

20th Annual Report
2010-2011

C U R A



CURA TECHNOLOGIES LIMITED
(Formerly known as Softpro Systems Ltd.)

- REGD. OFFICE** : Plot No.12, Software Units Layout,
Cyberabad, Hyderabad – 500081
- BOARD OF DIRECTORS** :
- 1) Shri G. Bala Reddy
Chairman & Managing Director
 - 2) Shri G. Venkateswara Rao
Executive Director
 - 3) Smt. G. Velangini Mary
Director
 - 4) Smt. G. Lalitha
Director
 - 5) Shri Shyam Sunder Reddy
Director
 - 6) Shri M S Reddy
Director
 - 7) Shri N. Venkata Reddy
Director
 - 8) Shri A V N Reddy
Director
- COMPANY SECRETARY** : Ms. P. V. Durga Bhavani
- AUDITORS** : RAMBABU & CO.,
Chartered Accountants,
Pancom Chambers, 6-3-1090/1/A,
Raj Bhavan Road, Hyderabad - 500082.
- BANKERS** :
- 1) AXIS Bank Ltd., Madhapur, Hyderabad.
 - 2) AXIS Bank Ltd., Ramnagar, Vizag.
 - 3) SBI, Hitech City Branch, Hyderabad.
 - 4) Andhra Bank, Sulthan Bazar, Hyd.

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Notice to the Share Holders

CURA TECHNOLOGIES LIMITED

Regd. Off. : Plot No.12, Software Unit Layout, Cyberabad, Hyderabad - 81

Notice of the 20th Annual General Meeting

Notice is hereby given that the 20th Annual General Meeting of the members of CURA TECHNOLOGIES LIMITED will be held at 10.00 AM on Friday, the 30th September, 2011 at the Conference Hall, 5th Floor, Cyberabad, Hyderabad – 500081 (A.P), to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Profit & Loss Account for the year ended March 31, 2011, Balance Sheet as on that date along with the Reports of the Directors' and Auditors' thereon.
2. To declare dividend on Equity Shares for the financial year 2010-11.
3. To appoint a Director in place of Shri A V N Reddy, who retires by rotation and being eligible offers himself for reappointment.
4. To appoint a Director in place of Smt. G Lalitha, who retires by rotation and being eligible offers herself for reappointment.
5. To consider the reappointment of M/s. RAMBABU & Co., Chartered Accountants as Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting at such remuneration and reimbursement of out of pocket expenses as may be mutually agreed upon between the Board of Directors and the Auditors.

SPECIAL BUSINESS :

6. To consider, and if thought fit, to pass with or without modifications, the following resolution as Special Resolution :

Re-appointment of Shri. G. Bala Reddy as Chairman & Managing Director of the company

"RESOLVED THAT in accordance with the provisions of Sections 198, 269, 302, 309, 317 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 ("the Act"), including any Statutory modification(s) or enactment(s) thereof, for the time being in force, and subject to such consents and approvals as may

be needed, Shri. G Bala Reddy be and is hereby re-appointed as Chairman & Managing Director of the Company not liable to retire by rotation for a period of Five years with effect from 24th July, 2011, upon the terms and conditions set out hereunder and with liberty to the Board of Directors to alter or vary from time to time the terms and conditions of the said appointment in such manner as it may deem fit within the limits contained in Schedule XIII of the said Act including any Statutory modification(s) in force or that may hereinafter be made thereto by the Central Government in that behalf or any amendments thereto as may be agreed by the Board of Directors and Shri G Bala Reddy in this behalf. Shri Mr.G.Bala Reddy will be devoting his services to the organization on honorary basis which will be renewed as and when deemed necessary by the Board.

7. To consider, and if thought fit, to pass with or without modifications, the following resolution as Special Resolution :

Re-appointment of Shri. G. Venkateswara Rao as Executive Director of the company

"RESOLVED THAT in accordance with the provisions of Sections 198, 269, 302, 309, read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 ("the Act"), including any Statutory modification(s) or enactment(s) thereof, for the time being in force, and subject to such consents and approvals as may be needed, Shri. G Venkateswara Rao be and is hereby re- appointed as Executive Director of the Company not liable to retire by rotation for a period of Five years with effect from 24th July, 2011, upon the terms and conditions set out hereunder and with liberty to the Board of Directors to alter or vary from time to time the terms and conditions of the said appointment in such manner as it may deem fit within the limits contained in Schedule XIII of the said Act including any Statutory modification(s) in force or that may hereinafter be made thereto by the Central Government in that behalf or any amendments thereto as may be agreed by the Board of Directors and Shri G Venkateswara Rao in this behalf.

- i. Salary : Rs.250,000 Per month (Rupees Two Lacs Fifty Thousand Only)
- ii. Perquisites: He is also entitled for the following perquisites:
 - A. Reimbursement of conveyance expenses including driver's salary not exceeding Rs.30,000 per month

Notice to the Share Holders

- B. Club Fee: Fees of clubs subject to maximum One club.
- C. Personal Accident Insurance: Premium not exceeding ₹ 15,000 per annum or in accordance with any rules specified by the Company, whichever is less
- D. Company's contribution towards Provident Fund in accordance with the rules of the Company
- E. Gratuity: Payable in accordance with an approved scheme of the company
- F. Free use of Company's car on Company's business and use of car for private purpose shall be billed by the Company to the Executive Director as per the rules of the Company.
- G. Residential Telephone shall be provided. Personal long distance calls shall be billed by the Company to the Executive Director
- H. Earned/Privilege leave: Allowance as per the rules of the Company. Leave accumulated but not availed during his tenure may be allowed to be en-cashed as per the rules of the Company.

“RESOLVED FURTHER THAT in the event of any loss or inadequacy of profits in any financial year of the Company during the tenure of Shri G Venkateswara Rao, the remuneration, perquisites and other allowances shall be governed by the limits prescribed in Schedule XIII to the Act.”

8. **To consider, and if thought fit, to pass with or without modifications, the following resolution as Special Resolution :**

Amendment to Memorandum of Association as per Section 94 of the Companies Act, 1956.

“RESOLVED THAT pursuant to Section 94 and other applicable provisions, if any, of the Companies Act, 1965 the Authorised Capital of the Company be and is hereby increased from the existing ₹ 10,00,00,000 (Rupees Ten Crores Only) divided into ₹ 1,00,00,000 equity shares of 10 each to ₹ 15,00,00,000 (Rupees Fifteen Crores) divided into ₹ 1,50,00,000 equity shares of 10 each.”

9. **To consider, and if thought fit, to pass with or without modifications, the following resolution as Special Resolution :**

Amendment to Capital Clause of memorandum of Association as per Section 16 of the Companies Act, 1956.

“RESOLVED THAT Pursuant to Section 16 and other applicable provisions, if any, of the Companies act, 1965 the Memorandum of Association of the Company is amended as follows:-

By inserting in place of Clause V, the following:

The Authorised Share Capital of the Company is ₹15,00,00,000 (Rupees Fifteen Crores) divided into ₹1,50,00,000 (One crore Fifty Lacs) Equity Shares of 10 each, with power to increase or reduce the capital and to divide the shares in the capital for the time being into several classes and split such shares and attach thereto respectively such preferential, qualified or special rights, privileges and conditions as may be determined by or in accordance with the Companies Act, 1956 for the time being in force and the regulations of the company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may, for the time being, be provided by the regulations of the Company”.

10. **To consider, and if thought fit, to pass with or without modifications, the following resolution as Special Resolution :**

Amendment to Capital Clause in the Articles of Association

“RESOLVED THAT pursuant to Section 31 and any other applicable provisions, if any, the Companies Act, 1956 the Article 3 of the Articles of Association of the Company be and is hereby altered as follows:

By inserting in place of Article 4, the following:

The Authorised Share Capital of the Company is ₹15,00,00,000 (Rupees Fifteen Crore) divided into ₹1,50,00,000 (One Crore Fifty Lacs) Equity shares of 10 each, with power to increase or reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and split such shares and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions, as may be determined and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company.”

Notice to the Share Holders

11. To consider, and if thought fit, to pass with or without modifications, the following resolution as an Special Resolution :

Authorization to Grant Employee stock Options up to 150,000 Options of ₹.10 each:

“RESOLVED THAT pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any of the companies Act 1956, the Memorandum and Articles of Association of the Company and subject to such other approvals, permissions and sanctions as maybe necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which terms shall be deemed to include any Committee, including the ESOP Compensation Committee which has been / may be constituted to exercise its powers, including the powers, conferred by this resolution), to create, offer, issue and allot at any time to or to the benefit of such person(s) who are in permanent employment of the Company, which includes present and future employees, in India or overseas and any Directors including Executive and Non-Executive Directors but excluding (i) Promoter Directors and (ii) those directors who hold directly or indirectly more than 10% of the outstanding equity shares of the Company), option exercisable into equity shares being not more than 150,000 options of ₹ 10 each of the Company under a Scheme titled ‘Employee Stock Option Plan 2011’ (hereinafter referred to as the “ESOP 2011”), in one or more trances, and on such terms and conditions as may be fixed or determined by the Compensation Committee for the benefit of the employees, interalia, on the terms and conditions as detailed in the Explanatory Statement, in accordance with the provisions of the law and guidelines issued by the relevant Authority”.

“RESOLVED FURTHER THAT the Compensation Committee be and is hereby authorized to issue and allot Equity Shares upon exercise of such options from time to time in accordance with the ESOP 2011 and such Equity shares shall rank pari-passu in all respects (including dividend) with the existing Equity shares of the Company.”

