expense		
SA normal tax		
Current tax	**785,113**	*423,047*
Deferred tax	**(83,858)**	*(153,970)*
TOTAL	**701,255**	*269,077*
Reconciliation of the tax expense		
Reconciliation between applicable tax rate and average effective tax rate.		
Standard rate of taxation	**28.00%**	
Non-deductible expenses	**2.10%**	
EFFECTIVE TAX RATE	**30.10%**	
7. DEFERRED TAXATION		
The major components of deferred tax balances for the year are as follows:		
Provisions	**267,238**	*199,498*
Income received in advance	**460,526**	*423,047*
S24C allowance	**(444,408)**	*(153,970)*
TOTAL	**283,356**	*199,498*
Deferred taxation liability	**(444,408)**	*–*
Deferred taxation asset	**727,764**	*199,498*
NET DEFERRED TAXATION ASSET	**283,356**	*199,498*
8. CASH USED IN OPERATIONS		
Profit before taxation	***2,329,482***	*850,987*
Adjustments for:		
Interest received	**(90,145)**	*(131,684)*
Finance costs	***2,209***	*5,007*
Changes in working capital:		
Trade and other receivables	**(46,143,928)**	*(274,953)*
Trade and other payables	**43,474,404**	*3,552,623*
TOTAL	**(427,978)**	*4,001,980*

9. RELATED PARTY TRANSACTIONS

9.1 Identity of related parties

Larsen & Toubro Infotech South Africa (Pty) Ltd is a joint venture between Larsen & Toubro Infotech Limited and Befula Investments (Pty) Ltd in ratio of 74.9%:25.1%.

Larsen & Toubro Infotech Limited is a South African branch of Larsen and Toubro Infotech Limited.

Larsen & Toubro Infotech South Africa (Pty) Ltd and Larsen & Toubro Infotech Limited (Branch) are related parties in South Africa.

9.2 Balances payable to /receivable from related parties

	2015 R	2014 R
Inter-group receivables	**32,541,454**	*8,531,666*
Inter-group payables	**(71,586,060)**	*(39,076,473)*
TOTAL	**(39,044,606)**	*(30,544,808)*

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Contd.)

Inter-group receivable, relates to sales made by Larsen & Toubro Infotech South Africa (Pty) Ltd to Larsen & Toubro Infotech Limited (Branch).

Inter-group payable, relates to expenses to be paid by Larsen & Toubro Infotech South Africa (Pty) Ltd to Larsen & Toubro Infotech Limited (Branch) and Larsen & Toubro Infotech Limited (India).

9.3 Transactions with related parties

	2015	*2014*
	R	*R*
Inter-group service income (Larsen & Toubro Infotech Ltd (Branch))	**21,061,217**	*10,992,691*
Inter-group training cost (Larsen & Toubro Infotech Ltd (India))	**(237,721)**	*(302,580)*
Inter-group on-site support fees (Larsen & Toubro Infotech Ltd (Branch))	**(114,017,558)**	*(83,034,239)*
TOTAL	**(93,194,062)**	*(72,344,128)*

9.4 Transactions with key management personnel

There were no transactions with key management personnel.

10. FINANCIAL INSTRUMENTS

Exposure to credit risk arises in the normal course of the entity's business.

10.1 Credit risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. The group does not require collateral in respect of financial assets.

The carrying amount of financial assets represents the maximum credit exposure. The maximum credit exposure at the reporting date was:

Reconciliation between applicable tax rate and average effective tax rate.

	Carrying amount 31 March 2015	*Carrying amount 31 March 2014*
	R	*R*
Trade receivables	**75,306,939**	*29,093,114*
Deposits	**–**	–
Prepayments	**–**	–
TOTAL	**75,306,939**	*29,093,114*

Concentration of credit risk

The company was not exposed to any credit rate risk as the inter-group & other receivables are recoverable.

10.2 Liquidity risk

The following are the contractual maturities of financial liabilities:

Non derivative financial liabilities	**Total**	**< 1 year**	**2-5 years**	**>5 years**
Trade and other payables	75,181,948	75,181,948	–	–
TOTAL	75,181,948	75,181,948	–	–

11. FAIR VALUES

The fair values of financial assets and liabilities are substantially the same as the carrying amounts shown in the statement of financial position.

DETAILED INCOME STATEMENT

	Note No.	2015 R	*2014* *R*
Revenue			
Services income		**118,179,598**	86,055,204
Cost of sales			
On Site Support Fees		**114,017,558**	83,034,239
Gross profit		**4,162,040**	3,020,965
Other income			
Inter-group service income		**21,061,217**	10,992,691
Interest received		**90,145**	131,684
		21,151,362	11,124,376
Gross Income		**25,313,402**	14,145,340
Expenses			
Operating expenses			
Administration Expenses		–	500
Audit Fees		**60,000**	75,000
Bank Charges		**3,403**	1,730
BEE contribution		–	212,596
Compensation Assessment		–	7,037
Donations		**228,000**	–
Financial Management Fees		**139,018**	327,138
Insurance		**60,306**	
Legal Fees		–	23,800
Professional fees		**622,363**	–
Marketing Costs		**237,721**	–
Salaries & Wages		**21,630,900**	11,415,279
Secretarial services		–	63,587
Staff Placement		–	77,800
Staff Reimbursement Expenses		–	68,639
Staff Leave Provision Expense		–	637,760
Staff advance		–	–
Staff Training		–	315,475
Tax Services		–	36,650
Travel & Accommodation		–	12,626
Parking		–	13,730
Operating profit	5	**2,331,691**	855,995
Finance cost		**2,209**	5,007
Profit before taxation		**2,329,482**	850,987
Taxation	6	**701,255**	269,077
Profit for the year		**1,628,227**	*581,911*

The supplementary information presented does not form part of the annual financial statements

(Registration number 2011/007226/07)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015
Tax Reference number: 9204/345/18/6

TAX COMPUTATION

	2015
	R
Net profit per statement of comprehensive income	2,329,482
Adjust for: Temporary differences	299,494
Reversal of Provisions	(712,493)
Allowance for future expenditure (s24C)	(1,587,170)
Provisions not deductible current year (excl doubtful debt)	954,421
Amounts received in advance	1,644,736
Donations	175,000
Taxable income	2,803,976
Taxation thereon @ 28%	785,113
Tax liability	
Amount owing/(prepaid) at the beginning of year	-88,815
First provisional payment	-95,761
Second provisional payment	-866,160
Third provisional payment	
Tax owing/(prepaid) for the current year	-961,921
Normal tax	785,113
Tax owing/(prepaid) at the end of the year as per financial statements	***(265,622)***

The supplementary information presented does not form part of the annual financial statements