

Independent Auditors' Report

To
**The Members of
ITAG Business Solutions Limited**

Report on the Standalone Financial Statements

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

Management's Responsibility for the Standalone 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 Standalone Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies; making judgements 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone Financial Statements based on our audit.

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

We conducted our audit in accordance with the Standards on Auditing specified under 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 Standalone Financial Statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone Financial Statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the Standalone 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 Standalone 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 Standalone Financial Statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016 and its Loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. 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 Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.



- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our report in 'Annexure A'; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company did not have pending litigations which effects its financial position;
 - ii. The Company did not have any material foreseeable losses relating to long term contracts including derivative contracts; and
 - iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the "Annexure B", a statement on the matters specified in paragraphs 3 and 4 of the Order.

Hyderabad, April 28, 2016

for M. Bhaskara Rao & Co.,
Chartered Accountants
Firm Registration No. 000459S



D. Bapu Raghavendra
D. Bapu Raghavendra
Partner
Membership No.213274

Re: ITAG Business Solutions Limited

Annexure A to the Independent Auditors' report

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

We have audited the internal financial controls over financial reporting of ITAG Business Solutions Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the "Guidance Note on Audit of Internal Financial Controls over Financial Reporting" issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the "Guidance Note on Audit of Internal Financial Controls over Financial Reporting" (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk whether a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

for M. Bhaskara Rao & Co.,
Chartered Accountants
Firm Registration No. 000459S



D. Babu Raghavendra
D. Babu Raghavendra
Partner

Membership No. 213274

Hyderabad, April 28, 2016

Re: ITAG Business Solutions Limited**Annexure Bto the Independent Auditors' Report**

(Referred to in paragraph '2' under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

(b) According to the information and explanations given to us, all the fixed assets have been physically verified by the management during the year in accordance with programme of verification, which in our opinion, is reasonable having regard to the size of the Company and the nature of the assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) The Company does not have any immovable properties. Hence, reporting under provisions of Clause (c) of the paragraph 3(i) of the Order does not arise.
- ii. Having regard to the nature of the Company's business, reporting under provisions of paragraph 3(ii) of the Order relating to inventory is not applicable.
- iii. According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, reporting under provisions of clauses (a), (b) and (c) of paragraph 3(iii) of the Order does not arise.
- iv. In our opinion and according to the information and explanations given to us, there are no transactions which attracts Section 185 and Section 186 of the Companies Act 2013. Hence, reporting under the provisions of paragraph 3(iv) of the Order does not arise.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits. Accordingly, reporting under the provisions of paragraph 3(v) of the Order does not arise.
- vi. In our opinion and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148 (1) of the Companies Act, 2013 for the activities of the Company.
- vii. (a) According to the information and explanations given to us and based on the examination of records of the Company, the Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Wealth Tax, Sales-tax, Service Tax, Customs duty, Excise Duty, Value Added Tax, Cess and any other material statutory dues applicable to it with the appropriate authorities during the year.

(b) There were no undisputed amounts payable in respect of provident fund, income tax, sales tax, service tax, customs duty, value added tax and Cess which were in arrears as at March 31, 2016 for a period of more than six months from the date they became payable.



- viii. In our opinion and according to the information and explanations given to us, the Company has not taken any loans or borrowings from financial institutions, banks, government or from issue of debentures. Hence, the reporting under provisions of paragraph 3(viii) of the Order does not arise.
- ix. The Company did not raise any money by way of initial public offer, further public offer (including debt instruments) and term loans during the year. Accordingly, reporting under the provisions of paragraph 3(ix) of the Order does not arise.
- x. During the course of our examination of the books and other records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year, nor have we been informed of such case by the management.
- xi. According to the information and explanations furnished to us, the provisions under section 197 read with Schedule V of the Companies Act, 2013 is not applicable to the Company. Hence, reporting under paragraph 3(xi) of the Order does not arise.
- xii. According to the information and explanations given to us and based on our examination of the records, the Company is not a Nidhi company. Hence, reporting under the provisions of paragraph 3(xii) of the Order does not arise.
- xiii. According to the information and explanations given to us and based on the examination of records of the Company, all the transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act 2013 where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standard.
- xiv. According to the information and explanations given to us and based on the examination of records of the Company, the Company has not made preferential allotment or private placement of shares or fully or partly Convertible debentures during the year. Hence, reporting under the provisions of paragraph 3(xiv) of the Order is not applicable.
- xv. According to the information and explanations given to us and based on the examination of records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