“RESOLVED FURTHER THAT for the purpose of giving effect to any issue or allotment of equity shares, the Board and / or Committee of Board and / or other designated officer(s) of the Company be, and are hereby authorized on behalf of the Company to do all such acts, deeds, matters

and things as it / they may at its / their absolute discretion deem necessary or desirable for such purpose, including without limitation, filing necessary documents / statement with the Stock Exchange, Statutory authorities and other agencies and such other regulatory authority as may be necessary for listing the securities on the stock exchange.”

“RESOLVED FURTHER THAT the Board be, and is, hereby authorized to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of restricted stock units giving rise to shares upon exercise and utilization of the issue proceeds as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of these resolutions”.

“RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition of the shares by the aforesaid allottees under the ESOP 2011 shall automatically stand augmented or reduced, as the case may be in the same proportion as the present face value of 10 per equity share bears to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said allottees.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the resolution, the Board / Compensation Committee set up for the purpose of the said ESOP 2011, be and is hereby authorized to do all such acts, deeds matters and things as it may, in its absolute discretion, deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to the offer, issue, allotment of Options and utilization of proceeds and further to do all such acts, deeds, matters and things and to finalize and execute all documents and writings as may be necessary, proper, desirable or expedient as it may deem it in conformity with the provisions of the Companies Act, 1956, the Memorandum and Articles of Association of the Company and any other Regulations in force for the time being.”

12. To consider, and if thought fit, to pass with or without modifications, the following resolution as an Special Resolution :

Extending Employee stock Options Plan to Employees of Subsidiary Companies:

Notice to the Share Holders

“RESOLVED THAT pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any of the companies Act 1956, the Memorandum and Articles of Association of the Company and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which terms shall be deemed to include any Committee, including the ESOP Compensation Committee which has been / may be constituted to exercise its powers, including the powers, conferred by this resolution), to extend the benefits of ESOP 2011 Scheme proposed in the resolution under Item No.11 of this Notice to the eligible employees / directors of the Subsidiary Companies, existing and as and when formed, and / or to such other persons as may from time to time be allowed under the prevailing laws, rules and regulations and/ or amendments thereto from time to time on such terms and conditions as may be decided by the Board.

“RESOLVED FURTHER THAT the Compensation Committee be and is hereby authorized to issue and allot Equity Shares upon exercise of such options from time to time in accordance with the ESOP 2011 and such Equity shares shall rank pari-passu in all respects with the existing Equity shares of the Company.”

“RESOLVED FURTHER THAT for the purpose of giving effect to any issue or allotment of equity shares, the Board and / or Committee of Board and / or other designated officer(s) of the Company be, and are, hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it / they may at its / their absolute discretion deem necessary or desirable for such purpose, including without limitation, filing necessary documents / statement with the Stock Exchange, Statutory authorities and other agencies and such other regulatory authority as may be necessary for listing the securities on the stock exchange.”

“RESOLVED FURTHER THAT the Board be, and is, hereby authorized to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of restricted stock units giving rise to shares upon exercise and utilization of the issue proceeds as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of these resolutions”.

“RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition of the shares by the aforesaid allottees under the ESOP 2011 shall automatically stand augmented or reduced, as the case may be in the same proportion as the present face value of ₹10 per equity share bears to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said allottees.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the resolution, the Board / Compensation Committee set up for the purpose of the said ESOP 2011, be and is hereby authorized to do all such acts, deeds matters and things as it may, in its absolute discretion, deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to the offer, issue, allotment of Options and utilization of proceeds and further to do all such acts, deeds, matters and things and to finalize and execute all documents and writings as may be necessary, proper, desirable or expedient as it may deem it in conformity with the provisions of the Companies Act, 1956, the Memorandum and Articles of Association of the Company and any other Regulations in force for the time being.”

By the Order of Board of Directors
For CURA Technologies Limited
Sd/-
G.BALA REDDY
Chairman & Managing Director

Place: Hyderabad
Date : 12.08.2011

Notice to the Share Holders

Notes :

1. Explanatory Statement in respect of the special business as required under Section 173(2) of the Companies Act, 1956 is annexed herewith.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member.
3. The proxy form duly completed and signed should be deposited at the registered office of the Company not less than 48 hours before the time of commencement of the Annual General Meeting.
4. Members are requested to bring their copy of the Annual Report while attending the Annual General Meeting.
5. Register of Members and Share Transfer Books of the Company will be closed from 28.09.2011 to 30.09.2011, inclusive of both dates. If the final dividend as recommended by the Board of Directors is approved at the meeting, payment of such dividend will be made as under:
 - a. To all beneficial owners in respect of shares held in electronic form as per the data as may be made available by the National Securities Depository Limited and Central Depository Services (India) Limited as of the close of business hours on 27.09.2011
 - b. To all members in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on 27.09.2011;
6. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of the dividend. The Company and its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members.
7. While members holding shares in physical form, may write to the company for any change in their address and bank mandates, members holding shares in electronic form may write to their depository participants for immediate updation so as to enable the company to dispatch dividend warrants to the correct address.

8. Shareholders seeking any information regarding the accounts are requested to write to the company atleast two days in advance to enable the management to keep the information ready.

EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956:

Item No. 6

Shri G Bala Reddy was appointed as Chairman & Managing Director w.e.f 27th July 2008 for a period of Three years in the Annual General Meeting held on 28.08.2008. Your Company has made a significant growth since Financial year 2008-2009 onwards and is optimistic on the future progress.

Shri G Bala Reddy, Chairman & Managing Director of the Company has immensely contributed for the growth of the Company through his skills, talent and commitment. The term of office of Shri G Bala Reddy is expiring on 23th July 2011. Considering his contribution and responsibilities, it is proposed & reappointed Shri G Bala Reddy as Chairman & Managing Director in the board meeting held on 22-07-2011 for a period of five years w.e.f 24th July 2011 till 30th June 2016 on the revised terms as mentioned in the notice.

No Director, except Shri G Bala Reddy & Smt. Velangini Mary are deemed to be interested or concerned in his reappointment. The terms of reappointment of Shri G Bala Reddy, as stated in this notice, may be treated as the abstract of terms and conditions of reappointment and memorandum of interest under Section 302 of the Companies Act, 1956.

Yours Board of Directors recommend his reappointment.

Item No.7

Shri G Venkateswara Rao was appointed as Executive Director w.e.f 27th July 2008 for a period of Three years till July 23th 2011 in the Annual General Meeting held on 28.08.2008. Your Company has made a significant growth since Financial year 2008-2009 onwards and is optimistic on the future progress.

Shri G Venkateswara Rao, Executive Director of the Company has immensely contributed for the growth of the Company through his skills, talent and commitment. The term of office of Shri G Venkateswara Rao is expiring on 23th July 2011. Considering his contribution and responsibilities, it is proposed & reappointed Shri G Venkateswara Rao as Executive Director in the board meeting held on 22-07-2011 for a period of

Notice to the Share Holders

five years w.e.f. 24th July 2011 till 30th June 2016 on the revised terms as mentioned in the notice.

No Director, except Shri G Venkateswara Rao, is deemed to be interested or concerned in his reappointment and remuneration payable to him as the Executive Director. The terms of reappointment of Shri G Venkateswara Rao, as stated in this notice, may be treated as the abstract of terms and conditions of reappointment and memorandum of interest under Section 302 of the Companies Act, 1956.

Yours Board of Directors recommend his reappointment.

Item Nos. 8,9 &10

The Company is planning to take up new high valued projects and products and thereby proposes to expand its business and exposures, the company would require huge funds to cater to the requirements.

The consent of the shareholders is being sought pursuant to the provisions of Section 81(1A) and other applicable provisions of the Listing Agreement executed by the company with the Stock Exchanges where the equity shares of the Company are listed. Section 81(1A) of the Companies Act, 1956 and the relevant clause(s) of the Listing Agreement with the Stock Exchanges where the equity shares of the Company are listed provides, inter-alia, that when it is proposed to increase the issued capital of the company by allotment of further shares, such further shares shall be offered to the existing shareholders of such company in the manner laid down in Section 81 unless the shareholders in a General meeting decide otherwise.

To increase the Authorised Capital of the Company from the exiting ₹ 10,00,00,000 to ₹ 15,00,00,000 divided into ₹ 1,50,00,000 (One Crore Fifty Lacs) equity shares of 10 each, the approval of the members is required by Special resolution to amend the Memorandum and Articles of Association of the Company.

Accordingly, the resolutions are set out in Item Nos.8,9 and 10 of the Notice, for approval of members.

These Special Resolutions if passed, will have the effect of allowing the Board to issue and allot Securities otherwise than on pro-rata basis to the existing shareholders. The Board of Directors believes that such an issue of securities is in the interest of the company and therefore recommends the resolution for your approval.

Item Nos.11

To attract, reward, motivate and retain its employees, who have contributed to the success of the Company, the Company proposes to sanction ESOPs to the employees. The details of ESOP Scheme - 2011 are as follows:

Appointment of Merchant Banker for implementation of the Scheme.:

M/s.CIL Securities Ltd, 214, Raghava Ratna Towers, Chirag Ali Lane, Hyderabad – 500 001 were appointed as Merchant Bankers to implement the scheme by the Board in the Board meeting held on 12.08.2011.

The Compensation Committee will administer the ESOP Scheme 2011 such as:

- Adopt rules and regulations for implementation the Plan from time to time
- Identify the Employees eligible to participate under the Plan.
- Grant Options to the identified Eligible Employees and determine the date of Grant
- Determine the number of Options to be granted to each Grantee
- Decide all other matters that must be determined in connection with an Option under the plan.

The silent features of the ESOP Scheme 2011 as required as per the Clause 6.2 of the (SEBI Employees Stock Option Scheme and Employee Stock Purpose Scheme) Guidelines 1999 are as given below.

(a) Total number of options to be granted:

Options exercisable into not more than 150,000 (One lakh Fifty Thousand) Options of 10 (Ten) each of the company will be available for being granted to eligible employees of the Company including employees present and future working in India or abroad.

(b) Identification of classes of employees entitled to participate in the ESOP Scheme -2011:

All Permanent Employees present and future, Executive and Non-Executive, Directors (Excluding promoter Directors), Employees of Subsidiary Companies as may be decided by the Compensation Committee, from time to time, would be entitled to options under the ESOP Scheme - 2011.

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As per the SEBI (Employees Stock Option Scheme & Employees Stock Option Plan) Guidelines 1999 the following are not eligible to participate in the Scheme:

- i) An employee who is a promoter or belongs to the promoter group
- ii) A Director who either by himself or through his relative or through any body corporate, directly or indirectly holds more than 10% of the outstanding equity shares of the Company
- (c) Requirements of vesting and period of vesting and maximum period:

The options granted shall vest so long as the employee continues to be in the employment of the Company Vesting of the options shall take place over a maximum period of 3 years with a minimum vesting period of 1 (One) year from the date of grant. The Options will vest in installments as follows:

- 30% upon the Completion of 1st year from the date of grant
- 35% upon the Completion of 2nd year from the date of grant
- 35% upon the Completion of 3rd year from the date of grant

(d) Exercise Price:

The 'Exercise price' for conversion of each option into one Equity share shall be the price, at a discount (as decided and at the discretion of Compensation Committee) of closing market price on the date of the Grant on the Stock Exchange which has recorded the Highest Trading Volume.

(e) Exercise Period and the process of Exercise:

Upon vesting, Options shall be converted into Equity shares on the written request of the employee and the Options shall be valid and exercisable for a period of one year from the date of vesting or such higher period as may be determined by the Board from time to time.

(f) Appraisal Process for determining the eligibility of the employees to ESOP Scheme 2011.

All permanent employees, present or future employees, including executive and non-executive directors (excluding promoter directors) working in India or abroad, Employees of Subsidiary Companies of the company are eligible under this ESOP Scheme 2011.

(g) Maximum number of options to be issued per employee and in aggregate:

The maximum number of Options to be allotted in any financial year to each employee shall not be exceed 5000 equity shares at a time and in aggregate shall not exceed 150,000 which is less than 1% of issued capital of the Company.

(h) Method of option valuation:

To calculate the stock based compensation, the Company shall use the Intrinsic value method for valuation of the options granted. The difference between the employee compensation cost that shall have been recognized if it had used the fair value of the options and the impact of this difference on profits and on EPS of the Company shall be disclosed in the Directors Report.

- (i) The Company shall confirm to the accounting policies specified in clause 13.1 of SEBI (Employees Stock Option Scheme and Employee Stock Purchase Scheme), Guidelines 1999 and its amendments, if any or such other guidelines as may be issued by SEBI or any other authority in this respect.
- (j) Subject to the approval of the Stock Exchange, where the shares of the company are listed, the relevant Equity Shares on conversion of the Options shall rank pari passu in all respects with the existing Equity shares.
- (k) The employee shall not have right to receive any dividend or to vote or in any manner enjoy the benefits as a shareholder in respect of option granted to him till the shares are issued on exercise option.
- (l) Consequence of failure to exercise option:

The amount payable by the employee, if any, at the time of grant option:

- may be forfeited by the Company if the option is not exercised by the employee within the exercise period or
- the amount may be refunded to the employee if the options are not vested due to non-fulfillment of condition relating to vesting of option as per the ESOS.

(m) Non transferability of option:

Option granted to an employees shall not be transferable to any person. The option granted to the employee shall not be pledged, hypothecated, mortgaged or otherwise alienated in any other manner. In the event of death of employee

Notice to the Share Holders

while in the employment, all the options granted to him till such date shall vest in the legal heirs or nominees of the deceased employee. In the event of resignation or termination of the employee all options not vested as on that day shall expire.

(n) The Board shall have the powers to make fair and reasonable variation to the terms and conditions in respect of number of Options and the Exercise Price, in case of rights issues, bonus issues and other corporate actions.

As the ESOP Scheme – 2011 provide for issue of Options consent of the members is sought pursuant to Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 and as per clause 6 of the SEBI Guidelines.

Your Board of Directors recommend the resolution for your approval.

None of the directors is either interested or concerned in this resolution except to the extent of their respective share holdings and for further allotments, if any.

Item No.12

The Company has the following Subsidiaries as of date:

1. Cura Global GRC Solutions PTE Limited, Singapore
2. Cura Risk Management Software Pty. Limited, South Africa

3. Cura Risk Management Software PTY Limited, Australia
4. Cura Software Solutions Limited, US
5. Cura Software UK Limited, UK

Further, it is likely that the Company may have one or more subsidiaries in future also. This separate resolution is being proposed accordingly, to cover the employees of the subsidiaries, present and future. In addition any other persons as may be permitted from time to time under prevailing laws, rules and regulations and / or amendments thereto from to time are also proposed to be covered under the ESOP. The board features of the ESOP remain the same as explained in the explanatory statement for Item no.11.

Clause 6.3(a) of the SEBI Guidelines requires a separate resolution to be passed for granting of Stock Options to the Employees of the Subsidiaries of the Company. To extend the benefits of ESOP Scheme 2011 to the employees of the subsidiaries this resolution is proposed.

The Board recommends the resolution to the members for their approval.

By the order of Board of Directors
CURA Technologies Limited
Sd/-
G BALA REDDY
Chairman & Managing Director

Place: Hyderabad
Date : 12.08.2011

Notice to the Share Holders

Additional Information:

Details of Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement).

Name of the Director	Date of Birth	Date of Appointment / Re-appointment	Experience in specific areas	Qualification	Share holding in the Company	Directorships in other companies
A V N Reddy	01.06.1969	28.08.2008	He has a Vast experience in Marketing & Finance	MBA Marketing	39000 shares of ₹ 10 each	Nil
G. Lalitha	01.06.1967	24.04.2008	She has vast experience in administration, finance and General Management	M.A., M.Phil	11,414 shares of ₹ 10 each	Nil
G Bala Reddy	26.06.1965	07.04.2008	He has more than 20 years experience in General Management, Administration and Finance. He has guided the direction of our Company and has taken responsibility for ensuring continuous growth of our Company. He has been instrumental in moulding the Company to present level. Under his able and dynamic leadership, we believe our Company has made enormous progress and has made enormous progress and has metamorphosed into a profitable Company.	M.A.,	225,000 shares of ₹ 10 each	1. ICSA India Ltd. 2. Sofpro Technologies Pvt. Ltd 3. BRG Energy Ltd 4. Sahasra Investments Pvt. Ltd 5. PR Cements Ltd 6. Cura Global GRC Solutions Pte. Ltd, Singapore 7. Cura Risk Management Software (Proprietary) Limited, South Africa 8. Cura Risk Management Software (Pty) Limited, Australia 9. Cura Software Solutions UK Limited, UK 10. Cura Software Solutions Company Limited, US
G Venkateswara Rao	12.01.1959	07.04.2008	He is an Entrepreneur with vast experience in General Management of the Company	B.Com,LLB	2925 shares of ₹ 10 each	1. BRG Energy Limited 2. Sofpro Technologies Limited 3. Cura Global GRC Solutions Pte. Ltd, Singapore 4. Cura Risk Management Software (Proprietary) Limited, South Africa 5. Cura Risk Management Software (Pty) Limited, Australia 6. Cura Software Solutions UK Limited, UK 7. Cura Software Solutions Company Limited, US

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Directors' Report

Directors' Report

Your Directors have pleasure in presenting the 20th Annual Report together with the Audited Accounts for the financial year ended 31st March 2011

Financial Highlights on Standalone basis:

The Highlights of the financial results for the year 2010-2011 are as below :

(₹)

Particulars	As at 31 st March 2011	As at 31 st March 2010
INCOME		
Software & Technical Services	129,839,407	101,057,296
Lease / Rental Income	43,745,982	46,615,344
Other Income	5,304,345	5,699,480
TOTAL INCOME	178,925,734	153,372,120
EXPENDITURE	138,231,780	114,277,520
PROFIT BEFORE TAX	40,693,954	39,094,601
PROFIT AFTER TAX	30,562,460	28,513,920
EPS- BASIC	3.67	4.29
EPS- DILUTED	3.65	3.39

REVIEW OF OPERATIONS

For the financial year ended March 31, 2011, your Company had reported a total income of ₹ 178,925,734 an increase of 16.67% as against ₹ 153,372,120 during the previous financial year. The company recorded a net profit of ₹ 30,562,460 as against ₹ 28,513,920.

SHARE CAPITAL

Issued & Subscribed Capital

Your Company has allotted 2,595,000 Equity shares on preferential basis and ESOP. With this, your company's capital has become ₹ 95,200,000 divided into 9,520,000 Equity shares of ₹ 10 each as on 31.03.2011.