for M. Bhaskara Rao & Co.,
Chartered Accountants
Firm Registration No. 000459S



D. Bapu Raghavendra
D. Bapu Raghavendra
Partner

Hyderabad, April 28, 2016

Membership No: 213274


ITAG Business Solutions Limited
Balance Sheet as at March 31, 2016

Particulars	Note No.	As at March 31, 2016	As at March 31, 2015
		₹	₹
EQUITY AND LIABILITIES			
Shareholders' Funds			
(a) Share Capital	3	1,25,00,000	1,25,00,000
(b) Reserves and Surplus	4	(72,99,887)	(68,58,069)
		52,00,113	56,41,931
Non-Current Liabilities			
(a) Long-Term Provisions	5	1,41,658	2,26,225
		1,41,658	2,26,225
Current Liabilities			
(a) Short-Term Borrowings	6	-	10,00,000
(b) Trade Payables	7	-	-
(A) Micro, Small, Medium Enterprises (MSMEs)		-	-
(B) Other than MSMEs		7,36,957	12,62,148
(c) Other Current Liabilities	8	6,25,691	8,29,040
(d) Short-Term Provisions	9	1,026	4,079
		13,63,674	30,95,266
TOTAL		67,05,445	89,63,423
ASSETS			
Non-Current Assets			
(a) Fixed Assets			
Tangible Assets	10	8,25,771	10,54,559
(b) Deferred Tax Assets (Net)	22.5	88,566	53,849
(c) Long Term Loans and Advances	11	4,74,680	1,96,135
		13,89,017	13,04,543
Current Assets			
(a) Trade Receivables	12	28,90,157	31,93,601
(b) Cash and Cash Equivalents	13	19,97,650	41,24,935
(c) Short-Term Loans and Advances	14	3,84,338	2,35,470
(d) Other Current Assets	15	44,283	1,04,873
		53,16,428	76,58,880
TOTAL		67,05,445	89,63,423
Corporate Information and Significant Accounting Policies	1 & 2		

Accompanying notes form an integral part of the Financial Statements


As per our report of even date attached.

For M.Bhaskara Rao & Co.
Chartered Accountants



D. Bapu Raghavendra
Partner



For and on behalf of the Board


Peter H Jayakumar
Director
DIN No. 00415883




D R Agarwal
Director
DIN No. 00322861

Hyderabad, April 28, 2016

ITAG Business Solutions Limited


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

	Note No.	2015-16	2014-15
		₹	₹
CONTINUING OPERATIONS			
Income			
(a) Revenue from Operations	16	1,38,86,368	1,18,58,636
(b) Other Income	17	3,84,619	9,67,464
Total Revenue		1,42,70,987	1,28,26,100
Expenses			
(a) Employee Benefits Expense	18	25,85,986	26,58,862
(b) Finance Cost	19	8,033	2,46,072
(c) Depreciation and Amortization	10	4,34,003	3,24,871
(d) Other Expenses	20	1,17,19,497	92,07,788
Total Expenses		1,47,47,519	1,24,37,593
Profit Before Tax		(4,76,534)	3,88,507
Tax Expense:			
(a) Current Tax		-	74,151
(b) Deferred Tax		(34,717)	(98,507)
		(34,717)	(24,356)
Profit After Tax for the year		(4,41,817)	4,12,863
Earnings per Equity Share of ₹10/- each			
Basic and Diluted	22.4	(0.35)	0.33
Corporate Information and Significant Accounting Policies	1 & 2		

Accompanying notes form an integral part of the Financial Statements

As per our report of even date attached.