Sl.No.	Date of Allotment	Particulars of Allotment	No. of Shares Allotted
1	07.04.2010	Allotment on Preferential Basis	350,000
2	21.04.2010	Allotment on Preferential Basis	350,000
3	29.04.2010	Allotment on Preferential Basis	300,000
4	22.06.2010	Allotment on Preferential Basis	100,000
5	23.07.2010	Allotment of Equity Shares representing 30% of Stock options granted under employee stock Option Scheme 2008, allotted at the discounted price of ₹ 42 per Equity Shares of ₹ 10 each	30,000

Directors' Report

6	29.07.2010	Allotment on Preferential Basis	100,000
7	01.09.2010	Allotment on Preferential Basis	65,000
8	29.10.2010	Allotment on Preferential Basis	100,000
9	22.12.2010	Allotment on Preferential Basis	200,000
10	07.01.2011	Allotment on Preferential Basis	200,000
11	08.01.2011	Allotment on Preferential Basis	200,000
12	21.01.2011	Allotment on Preferential Basis	300,000
13	22.01.2011	Allotment on Preferential Basis	300,000
	Total		2,595,000

DIVIDEND:

Your Board of Directors recommended a Dividend of ₹ 0.20 (2%) per Equity Share of ₹ 10 each, for the financial year 2010-2011.

FIXED DEPOSITS:

The company has not invited any Fixed Deposits from the public during the year.

INSURANCE:

The Properties and Assets of the company are adequately insured.

PARTICULARS PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

Pursuant to the provisions of Section 212 of the Companies Act, 1956 (Act), documents in respect of the various subsidiaries viz., Directors' Report, Auditor's Report, Balance Sheet and Profit and Loss Account, are required to be attached to the Balance Sheet of the holding company. However, in terms of the provisions of Section 212(8) of the Act, the Government of India, Ministry of Corporate Affairs, has vide letter No. 47/15/ 2011-CL-III dated 27 January 2011 granted exemption from the provisions of Section 212(1) of the Act. Accordingly, the Annual Report does not contain the financial statements of the subsidiaries of the Company. However, the Company will make available the audited annual accounts and related detailed information of the subsidiaries to the shareholders upon request in accordance with the applicable law. These documents are also available for inspection at the Registered Office of the Company during business hours. The details of accounts of individual subsidiary companies will also be available on the website of the Company.

A statement pursuant to the provisions of Section 212(1)(e) of the Act appears as Annexure-D in the Annual Report.

SUBSIDIARY COMPANY

Softpro Technologies Pvt. Limited, India

Softpro Technologies reported revenues of ₹ Nil as against previous year's ₹ 13,689,640. The Net Loss for the year was ₹ 154,610 as against Profit of ₹ 747,184 in the previous year.

Cura Global GRC Solutions Pte Limited, Singapore

Cura, Singapore reported revenues of ₹ 82,435,660 as against previous year's ₹ 145,123,422. The Net Loss for the year was ₹ 94,153,891 as against Profit of ₹ 66,671,880 in the previous year.

Cura Risk Management Software (PTY) Limited, South Africa

Cura, South Africa reported revenues of ₹ 199,929,470 as against previous year's ₹ 162,318,463. The Net Loss for the year was ₹ 37,744,153 as against ₹ 44,495,683 in the previous year.

Directors' Report

Cura Software Solutions UK Limited, UK

Cura, UK reported revenues of ₹ 39,594,841 as against previous year's ₹ 32,720,355. The Net Loss for the year was ₹ 12,420,027 as against ₹ 13,223,986 in the previous year.

Cura Software Solutions Company, USA

Cura, USA reported revenues of ₹ 63,353,932 as against previous year's ₹ 54,236,326. The Net Loss for the year was ₹ 9,724,919 as against ₹ 14,070,663 in the previous year.

Cura Risk Management Software (Pty) Ltd, Australia

Cura, Australia reported revenues of ₹ 118,910,879 as against previous year's ₹ 88,385,957. The Net Loss for the year was ₹ 6,548,385 as against ₹ 6,340,723 in the previous year.

EMPLOYEES STOCK OPTION PLAN

Your Company has One Plan in operation, namely, ESOP 2008 Plan. The Company has granted options to its employees under this scheme. As required by clause 12 of SEBI (Employee stock option scheme & employee stock purchase scheme) Guidelines, 1999, the particulars of the stock options granted & other disclosures as on 31.03.2011 are furnished as Annexure-B.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 217 (2AA) as incorporated by the Companies (Amendment) Act, 2000, in the Companies Act, 1956, your Directors confirm:

1. That in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. That 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 the profit of the Company for the year under review;
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. That the Directors have prepared the Annual Accounts on a going concern basis.

DIRECTORS:

Shri. A.V.N Reddy & Smt. G.Lalitha, retires by rotation and being eligible offered themselves for re-appointment.

AUDITORS:

M/s RAMBABU & Co., Chartered Accountants, have expressed their willingness to continue in office until conclusion of the next Annual General Meeting at a remuneration to be fixed by the Board of Directors.

EMPLOYEES:

The information required under Section 217 (2A) of the Companies Act, 1956, and the rules made thereunder is given in the annexure, to this report, which forms a part of this report as Annexure - C.

LISTING AT STOCK EXCHANGE:

The Equity Shares of the Company continue to be listed on Bombay Stock Exchange Limited & National Stock Exchange of India Limited. Annual listing fees have been paid to these Exchanges for the year 2011-12.

Directors' Report

REPORT ON CORPORATE GOVERNANCE:

Your Company has been practicing the principles of good corporate governance over the years and it is a continuous and ongoing process. A detailed report on Corporate Governance is given as Annexure 'A' to this Report. Report on Corporate Governance including Auditor's Certificate on Compliance with the code of Corporate Governance under Clause 49 of the Listing Agreement is enclosed as Annexure -A to this report.

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

Information as required to be furnished under the provisions of the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are as hereunder

CONSERVATION OF ENERGY:

The company uses electric energy for air conditioning, computer terminals, lightning and utilities etc in the work premises. All possible measures such as centralized Air conditioning with imported chillers, energy efficient lightning systems etc, have been taken to conserve energy. The Company has in place the internal control procedures by which the cost of the electricity shall be identified with the project and thereby there will be an incentive for the concerned Department to consume optimum power.

Additional Investment & Proposals for Reduction of Consumption of Energy: Nil.

Total Energy Consumption requirement:

Not applicable, as the Company is not engaged in any of the specified industries specified in Schedule-1 to the Companies (Disclosures of Particulars in the Report of the Board of Directors) Rules 1988.

RESEARCH AND DEVELOPMENT:

The Company is committed to continue its efforts in Research and Development. Our Research and Development activities will help us gear for future opportunities. We invest and encourage continuous innovation.

TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION:

The company being a knowledge based entity, continuously adapts itself to changing technologies so as to adhere to the quality policy and to meet its client's expectations.

Foreign Exchange Earnings and outgo

Foreign Exchange Earnings : ₹ 128,711,692

Foreign Exchange Outgo : ₹ 71,198,096

ACKNOWLEDGEMENTS:

Your Directors thank all investors, customers, vendors, banks, and service providers as well as regulatory and government authorities for their support. Your Directors greatly appreciate and thank the significant contributions of Employees in the initiatives of the Company.

By the order of the Board of Directors

Sd/-

G. BALA REDDY

Chairman & Managing Director

Place: Hyderabad

Date: 12.08.2011

Directors' Report

Annexure - B

Sl.No.	Description	ESOP Scheme 2008
1	Options granted	100,000 Options of Rs.10 each
2	Pricing Formula	The 'Excise price' for conversion of each stock option into one equity shares shall be the price at a discount of 80 per cent to 95 per cent (at the discretion of compensation committee) of closing market price on the date of the grant, on the stock exchange which recorded the highest trading volume
3	Options vested	30,000
4	Options exercised	30,000
5	Total number of shares arising as a results of exercise of options	30,000
6	Options lapsed	Nil
7	Variation of terms of options	Nil
8	Money realized by exercise of options	1,260,000
9	Total Number of options in force as on March 31, 2011	70,000
10	Employee wise details of options granted to	
	i. Senior Managerial personnel	-enclosed as annexure-
	ii. Any other employee who received a grant in any year of options amounting to 5% or more of options granted during the year	Nil
	iii. Identified employees who were granted options, during any one year, equal to or exceeding 1 per cent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	Nil
11	Diluted Earnings per share (EPS) pursuant to issue of shares on exercise of Option calculated in accordance with Accounting Standard (AS) 20 'EPS'	3.65

Enclosure – 1 : Employee wise details of options of ₹ 10 each granted to senior managerial personnel and in force (ie., options outstanding as on the date of Report (Number of option of ₹ 10 each)

S.No.	Name of the Employee	Description	ESOP 2008
1	G. Venkateswara Rao	Executive Director	3150
2	V. Shyam Sunder Reddy	Director	3150
3	A. V. N. Reddy	Director	3150
4	M. S. Reddy	Vice President – Delivery	3150

Annexure – C

Sl.No.	Name of the Employee and age	Designation and nature of duties	Qualification and experience	Date of Commencement of employment	Last Employment held	Gross Remuneration
1	Sanjay Malpani	CFO	CA & 18 Years	01.06.2010	Kirby	₹ 3,873,767

Directors' Report

Annexure to Corporate Governance Report

Management Discussion & Analysis

Disclaimer

The contents stated within this report may be futuristic in nature and may draw the attention of risks and uncertainties. The company would not have full control on risks associated with the new products, services and competitors' positioning.

The following discussion and analysis should be interpreted in line with our other statements included herein and the notes thereto.

Activities during the Financial Year under review

The acquisitions of Cura Global GRC Solutions Pte Ltd., in previous year afforded the Company to work on a global platform. Integration of the global venture into India's operations was successfully completed. The Company's name was also changed to Cura Technologies Limited. With a view to optimize costs, product development and enhancement work which were hitherto being carried out at South Africa were successfully transitioned to India. This company believes, will fine-tune its product offering at a competitive price going forward.

The Company identified and brought into its fold new fortune leadership company in its client profile that augurs well for its future business direction as these companies have significant global presence.

Riding on proven track record with its global clients, the Company launched its product and services in the Indian market. The feedback has been extremely positive and the Company is expecting to make deep inroads in the Indian market, especially in large business houses.

Current Industry Trends

The effect of global economic meltdown continued to impact the Company's growth and despite that the Company managed to add new clients. Globally there is a growing awareness on good governance in general and creating corporate climate of corporate governance through credible IT enabled Enterprise ERM. Cura, with its credible referencibility is uniquely positioned to work in an opportunistic manner to garner business at a global level.

Company's Plans

The past two years' global exposure enable the Company to take stock of its offering in terms of its current and future acceptability aggressive growth. With these criteria in mind, the company has embarked on a process of product upgrade, feature enhancement and introduction of a completely new offering to the market in the Governance space. These offerings, the Company believes, can catalyze its growth expeditiously.

In addition to this the Company is also smartly wrapping services around its proven product that affords stable revenue streams and larger client relationship, thus providing a platform for sustained growth.

OPPORTUNITIES AND OUTLOOK

Transitioning product maintenance, support, new feature introduction, allied product offerings are being undertaken from Company's offshore facility in India. This will, over time, impact overall cost and therefore make the Company's offering competitive and create entry barriers for newer companies to get into this space. This will continue to be the mantra for the company in the coming quarters.

Risks and concerns:

Some of the risks and concerns inherent to technology business which the Company may face are:

Directors' Report

- a) The current trends in US economy do not augur well for the industry in the short run.
- b) Prolonged debt crisis in the US can have a substantial impact on global business spend.
- c) This can lead to cost cutting measures at corporate levels

Internal Control Systems and their adequacy:

We have adequate control procedures in place. The controls ensure optimum use and protection of data, resources and comply with policies, procedures and statutes. The internal audit is conducted to examine and evaluate the adequacy and effectiveness of the internal control systems, appraises periodically about activities and audit findings to the audit committee, statutory auditors and top management.

SEGMENTWISE PERFORMANCE

The necessary details are given in point no.20 of the notes to the accounts.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The strength of a company lies in its Human Resources and your company is no exception to this universal rule. Your company continuously focuses on recruiting the best talent and also retaining and motivating the talent with them. Further improvements in the work environment and other related areas would be made through a process and metric-oriented approach. Industrial relations of the company remained cordial and peaceful through the year.

By the order of the Board of Directors
for **CURA TECHNOLOGIES LIMITED**

Sd/-

G.BALA REDDY

Chairman & Managing Director

Place : Hyderabad

Date : 12.08.2011

**Annexure - D
STATEMENT PURSUANT TO SECTION 212 OF COMPANIES ACT, 1956 IN RESPECT OF THE SUBSIDIARY COMPANIES.**

S.No.	Name of the Subsidiary Company	Financial Year of the Subsidiary Company	Holding Company Interest	Net Aggregate amount of profit / (Loss) of the Subsidiary Companies so far as they members of holding company	
				Current year ₹	Previous Year ₹
1.	Softpro Technologies Private Limited, Hyderabad, India	31 st March 2011	93.28% (932,820 Equity shares of ₹10 each fully paid)	(154,610)	747,184
2.	Cura Global GRC Solutions Pre, Limited, Singapore	31 st March 2011	100% (Subsidiary to Cura, India)	(94,153,891)	66,671,880
3.	Cura Risk Management Software PTY Limited, South Africa	31 st March 2011	100% (Step down subsidiary to Cura, Singapore)	(37,744,153)	(44,495,683)
4.	Cura Software solutions UK Limited, UK	31 st March 2011	100% (Step down subsidiary to Cura, South Africa)	(12,420,027)	(13,223,986)
5.	Cura Software Solutions Company, US	31 st March 2011	100% (Step down subsidiary to Cura, South Africa)	(9,724,919)	(14,070,663)
6.	Cura Risk Management Software (Pty) Limited, Australia	31 st March 2011	100% (Step down subsidiary to Cura, South Africa)	(6,548,385)	(6,340,723)

As per our report of even date attached

For and behalf of the Board

G. BALA REDDY
Chairman & Managing Director

G. VENKATESWARA RAO
Executive Director

P. V. DURGA BHAVANI
Company Secretary

Place : Hyderabad
Date : 12.08.2011

Certificate on Corporate Governance

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members
CURA TECHNOLOGIES LIMITED
(Formerly known as SOFTPRO SYSTEMS LIMITED)
HYDERABAD.

We have examined the compliance of provisions of Corporate Governance by CURA TECHNOLOGIES LIMITED (Formerly known as SOFTPRO SYSTEMS LIMITED) for the year ended 31st March, 2011 as stipulated in Clause 49 of the Listing Agreement with Stock Exchanges.

The compliance of provisions of Corporate Governance is the responsibility of the management. Our examination has been in the manner prescribed in the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India and has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the provisions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on our reliance upon the representations made by the management, we certify that the Company has complied with the provisions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreement.

As required by the Guidance note issued by the Institute of Chartered Accountants of India we have to state that no investor grievances were pending for a period of one month against the company as per the records maintained by the shareholders / investor's grievance committee.

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

Place : Hyderabad
Date : 12.08.2011

For RAMBABU & CO.,
Chartered Accountants
Firm Reg. No. : 002976S

RAVI RAMBABU
Partner
M.No. : 18541

Report on Corporate Governance

ANNEXURE TO CORPORATE GOVERNANCE REPORT

Certification by CMD & ED of the Company

To
The Board of Directors
CURA Technologies Limited,

We, G. Bala Reddy, CMD and G.Venkateswara Rao, Executive Director, certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2011, and that to the best of our knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- (b) To the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee that:
 - (i) There has not been any significant changes in internal control over financial reporting during the year under reference;
 - (ii) There has not been any significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements; and
 - (iii) There has not been any instances during the year of significant fraud of which we had become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Hyderabad
Date : 12.08.2011

G. BALA REDDY
Chairman & Managing Director

G.VENKATESWARA RAO
Executive Director

Report on Corporate Governance

Annexure 'A' to the Directors' Report

Corporate Governance

The Board of Directors of the Company supports the broad principles of corporate governance. Your Company has been practicing Sound Corporate Governance over the years. A report on the compliance of the Corporate Governance code of the Listing Agreement by the Company is furnished below:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's Philosophy on Corporate Governance lays strong emphasis on transparency, accountability and integrity. At CURA, all Senior Management Employees are guided by a code of conduct, which sets forth Company's policies on important issues, including relationship with our customers, shareholders and Government. Global capital investors feel comfortable in an environment where the bed rocks of Corporate Governance is best protected and practiced and bypasses where Corporate Governance is limited or not followed. Companies stand to gain by adopting systems that bolster Stake holder's trust through transparency, accountability and fairness.

2. BOARD OF DIRECTORS

Composition:

The Board of Directors has combination of Executive and Non-Executive Directors. The Board consisting of Two Executive and Six Non-Executive Directors as on the date of this report in conformity with the Listing Agreement.

Name of the Director	Category of Director	Designation
Shri. G. Bala Reddy	Promoter Executive	Chairman & Managing Director
Shri. G.Venkateswara Rao	Executive	Executive Director
Smt. G.Velangini Mary	Promoter & Non-Executive	Director
Smt. G. Lalitha	Independent & Non-Executive	Director
Shri. N. Venkata Reddy	Independent & Non-Executive	Director
Shri. V. Shyam Sunder Reddy	Independent & Non-Executive	Director
Shri. A.V.N. Reddy	Independent & Non-Executive	Director
Shri. M.S. Reddy	Independent & Non-Executive	Director

Meetings & Attendance:

Attendance of each Director at Board Meetings during the year ended 31st March 2011 and at the Last Annual General Meeting:

Name of the Director	No. of Meetings Held	No. of Meetings attended	Attendance at last AGM	No. of other Companies		
				Directorships as on 31.03.2011	Committee Memberships	Committee Chairmanships
Shri. G. Bala Reddy	25	25	Present	6	1	Nil
Shri. G. Venkateswara Rao	25	25	Present	3	1	Nil
Smt. G. V Mary	25	25	Present	4	Nil	Nil
Smt. G. Lalitha	25	25	Present	Nil	Nil	Nil

Report on Corporate Governance

Shri. N. Venkata Reddy	25	0	Absent	Nil	Nil	Nil
Shri. V. Shyam Sunder Reddy	25	25	Present	1	Nil	Nil
Shri. A.V.N. Reddy	25	0	Absent	Nil	Nil	Nil
Shri. M. S. Reddy	25	0	Absent	Nil	Nil	Nil

No. of other BOD or Board Committees in which he/she is a Member or Chairperson:

Name of the Director	Committees		
	Audit	Remuneration	Shareholder
Smt. G.Lalitha	Chairman	Chairman	Chairman
Shri. N. Venkata Reddy	Member	Member	Member
Shri. V. Shyam Sunder Reddy	Member	Member	Member
Shri. G. Venkateswara Rao	Nil	Nil	Member

Twenty Five BOD meetings were held on 07.04.2010, 08.04.2010, 21.04.2010, 29.04.2010, 10.05.2010, 04.06.2010, 21.06.2010, 22.06.2010, 01.07.2010, 23.07.2010, 29.07.2010, 13.08.2010, 25.08.2010, 01.09.2010, 30.09.2010, 29.10.2010, 02.11.2010, 12.11.2010, 22.12.2010, 07.01.2011, 08.01.2011, 21.01.2011, 22.01.2011, 25.01.2011, 07.02.2011.