For M. Bhaskara Rao & Co.
Chartered Accountants

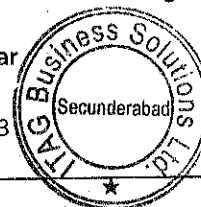

D. Bapu Raghavendra
Partner

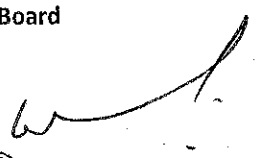


Hyderabad, April 28, 2016

For and on behalf of the Board


Peter H Jayakumar
Director
DIN No. 00415883




D R Agarwal
Director
DIN No. 00322861

ITAG Business Solutions Limited


Cash Flow Statement for the year ended March 31, 2016

	2015-16	2014-15
	₹	₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit /(Loss) Before Tax	(4,76,534)	3,88,507
Adjustments for:		
Depreciation	4,34,003	3,24,871
Liabilities / Provisions no longer required Written Back	87,620	
Interest Income	1,80,335	81,057
Sundry Debtors Written off	3,34,358	-
Operating Profit / (Loss) Before Working Capital Changes	5,59,782	7,94,435
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Trade Receivables	(30,915)	5,07,512
Other Current Assets	60,590	(74,584)
Short term Loans and Advances	(1,48,868)	1,04,168
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	(6,12,811)	(4,80,531)
Other Current Liabilities	(2,03,349)	(20,58,133)
Short-Term Provisions	(3,053)	673
Long-Term Provisions	(84,567)	1,06,901
Cash Generated from Operations	(4,63,191)	(10,99,559)
Tax Paid	(2,78,545)	17,61,434
Net Cash from / (used in) operating Activities (A)	(7,41,737)	6,61,875
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(2,05,215)	(1,88,720)
Interest Received others	(1,80,335)	(3,05,022)
Net cash from / (used in) Investing Activities (B)	(3,85,550)	(4,93,742)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Advance from Holding Company	(10,00,000)	(9,01,430)
Loans given to Holding Company	-	2,23,965
Net cash from / (used in) Financing Activities (C)	(10,00,000)	(6,77,465)
Net Increase / Decrease in Cash and Cash Equivalents (A+B+C)	(21,27,287)	(5,09,332)
Cash and Cash Equivalents at the beginning of the year	41,24,935	46,34,267
Cash and Cash Equivalents at the end of the year	19,97,650	41,24,935

Accompanying notes form an integral part of the Financial Statements

As per our report of even date attached.

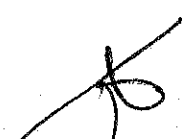
For M.Bhaskara Rao & Co.
Chartered Accountants



D. Bapu Raghavendra
Partner

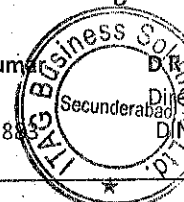
Hyderabad, April 28, 2016



For and on behalf of the Board


Peter H. Jayakumar
Director
DIN No. 0041588


D. R. Agarwal
Director
DIN No. 00322861



1 Corporate Information

ITAG Business Solutions Limited ("the Company") is a public company domiciled in India. The Company is a wholly owned subsidiary of TCI Finance limited. It is into the business of Knowledge Process Outsourcing(KPO) in the domain of providing all IP services in the form of patent, trademark design, copyrights, trade secrets and IP management services. It has also a HR outsourcing division, providing manpower to different business segments which has been discontinued in earlier years.

2 Significant Accounting Policies

2.1 Basis of accounting and preparation of financial statements

The financial statements of the Company are prepared on accrual basis, under historical cost convention. The Financial Statements of the Company have been prepared in accordance with G.A.A.P in India ("Indian GAAP") to comply with accounting standards specified under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 and relevant provisions of the Act/ the Companies Act, 1956, as applicable.

The accounting policies adopted in the preparation of financial statements are consistent with those of the preceding year.

2.2 Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialise.

2.3 Cash Flow Statement

The Cash flow statement is prepared under "Indirect method" as set out in Accounting Standard - 3 on Cash Flow Statements notified in section 133 of the Companies Act, 2013. whereby Profit / (Loss) Before Extraordinary Items and Tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.4 Tangible Fixed Assets and Depreciation

Tangible assets are stated at cost less accumulated depreciation.