Board Meeting Procedures

The draft agenda papers along with all relevant information to be discussed at the upcoming Board meeting is sent to the Directors wherever possible, at least two weeks prior to the Board meeting to invite the suggestions from each Board member for their views and for the inclusion of items on the agenda if any. Relevant materials to be considered at the meeting are circulated to the Board before the Board meeting.

Information supplied to the Board

The Board of Directors of CURA TECHNOLOGIES LIMITED are presented with various issues affecting the business and environment whenever applicable and materially significant. The Board is also given presentations covering Finance, Sales, Compliance and Marketing covering all the major business operations and segments of the Company at each of the scheduled Board meetings. The Processes for Board and Committee meetings facilitate an effective post meeting follow-up, review and reporting process for the decisions taken by the Board of Directors.

Directors' membership in board/committees of other companies

As per the Listing Agreement, no Director can be a member in more than 10 committees or act as Chairman of more than five committees across all companies in which he is a Director. In terms of the Listing Agreement, none of the Directors of our Company were members in more than 10 committees nor acted as chairman of more than five committees across all companies in which they were Directors.

Shareholdings of Directors, if any as on 31.03.2011:

Sl.No.	Name of the Director	Number of shares held
1	Shri. G. Bala Reddy	225,000
2	Shri. G. Venkateswara Rao	1350
3	Shri. A.V.N.Reddy	39,000
4	Shri. V. Shyam Sunder Reddy	1350
5	Smt. G. Velangini Mary	221,644
6	Smt. G. Lalitha	11,414

Report on Corporate Governance

3. COMMITTEES OF THE BOARD

A. Audit Committee:

The terms of reference, composition and meetings of Audit Committee are described hereunder:

- i. Brief description of terms of reference
- ii. Composition, name of members and Chairperson
- iii. Meetings and attendance during the year

I. Brief description of the terms of reference of the Audit Committee

The Audit Committee reviews, acts and reports to the Board of Directors with respect to:

- Auditing and accounting matters, including the appointment of independent auditors;
- Company compliance with legal and statutory requirements;
- Integrity of the Company's financial statements, the scope of the annual audits, and fees to be paid to the independent auditors;
- Performance of the Company's Internal Audit function, Independent Auditors and accounting practices and other matters as may be required in accordance with the rules and regulations of the Exchanges from time to time.

Though the financial results are sent to the Audit Committee and the Board at the same time, the Audit Committee reviews the audited quarterly, half-yearly and yearly financial results with the management before submitting them to the Board for its consideration and approval. The Chairman of the Audit Committee is present at the Annual General Meeting.

II. Composition & Qualifications

The Audit Committee comprises of the following three Independent Non-Executive Directors as on 31.03.2011.

Smt. G. Lalitha	Chairperson
Shri. N. Venkata Reddy	Member
Shri. V. Shyam Sunder Reddy	Member

None of the members receive, directly or indirectly, any consulting, advisory or compensatory fees from the Company other than their remuneration as a Director.

III. Meetings and attendance during the year

The Audit Committee met four times during the financial year 2010-11 as mentioned below:

Sl.No.	Date	Committee Strength	No. of members present
1	13.08.2010	3	2
2	25.08.2010	3	2
3	11.11.2010	3	2
4	04.02.2011	3	2

Attendance at Audit Committee Meetings during the financial year

Name of the Director	No. of meetings attended
Smt. G. Lalitha	4
Shri. N. Venkata Reddy	0
Shri. V. Shyam Sunder Reddy	4

Report on Corporate Governance

B. Remuneration Committee:

The terms of reference, composition and meetings of Remuneration Committee are described as hereunder:

- i. Brief description of terms of reference
- ii. Composition, name of members and Chairperson
- iii. Attendance during the year
- iv. Remuneration policy
- v. Details of remuneration to the Directors, as per format in main report.

i. Brief description of terms of reference of Remuneration & Compensation Committee:

The brief Terms of Reference of the Committee is as follows:

- To determine salaries, benefits and stock option grants to Employees and Directors of your Company.
- Develop and recommend, to the Board, Corporate Governance Guidelines applicable to the Company
- Implement policies and processes relating to Corporate Governance Principles

ii. Composition

The Remuneration & Compensation Committee comprise of the following three independent non-executive members of the Board.

Smt. G. Lalitha	Chairperson
Shri. N. Venkata Reddy	Member
Shri. V. Shyam Sunder Reddy	Member

iii. Meetings and attendance during the year

The Remuneration Committee met once in the year and 2 members were present for meeting except Shri N. Venkata Reddy.

iv. Remuneration Policy and Criteria of making payments to Executive and Non-Executive Directors

Executive Directors

Executive Directors are paid remuneration within the limits envisaged under Schedule XIII of the Companies Act, 1956. The remuneration payable is recommended by the Remuneration and Compensation Committee to the Board and is approved by the Board as well as the Shareholders of the Company.

Non-Executive Director

Non-Executive Independent Directors are reimbursed the actual expenses incurred for attending meetings. During the year no sitting fee / other remunerations paid to the Non-Executive Directors

v. Details of Remuneration to all Directors

The details of remuneration paid / payable for the financial year 2010-11 to the Directors of the Company are as follows:

(₹)

Sl.No.	Name & Designation	Salary	HRA	Other Allowances	Total
1.	G. Venkateswara Rao Executive Director	750,000	300,000	450,000	1,500,000

Report on Corporate Governance

C. Shareholders & Investors Grievance Committee

Brief description of the terms of reference

The Shareholders & Investors Grievance administers mainly the following:

- Transfer & Transmission of shares
- Issuance of duplicate share certificates as and when required with approval of the Board.
- Shareholders / Investors Grievance issues from time to time and redress the same The composition of Non-executive Directors managing the committee and other details are described as hereunder:

The composition of the Shareholders'/Investors' Grievances is as follows :

Smt. G. Lalitha	Chairperson
Shri. N. Venkata Reddy	Member
Shri. V. Shyam Sunder Reddy	Member

Name and designation of compliance officer as on 31.03.2011:

Ms.P V Durga Bhavani – Company Secretary

4. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report as required under Clause 49(IV)(F) is given as Annexure, to this Report.

5. CEO / CMDs' DECLARATION

Pursuant to the provisions of Clause 49(I)(D)(ii) of the Listing Agreement, the declaration by the Managing Director of the Company declaring that all the members of the Board and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company, is set out as Annexure, to this Report.

6. CEO/ CFO CERTIFICATION

As required under Clause 49 of the Listing Agreement with the Stock Exchanges, the Managing Director and Executive Director have certified to the Board the financial statements for the year ended 31st March, 2011 is set out as an Annexure, to this Report.

7. GENERAL BODY MEETINGS

General Information pertaining to last three years Annual General Meetings is as follows:

i. Location and time where last three Annual General Meetings were held are given below:

Day, Date and Time of AGM	Location	No. of Special Resolution passed	Resolutions requiring Postal ballot	Postal Ballot Procedure
Friday 30.09.2010 At 10.00 AM	Plot # 12, Software Units Layout, Cyberabad, Hyderabad – 081	2	Nil	Nil
Tuesday 12.05.2009 At 3.00 PM	Plot # 12, Software Units Layout Cyberabad, Hyderabad – 081	6	Nil	Nil
Thursday 28.08.2008 At 12.30 PM	Plot # 12, Software Units Layout, Cyberabad, Hyderabad – 081	4	Nil	Nil

Report on Corporate Governance

8. DISCLOSURES

i. Related Party Transactions

The details of related party transactions during the year under review are shown in notes to accounts which form part of this report.

ii. Compliances by the Company

During the last three years, no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authorities on matters related to capital markets.

iii. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause

Your Company has complied with all the mandatory requirements of the Clause 49 of the Listing Agreement. The details of these compliances have been given in the relevant sections of this Report.

9. MEANS OF COMMUNICATION

The Company regularly intimates un-audited, as well as audited financial results to the Stock Exchanges immediately after these are taken on record by the Board. These financial results are published in the Newspapers and are also on the website of the Company www.curatechnologies.co.in. The official news releases are also displayed on the Company's website.

10. GENERAL SHAREHOLDERS INFORMATION

The requirement of general shareholders information is described as hereunder:

i. Annual General Meeting

Day, Date and Time

Friday, 30.09.2011 at 10.00 AM

Venue At the Conference Hall, 5th Floor,
Cyberabad, Hyderabad – 081 (A.P),

ii. Financial Calendar

The company follows April-March as its financial year. The results for every quarter beginning from April are declared within 45 days from the relevant quarter.

iii. Date of Book Closure

from 28.09.2011 to 30.09.2011(both days inclusive)

iv. Listing on Stock Exchanges & Stock Code

Sl.No.	Listing on Stock Exchanges with Stock Code	Stock Code
1	Bombay Stock Exchange Limited	532332
2	National Stock Exchange Limited	CURATECH

v. Listing Fee: The Company has paid the Listing Fee for the year 2011-12 to BSE & NSE

vi. Annual Custodial Charges to Depositories:

The Company has paid Annual Custodial Charges for the year 2011-2012 to National Securities Depository Limited and Central Depository Services (India) Limited.

Report on Corporate Governance

vii. Market Price Data and performance in comparison to BSE Sensex:

High/Low during each month of the financial year:

Month	BSE Price		No. of Shares Traded
	High (₹)	Low (₹)	
April 2010	299.40	262.00	180
May 2010	293.05	219.00	338
June 2010	257.00	210.00	312
July 2010	245.85	210.00	316
August 2010	235.35	200.05	285
September 2010	231.00	180.55	600
October 2010	380.10	176.00	4,516
November 2010	449.85	300.00	960
December 2010	409.65	285.00	660
January 2011	394.95	266.45	450
February 2011	313.00	239.50	212
March 2011	270.00	206.20	303

ix. Registrar & Share Transfer Agent Address

Venture Capital and Corporate Investments Pvt. Ltd
12-10-167, Bharatnagar, Hyderabad – 18

x. Address for Communication

Plot # 12, Software Units layout, Cyberabad, Hyderabad – 081

xi. Transfer system

The share transfers are affected twice in every month and dispatched to the respective holders.

xii. Distribution of Shareholding as on 31.03.2011:

No. of Shares		No. of Holders	% of Holders	No. of Shares	% of Shares
From	To				
1	500	2,414	87.46	263,087	2.76
501	1000	94	3.40	74,520	0.78
1001	2000	70	2.53	105,673	1.11
2001	3000	35	1.26	86,751	0.91
3001	4000	25	0.90	87,647	0.92
4001	5000	21	0.76	96,474	1.01
5001	10000	40	1.44	290,635	3.05
10001 & above		61	2.21	8,515,213	89.44
TOTAL		2,760	100.00	9,520,000	100

Report on Corporate Governance

xiii. Shareholding Pattern as on 31.03.2011

Category	Category of Shareholder	No. of Share Holders	Total No. of Shares	No. of Shares held in Demat Form	Total Shareholding as a Percentage of Total Number of Shares	
					As a Percentage of A + B	As a Percentage of A + B + C
A	Shareholding of Promoter and Promoter Group					
1	Indian					
(a)	Individuals/Hindu Undivided Family	2	446,644	446,644	4.69	4.69
(b)	Central/State Government (s)	0	0	0	0	0
(c)	Bodies Corporate	1	3,675,120	3,675,120	38.60	38.60
(d)	Financial Institutions / banks	0	0	0	0	0
(e)	Any Other (Specify)	0	0	0	0	0
	Sub-Total (A)(1)	3	4,121,764	4,121,764	43.30	43.30
2	Foreign					
(a)	Individuals (Non Resident Individuals/ Foreign Individuals)	0	0	0	0	0
(b)	Bodies Corporate	0	0	0	0	0
(c)	Institutions	0	0	0	0	0
(d)	Any Other (Specify)	0	0	0	0	0
	Sub-Total (A)(2)	0	0	0	0	0
	Total Shareholding of Promoter and Promoter Group A = (A)(1) + (A)(2)	3	4,121,764	4,121,764	43.30	43.30
B	Public Shareholding					
1	Institutions	0	0	0	0	0
(a)	Mutual Funds/UTO	0	0	0	0	0
(b)	Financial Institutions/Banks	0	0	0	0	0
(c)	Central/State Government (s)	0	0	0	0	0
(d)	Venture Capital Funds	0	0	0	0	0
(e)	Insurance Companies	0	0	0	0	0
(f)	Foreign Institutional Investors	0	0	0	0	0
(g)	Foreign Venture Capital Investors	0	0	0	0	0
(h)	Any Other (Specify)	0	0	0	0	0
	Sub-Total (B)(1)	0	0	0	0	0
2	Non Institutions					
(a)	Bodies Corporate	83	1,724,849	1,722,049	18.12	18.12
(b)	Individuals					
(i)	i. Individual Shareholders Holding Nominal Share Capital upto 1 Lakh	2,623	952,703	892,275	10.01	10.01
(ii)	ii. Individual Shareholders Holding Nominal Share Capital in excess of Rs.1 lakh	41	2,636,983	2,636,983	27.70	27.70
(c)	Any Other (Specify) NRI	10	83,701	83,701	0.88	0.88
	Sub-Total (B)(2)	2,757	5,398,236	5,335,008	56.70	56.70
	Total Public Shareholding (B) = (B)(1)+(B)(2)	2,757	5,398,236	5,335,008	56.70	56.70
	Total (A) + (B)	2,760	9,520,000	9,456,772	100.00	100.00
	Shares held by Custodians and against which Depository Receipts have been issued					
	i) Promoter and Promoter Group	0	0	0	0	0
	ii) Public	0	0	0	0	0
	GRAND TOTAL (A) + (B) + (C)	2,760	9,520,000	9,456,772	100.00	100.00

Report on Corporate Governance

xiv. **Dematerialization of shares and liquidity**

The shares of the Company are in compulsory demat segment and are available for trading in the depository systems of both NSDL and CDSL. As on March, 2011, 99.34% of the Equity Share Capital of the Company, stand dematerialized.

Demat ISIN No. for NSDL and CDSL for Equity Shares – INE117B01012.

xv. **Outstanding GDRs/ADRs/Warrants or any Convertible instrument, conversion date and likely impact on equity:**

The Company has not issued any GDRs/ADRs.

The Company has Nil FCWs outstanding as on 31.03.2011.

By the order of the Board of Directors
for **CURA TECHNOLOGIES LIMITED**

Sd/-

G.BALA REDDY

Chairman & Managing Director

Place: Hyderabad

Date : 12.08.2011

Annexure to Corporate Governance Report

Declaration under Clause 49 of the Listing Agreement regarding adherence to the Code of Conduct

I, G. Bala Reddy, Chairman & Managing Director of the Company, hereby declare that the Board of Directors has laid down a Code of Conduct for its Board Members and Senior Management Personnel of the Company and the Board Members and Senior Management Personnel have affirmed compliance with the said code of Conduct.

By the order of the Board of Directors
for **CURA TECHNOLOGIES LIMITED**

Sd/-

G.BALA REDDY

Chairman & Managing Director

Place: Hyderabad

Date : 12.08.2011

Auditor's Report on Standalone Financial Statements

AUDITORS' REPORT

To
The Members of
CURA TECHNOLOGIES LIMITED,
(Formerly known as SOFTPRO Systems Limited)
HYDERABAD

We have audited the attached Balance Sheet of CURA TECHNOLOGIES LIMITED, (Formerly known as SOFTPRO Systems Limited) HYDERABAD, as at 31st March, 2011 and the Profit and Loss Account for the year ended on that date annexed thereto and Cash Flow Statement for the year ended on that date which we signed in reference to this Report. 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 auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the annexure referred to in paragraph 1 above, we report that:
 - i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this Report comply with the Accounting Standard referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
 - v) In our opinion and based on written representations received from Directors, and taken on record by the Board of Director(s), none of the Director(s) is disqualified as on 31st March, 2011 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - vi) Subject to paragraph (iv) above, in our opinion and to the best of our information and according to the explanations given to us, the said accounts read with significant accounting policies and other Notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the Accounting Principles generally accepted in India:
 - a) in so far as it relates to Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
 - b) in so far as it relates to Profit and Loss Account, of the profit of the Company for the year ended on that date; and
 - c) in so far as it relates to Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For RAMBABU & CO.,
Chartered Accountants
Firm Reg. No: 002976S

RAVI RAMBABU
Partner
M.No: 18541

Place : Hyderabad
Date : 12.08.2011

Auditor's Report on Standalone Financial Statements

Annexure to the Auditors' Report:

Referred to as in paragraph 1 of our Report of even date.

1. In respect of its Fixed Assets:

- (a) The Company has maintained proper records showing full particulars including details and situation of Fixed Assets.
- (b) As explained to us, all the Fixed Assets have not been physically verified by the Management during the year but there is a program of verification in phased periodical manner at regular intervals, which in our opinion is reasonable, having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such physical verification.
- (c) During the year, the Company has not disposed off substantial part of the assets. According to the information and explanations given to us, we are of the opinion that no transactions are affected involving disposal of assets so as to affect going concern status of the Company.

2. In respect of its Inventories:

As explained to us, the Company does not hold any inventories and, hence, the question of physical verification, procedures followed for verification and discrepancies thereof does not arise.

3. In respect of loans secured or unsecured, granted or taken by the Company to / from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956:

- (a) During the year, the Company has granted interest free demand loans of ₹ 709.98 Lakhs to its wholly owned subsidiaries covered in the Register maintained under Section 301 of the Companies Act 1956.
- (b) According to the information and explanations given to us, we are of the opinion, the terms and conditions on which loan granted by the company to such wholly owned subsidiaries listed in the register maintained under section 301 of the companies act, 1956 are not, Prima facie, prejudicial to the interest of the company.
- (c) In respect of interest-free demand loan granted, the principal amount is being receivable on demand and the question of overdue does not arise.
- (d) There is no overdue amount in-respect of interest-free demand loan granted to parties listed in the register maintained under section 301 of the Companies Act, 1956, the question of statement on the steps taken for recovery of the Principal, and overdue amount of more than one lakh does not arise.

4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for purchase of fixed assets, office equipment and for rendering of services. During the course of our audit, based on our audit procedures applied, we have not observed any continuing failure to correct major weaknesses in internal controls.

5. In respect of transactions covered under Section 301 of the Companies Act, 1956:

- (a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that needed to be entered into the Register maintained under Section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of 5,00,000 with parties covered above, during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.