The cost of an asset includes the purchase cost of materials, including import duties and non refundable taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use.

Depreciation is provided on a pro-rata basis on the straight-line method as per the useful lives prescribed under Schedule II of the Companies Act, 2013.

2.5 Revenue Recognition

Revenue from Consulting Service is recognised on rendering of related service or on the basis of milestones specified in the related contracts being achieved.

Revenue from sponsorship and delegate fees is recognised on accrual basis.

Interest income is recognised on accrual basis except in case of non-performing assets. Overdue interest is recognised as income on realisation.

2.6 Employee Benefits

Defined Employee Benefits (Gratuity) :

Gratuity liability is defined benefit obligation and is wholly unfunded. The Company accounts for liability for future gratuity benefits based on actuarial valuation.



Notes forming part of the Financial Statements for the year ended March 31, 2016

2.7 Foreign Currency Transactions

Foreign currency transactions are recorded at the exchange rates prevailing on the date of such transactions. Monetary assets and liabilities as at the Balance Sheet date, are translated at the rates of exchange prevailing at the date of the Balance Sheet. Gains and losses arising on account of differences in foreign exchange rates on settlement/ translation of monetary assets and liabilities are recognized in the Statement of Profit and Loss.

2.8 Segment Reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

2.9 Earnings Per Share

Basic earnings per equity share is computed by dividing the net profit for the year attributable to the Equity Shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit for the year, adjusted for the effects of dilutive potential equity shares, attributable to the Equity Shareholders by the weighted average number of the equity shares and dilutive potential equity shares outstanding during the year except where the results are anti-dilutive.

2.10 Taxes on Income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

2.11 Provision, Contingent liabilities and Contingent Assets

The Company recognises provisions when there is present obligation as a result of past event and it is probable that there will be an outflow of resources and reliable estimate can be made of the amount of the obligation. A disclosure for Contingent liabilities is made when there is a possible obligation or present obligations that may, but probably will not, require an outflow of resources. Contingent assets are neither recognised nor disclosed in the financial statements.



3 Share Capital

	March 31, 2016		March 31, 2015	
	No. of Shares	₹	No. of Shares	₹
Authorised Equity shares of ₹ 10/- each	20,00,000	2,00,00,000	20,00,000	2,00,00,000
Issued Equity shares of ₹ 10/- each	12,50,000	1,25,00,000	12,50,000	1,25,00,000
Subscribed and fully paid up Equity shares of ₹ 10/- each	12,50,000	1,25,00,000	12,50,000	1,25,00,000
Total		1,25,00,000		1,25,00,000

(i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

	March 31, 2016		March 31, 2015	
	No. of Shares	₹	No. of Shares	₹
Equity Shares of ₹ 10/- each At the Beginning of the Year	12,50,000	1,25,00,000	12,50,000	1,25,00,000
Add : Issued during the Year				
Outstanding at the End of the Year	12,50,000	1,25,00,000	12,50,000	1,25,00,000

(ii) Rights, Preferences and Restrictions attached to equity shares

The Company has one class of equity shares having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share held.

In the event of liquidation of the Company, the equity shareholders are eligible to receive remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(iii) Details of Shareholders Holding more than 5% of the shares in the Company

Name of Shareholder	March 31, 2016		March 31, 2015	
	No. of Shares	% of shareholding	No. of Shares	% of shareholding
Equity Shares of ₹ 10/- each TCI Finance Limited and its Nominees	12,50,000	100	12,50,000	100

(iv) Shares held by Holding Company

Name of Shareholder	March 31, 2016		March 31, 2015	
	No. of Shares	% of shareholding	No. of Shares	% of shareholding
Equity Shares of ₹ 10/- each TCI Finance Limited and its Nominees - Holding Company	12,50,000	100	12,50,000	100

4 Reserves and Surplus

	March 31, 2016	March 31, 2015
	₹	₹
Deficit in Statement of Profit and Loss		
Opening Balance	(68,58,069)	(70,73,117)
Add: Profit / (Loss) After Tax for the year	(4,41,817)	4,12,863
Less : Depreciation adjustment as per Companies Act, 2013 (net of deferred tax of ₹ 88,459/-) (Refer Note No. 10.1)	-	1,97,815
Total	(72,99,887)	(68,58,069)



Itag Business Solutions Limited

Notes forming part of the Financial Statements for the year ended March 31, 2016

5 Long-Term Provisions

	March 31, 2016	March 31, 2015
	₹	₹
Provision for employee benefits - Gratuity (Refer Note No. 18.1)	1,41,658	2,26,225
Total	1,41,658	2,26,225

6 Short-Term Borrowings (Unsecured, repayable on demand)

	March 31, 2016	March 31, 2015
	₹	₹
Loans and Advances from Related Party		
Advance from Holding Company(Refer Note No. 22.4)	-	10,00,000
Total	-	10,00,000

7 Trade Payables

	March 31, 2016	March 31, 2015
	₹	₹
Trade Payables other than Acceptances (Refer Note No. 7.1 & 22.3)		
(A) Micro, Small, Medium Enterprises (MSMEs)	-	-
(B) Other than MSMEs	7,36,957	12,62,148
Total	7,36,957	12,62,148

(Includes ₹ 54,000/- (March 31, 2015: ₹ 71,125/-) payable to Related Party)

7.1 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Trade payable other than acceptances include certain dues to Micro and Small Enterprises, under the Micro, Small and Medium Enterprises Development Act, 2006 that have been determined based on the information available with the company and the required disclosures are given below:

	As At March 31, 2016	As At March 31, 2015
a) Principal amount remaining unpaid	Nil	Nil
b) Interest due thereon	Nil	Nil
c) Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of payments made to the supplier beyond the appointed day during the year	Nil	Nil
d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil
e) Interest accrued and remaining unpaid	Nil	Nil
f) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises.	Nil	Nil

8 Other Current Liabilities

	March 31, 2016	March 31, 2015
	₹	₹
Other Payables		
Statutory Payables	20,266	2,13,419
Others	6,05,425	6,15,621
Total	6,25,691	8,29,040

9 Short-Term Provisions

	March 31, 2016	March 31, 2015
	₹	₹
Provision for employee benefits - Gratuity (Refer Note No. 18.1)	1,026	4,079
Total	1,026	4,079



Itag Business Solutions Limited
Notes forming part of the Financial Statements for the year ended March 31, 2016

TANGIBLE ASSETS

PARTICULARS	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK		
	As At April 1, 2015	Additions	Deletions	DELETIONS	As At March 31, 2016	Upto April 1, 2015	Charge to Opening reserves	For the year	Upto March 31, 2016	As At March 31, 2016	As At March 31, 2015
Furniture and Fixtures	12,83,161	39,500	-	-	13,22,661	6,78,458	-	1,74,676	8,53,134	4,69,527	6,04,703
Office Equipment	5,21,100	61,452	-	-	5,82,552	3,38,173	-	1,05,765	4,43,938	1,38,614	1,82,927
Computers	19,80,118	1,04,263	-	-	20,84,381	17,13,189	-	1,53,563	18,66,752	2,17,629	2,66,929
Total	37,84,379	2,05,215	-	-	39,89,594	27,29,820	-	4,34,003	31,63,823	8,25,771	10,54,559
Previous year	35,95,659	1,88,720	-	-	37,84,379	21,18,675	2,86,273	3,24,871	27,29,820	10,54,559	14,76,984



Itag Business Solutions Limited

Notes forming part of the Financial Statements for the year ended March 31, 2016

11 Long Term Loans and Advances - Unsecured, considered good

	March 31, 2016	March 31, 2015
	₹	₹
Advance Tax (Net of Provision - ₹ 75,000/- (March 31, 2015 ₹ 75,000/-)	4,74,680	1,96,135
Total	4,74,680	1,96,135

12 Trade Receivables - Unsecured, considered good

	March 31, 2016	March 31, 2015
	₹	₹
Debts outstanding over six months	27,47,493	29,03,802
Others	1,42,664	2,89,799
Total	28,90,157	31,93,601

13 Cash and Cash Equivalents

	March 31, 2016	March 31, 2015
	₹	₹
Balances with Banks		
In Current Accounts	3,35,695	94,905
In Deposit Accounts	16,00,000	40,00,000
Cash on Hand	61,955	30,030
Total	19,97,650	41,24,935

14 Short-Term Loans and Advances

	March 31, 2016	March 31, 2015
	₹	₹
Others (Unsecured)		
(i) Other Advances	3,84,338	2,35,470
Total	3,84,338	2,35,470

15 Other Current Assets

	March 31, 2016	March 31, 2015
	₹	₹
Interest accrued on deposits	44,283	1,04,873
Other Advances Recoverable (Unsecured) (Refer Note No. 15.1)	33,02,693	33,02,693
Less: Provision for Doubtful loans and Advances	(33,02,693)	(33,02,693)
Total	44,283	1,04,873

15.1 Represents amount misappropriated by an employee during the year 2010-11 and 2011-12 by way of embezzlement of cash and fraudulent encashment of the Company's cheques. The Company filed a First Information Report (FIR) on October 13, 2011 against the employee with the designated police authority and has initiated legal proceedings.



Itag Business Solutions Limited

Notes forming part of the Financial Statements for the year ended March 31, 2016

16 Revenue from operations

	2015-16	2014-15
	₹	₹
Sale of Services		
Consultancy Fees	5,92,002	10,69,435
Other Operating Revenue		
Sponsorship and Delegate Fees	1,32,94,366	1,07,89,201
Total	1,38,86,368	1,18,58,636

17 Other income

	2015-16	2014-15
	₹	₹
Other non- operating income		
Gain on Foreign Currency Translation	-	1,18,838
Interest income		
- on deposits	1,80,335	1,76,127
- on IT Refund	-	1,23,942
- on loans	-	2,23,695
Liabilities no longer required written back	2,04,284	3,19,093
Miscellaneous	-	5,769
Total	3,84,619	9,67,464



Itag Business Solutions Limited

Notes forming part of the Financial Statements for the year ended March 31, 2016

18 Employee Benefits Expense

	2015-16	2014-15
	₹	₹
Salaries and Wages	25,60,408	25,20,111
Contribution to Other Funds (Refer Note No. 18.1)		1,07,574
Staff Welfare Expenses	25,578	31,177
Total	25,85,986	26,58,862

18.1 Employee benefit plans

Accounting Standard (AS) 15 "Employee Benefits" disclosures under Gratuity (unfunded) are as below:

	March 31, 2016	March 31, 2015
	₹	₹
Present Value of Defined Benefit Obligations	1,42,684	2,30,304
Fair Value of Plan Assets	-	-
Funded Status [Surplus/(Deficit)]	-	-
Net Asset / (Liability) recognized in the Balance Sheet	(1,42,684)	(2,30,304)
Present Value of DBO at the beginning of the Year	2,30,304	1,22,730
Current Service Cost	48,570	57,123
Interest Cost	17,964	11,046
Actuarial Losses / (Gains)	(1,54,154)	39,405
Benefits Paid	-	-
Present Value of DBO at the end of the year	1,42,684	2,30,304
Current Service Cost	48,570	57,123
Interest Cost	17,964	11,046
Expected Return on Plan Assets	-	-
(Gain) / Actuarial Loss	(1,54,154)	39,405
Expense recognized in the Statement of Profit and Loss	(87,620)	1,07,574
Actual Benefit Payments	-	-
Experience History		
(1) Defined Benefit Obligation at end of the year	1,42,684	2,30,304
(2) Plan Assets at end of the year	-	-
(3) Surplus/Deficit	(1,42,684)	(2,30,304)
(4) Experience (Gain) / Loss adjustments on Plan Liabilities	(1,54,154)	1,846
(5) Experience (Gain) / Loss adjustments on Plan Assets	-	-
Division of Defined Benefit Obligation (Current/Non Current)		
(1) Current Defined Benefit Obligation at end of the year	1,026	4,079
(2) Non Current Defined Benefit Obligation at end of the year	1,41,658	2,26,225
(3) Total Defined Benefit Obligation at end of the year	1,42,684	2,30,304
Assumptions:		
Discount Rate %	7.80%	7.80%
Expected Return on Plan Assets %	-	-
Salary Escalation %	6.00%	6.00%
Mortality	IALM 06-08 Ultimate	IALM 06-08 Ultimate
Attrition rate	2.00%	2.00%



Itag Business Solutions Limited

Notes forming part of the Financial Statements for the year ended March 31, 2016

19 Finance Cost

	2015-16	2014-15
	₹	₹
Interest expense on:		
Term Loans	-	2,23,019
Interest on delayed payment of TDS	8,033	23,053
Total	8,033	2,46,072

20 Other Expenses

	2015-16	2014-15
	₹	₹
Rent (Refer Note no 22.1 and 22.3)	7,20,000	7,20,000
Rates and Taxes	41,617	1,000
Office Maintenance	4,14,862	4,57,798
Professional Fees (Refer Note No. 20.1)	15,58,736	13,76,242
Travelling and Conveyance	13,42,965	4,98,223
Communication Expenses	3,00,759	3,21,632
Electricity	2,35,709	2,13,070
Printing and Stationery	33,844	41,810
Postage and Telegrams	11,420	30,106
Software Expenses	19,669	-
Conferences and Seminars	64,38,132	53,43,269
Subscription and Membership	1,37,395	80,273
Auditors' Remuneration (Refer Note No.20.2)	25,000	28,015
Loss on Foreign Currency Translation	1,959	-
Bad Debts Written Off	3,34,358	-
Miscellaneous	1,03,072	96,349
Total	1,17,19,497	92,07,788

20.1 Includes an amount of ₹ 1,200,000/- (March 31, 2015: ₹ 1,200,000/-) paid to the related party (Refer Note No. 22.3)

20.2 Auditors' Remuneration

	2015-16	2014-15
	₹	₹
Fee towards		
Statutory Audit	25,000	28,015
Total	25,000	28,015



21 Additional information to the financial statements

21.1 Contingent liabilities and commitments (to the extent not provided for)

₹ Nil (March 31, 2015 ₹ Nil)

21.2 Earnings in Foreign Currency

	2015-16	2014-15
	₹	₹
Consultancy Fees	9,516	1,78,919
Sponsorship & Delegate Fees	-	42,54,977
Total	9,516	44,33,896

21.3 Expenditure in Foreign Currency

₹ Nil (March 31, 2015 ₹ Nil)



Itag Business Solutions Limited

Notes forming part of the Financial Statements for the year ended March 31, 2016

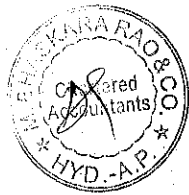
Notes forming part of the Financial Statements for the year ended March 31, 2016

22 Disclosure under Accounting Standards

22.1 Lease details as per Accounting Standard - 19 - "Accounting for Leases"

The Company has lease of office premises at Kolkata on operating lease which is cancellable by either party giving two months' notice. Particulars of the operating lease are as given under:

	2015-16	2014-15
	₹	₹
Lease Rent	7,20,000	7,20,000
Total	7,20,000	7,20,000



22 Disclosures under Accounting Standards (contd.)

22.2 Related Party Transactions (Disclosures as required by AS 18 - Related Party Disclosures)

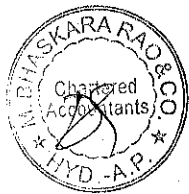
Details of Related Parties:

Description of Relationship	Names of Related Parties
Holding Company	TCI Finance Limited
Key Management Personnel (KMP)	Dr D R Agarwal
Partnership firm over which KMP is able to exercise significant influence	Agarwal Maheswari & Co
Enterprises over which KMP is able to exercise significant influence	Kumpepar Construction Private Limited
	Institute of International Trade

22.3 Details of Related Party transactions during the year ended March 31, 2016 and balances outstanding as at March 31, 2016 :

Particulars	Holding Co.	KMP	Enterprise over which KMP is able to exercise Significant Influence	Total
	₹	₹	₹	₹
Transactions during the year				
Consultancy Fee paid	-	-	12,00,000	12,00,000
	(-)	(-)	(12,00,000)	(12,00,000)
Rent Paid	-	7,20,000	-	7,20,000
	(-)	(7,20,000)	(-)	(7,20,000)
Interest income	-	-	-	-
	(2,23,695)	(-)	(-)	(2,23,695)
Conference Management Fee	-	-	13,29,313	13,29,313
	(-)	(-)	(10,35,000)	(10,35,000)
Balances outstanding at the end of the year				
Trade payable	-	54,000	-	54,000
	(-)	(71,125)	(-)	(71,125)

Note: Figures in bracket relates to the previous year



Itag Business Solutions Limited

Notes forming part of the Financial Statements for the year ended March 31, 2016

22 Disclosures under Accounting Standards (contd.)

	2015-16	2014-15
	₹	₹
22.4 Earnings per share		
<u>Basic and Diluted</u>		
<u>Continuing operations</u>		
Net profit / (loss) for the year from continuing operations	(4,41,817)	4,12,863
Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	(4,41,817)	4,12,863
Weighted average number of equity shares	12,50,000	12,50,000
Face value per Share	10	10
Earnings/(Loss) per share from Continuing Operations	-0.35	0.33
<u>Total Operations</u>		
Net Profit / (Loss) for the year	(4,41,817)	4,12,863
Net Profit / (Loss) for the year attributable to the Equity Shareholders	(4,41,817)	4,12,863
Weighted average number of Equity Shares	12,50,000	12,50,000
Face value per share	10	10
Earnings / (Loss) per share - Basic and Diluted	(0.35)	0.33



Itag Business Solutions Limited
Notes forming part of the Financial Statements for the year ended March 31, 2016

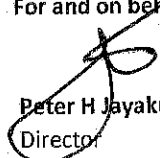
22 Disclosures under Accounting Standards (contd.)

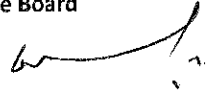
	Particulars	March 31, 2016	March 31, 2015
		₹	₹
22.5	Deferred Tax Liability / Asset		
	<u>Tax effect of items constituting Deferred Tax Liability :</u>		
	On difference between book balance and tax balance of fixed assets	-	17,315
	<u>Tax effect of items constituting Deferred Tax Assets :</u>		
	On difference between book balance and tax balance of fixed assets	44,477	
	Provision for employee benefits - Gratuity	44,089	71,164
	Net Deferred Tax - Assets/ (Liability)	88,566	53,849

- 23 The financial statements comprise of only one segment i.e knowledge process outsourcing - intellectual property services.
- 24 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

Signatories to Notes "1 to 24"

For and on behalf of the Board


 Peter H Jayakumar
 Director
 DIN No. 00415883


 D R Agarwal
 Director
 DIN No. 00322861



Itag Business Solutions Limited

Statement of Financial Information of ITAG Business Solutions Limited, a wholly owned subsidiary company as on March 31, 2016 as per General Circular No. 2/2011 dated February 8, 2011 of the Ministry of Corporate Affairs:

No.	Particulars	₹
1	Capital -	
a)	Authorised Capital	2,00,00,000
b)	Paid-up Capital	1,25,00,000
2	Reserves	(72,99,887)
3	Total Assets	67,05,445
4	Total Liabilities	67,05,445
5	Detail Of Investment(Except In case of Investment in the Subsidiaries)	Nil
6	Turnover	1,38,86,368
7	Profit Before Taxation	(4,76,534)
8	Provision for Taxation (Including Deffered Tax and Tax relating to earlier years)	(34,717)
9	Profit After Taxation	(4,41,817)
10	Proposed Dividend	Nil