Auditor's Report on Standalone Financial Statements

6. In our opinion and according to the information and explanations given to us, the Company has not accepted any Deposits from public to which the directives issued by the Reserve Bank of India and the provisions of Sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 framed there under apply.
7. In our opinion, the Company has an independent internal audit system commensurate with its size and the nature of its business.
8. We are informed and according to the information and explanations given to us, that the Central Government has not prescribed maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956, for the activities of the Company.
9. In respect of statutory dues:
 - (a) According to the records of the Company and as per the information and explanations given to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, Employees state insurance, Income tax, investor education and protection fund, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it.
 - (b) According to the information and explanations given to us, no disputed amounts payable in respect of Wealth tax, Income tax, Sales tax, Customs duty, Excise duty and Cess were outstanding, as at 31st March, 2011 for a period of more than six months from the date they became payable.
 - (c) *According to the information and explanations given to us, there are no dues of sales tax, income tax, Customs duty, Wealth tax, Excise duty and Cess, which have not been deposited on account of any dispute, except taxes mentioned below, have not been deposited by the company on account of dispute.*

Name of the Staute	Nature of the Dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending
APVAT, 2005	Value Added Tax	9,25,791	2005-2006	Hon'ble High Court of AP.
APVAT, 2005	Value Added Tax	11,88,400	2006-2007	Hon'ble High Court of AP.
APVAT, 2005	Value Added Tax	15,40,143	2008-2009	Hon'ble High Court of AP.

10. In our opinion, the Company does not have accumulated losses at the end of the year and has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
11. As per the records of the Company and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
12. According to the information and explanations given to us, the Company has not given any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Accordingly, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
14. In our opinion, the Company is not dealing in or trading in shares, securities and debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
15. In our opinion and according to the information and explanations given to us, the Company has given corporate guarantee to the Andhra Bank for securing stand by letter of credit for securing loans taken by M/s Cura Global GRC Solutions Pte. Ltd. from Bank of India, to the tune of ₹ 3413.33 Lakhs (US \$ 7.12 millions) and further the company has provided security by the first pari-passu mortgage charge over Land & Buildings situated at Software Units Layout, Madhapur, Hyderabad.

Auditor's Report on Standalone Financial Statements

16. In our opinion, during the year, the Company has not raised any fresh term loan.
17. In our opinion, according to the information and explanations given to us and on an overall examination of statements and records of the Company, that the funds raised on short-term basis have, prima facie, not been used during the year for long-term investment.
18. In our opinion and according to the information and explanations given to us, the Company has not issued debentures during the year.
19. In our opinion, the Company has not raised money by way of public issue for any specific purpose during the year.
20. During the year, the Company has made preferential allotment of 25,65,000 Equity shares of 10 each to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956 and 30,000 shares of ₹ 10 each to the employees in lieu of ESOP's. In our opinion, the price at which the said shares have been allotted is not prejudicial to the interest of the Company.
21. In our opinion, the Company is not required to create / register / modify any security (Charge) as the Company is not holding / issued any debentures.
22. According to the information and explanations given to us and based on audit procedures performed, no fraud on or by the Company has been noticed during the year.

For RAMBABU & CO.,
Chartered Accountants
Firm Reg. No: 002976S

RAVI RAMBABU
Partner
M.No: 18541

Place : Hyderabad
Date : 12.08.2011

Standalone Financial Statements

Balance Sheet as at 31st March, 2011.

(Amount in ₹)

	Schedules	Year ended March 31, 2011		Year ended March 31, 2010	
SOURCES OF FUNDS					
(A) Shareholder's Fund					
1) Share Capital Issued, Subscribed and Paid up Capital	I		95,200,000		69,250,000
2) ESOP/Warrant Application Money	II		700,000		112,712,500
3) Reserves and Surplus	III		734,913,712		286,959,886
(B) Loan funds:					
Secured Loans	IV		81,437,315		91,150,174
(C) Deferred Tax Liability					
			9,526,166		9,037,833
TOTAL			921,777,193		569,110,393
APPLICATION OF FUNDS:					
(A) Fixed Assets					
1) Gross Block	VI	213,089,310		209,715,777	
Less: Accumulated Depreciation		62,942,058		55,037,710	
Net Block			150,147,252		154,678,067
2) Capital Work-in-progress			76,143,003		64,201,865
3) Investments	V		141,826,996		141,826,996
(B) Current Assets, Loans & Advances					
1) Inventory – Software WIP	VII	115,200		246,848	
2) Sundry Debtors	VIII	140,895,223		61,452,336	
3) Cash & Bank Balances	IX	30,961,420		3,337,974	
4) Loans & Advances	X	428,254,648		173,468,369	
SUB TOTAL:		600,226,491		238,505,527	
Less: Current Liabilities and Provisions					
1) Current Liabilities	XI	38,709,362		28,001,942	
2) Provisions		22,244,413		22,700,570	
		60,953,774		50,702,512	
Net Current Assets			539,272,717		187,803,015
Misc. Exp to the extent not written off or adjusted					
Deferred Employee Compensation A/c-2008			14,304,500		20,435,000
ESOP Expenses			82,725		165,450
TOTAL			921,777,193		569,110,393
Significant Accounting policies & Notes on Accounts	XX				

As per our report of even date attached
For **RAMBABU & CO**
Chartered Accountants
Firm Reg.No.002976S

for and on behalf of the Board

RAVI RAMBABU
Partner M.No.18541

G. BALA REDDY
Chairman & Managing Director

G. VENKATESWARA RAO
Executive Director

P. DURGA BHAVANI
Company Secretary

Place : Hyderabad
Date : 12.08.2011

Standalone Financial Statements

Profit and Loss Account for the year ended 31st March 2011

(Amount in ₹)

	Schedules	Year ended March 31, 2011	Year ended March 31, 2010
I. Income:			
1. Software and Technical services	XII	129,839,407	101,057,296
2. Lease / Rental Income	XIII	43,745,982	46,615,344
3. Other Income	XIV	5,340,345	5,699,480
Total:		178,925,734	153,372,120
II. Expenditure			
1. Decrease in WIP – Software	XV	131,648	107,092
2. Software Expenses		-	40,650,000
3. Employee Costs	XVI	91,050,730	36,340,288
4. Business Development Expenses	XVII	7,069,991	6,666,663
5. Administrative Expenses	XVIII	20,019,317	19,350,934
6. Financial Expenses	XIX	12,055,279	4,251,109
7. Depreciation on Assets	VI	7,904,815	6,911,434
Total:		138,231,780	114,277,520
PROFIT BEFORE TAX		40,693,954	39,094,601
Less: Provision for Income Tax			
Current Tax		10,253,312	9,770,089
Excess IT provision of earlier years W/B		(610,151)	300,742
Deferred Tax		488,333	509,850
PROFIT AFTER TAX		30,562,460	28,513,920
Profit brought forward from previous year		54,521,558	60,045,259
		85,084,018	88,559,179
Less:- Appropriations:			
Transfer to General Reserve		1,528,123	30,000,000
Proposed Dividend (including Dividend Tax)		2,221,012	4,037,621
Previous year balance Dividend and Tax		7,55,000	-
Balance Carried to Balance sheet		80,579,883	54,521,558
Earnings per Share :Basic		3.67	4.29
Earnings per Share :Diluted		3.65	3.39
Significant Accounting Policies & Notes on Accounts	XX		

As per our report of even date attached

for and on behalf of the Board

For RAMBABU & CO

Chartered Accountants

Firm Reg.No.002976S

RAVI RAMBABU

Partner M.No.18541

G. BALA REDDY

Chairman & Managing Director

G. VENKATESWARA RAO

Executive Director

P. DURGA BHAVANI

Company Secretary

Place : Hyderabad

Date : 12.08.2011

Standalone Financial Statements

Schedules Forming part of Balance Sheet as at 31st March 2011

(Amount in ₹)

	As at March 31, 2011	As at March 31, 2010
Schedule I. <u>Share Capital</u>		
<u>Authorised Share Capital</u>		
100,00,000 Equity shares of Rs.10/- each	100,000,000	100,000,000
	100,000,000	100,000,000
<u>Issued, Subscribed & Paid up Capital</u>		
95,20,000 Equity Shares of Rs.10/- each fully paid up (Previous year 69,25,000 Equity Shares of Rs.10/- each fully paid-up)	95,200,000	69,250,000
	95,200,000	69,250,000
Schedule II. <u>ESOP/Warrant Application Money</u>		
(a) Warrant Application Money Received	-	111,712,500
(b) ESOP 2008 Application Money Received	700,000	1,000,000
	700,000	112,712,500
Schedule III. <u>Reserves and Surplus</u>		
(a) Capital Reserve	1,565,900	1,565,900
(b) Equity Share Premium	606,135,306	179,637,429
(c) General Reserve	32,328,123	30,800,000
(d) Profit & Loss Account	80,579,883	54,521,557
(e) Reserve for ESOP Scheme – 2008	14,304,500	20,435,000
	734,913,712	286,959,886
Schedule IV. <u>Secured Loans</u>		
Term Loan from Andhra Bank	81,437,315	91,150,174
	81,437,315	91,150,174
Schedule V. <u>Investments</u>		
<u>Unquoted</u>		
Equity Shares in Subsidiary Companies –		
a) M/s. Cura Global GRE Solutions Pte Ltd, Singapore (Cost of 27,23,510 Equity Shares with face value of USD 1/- each fully paid up and one Equity Shares of SGD 1/- each fully paid)	132,498,796	132,498,796
b) Softpro Technologies Pvt. Ltd, (932,820 Equity Shares with face value of Rs.10/- Each fully paid up)	9,328,200	9,328,200
	141,826,996	141,826,996
Schedule VII. <u>Inventory:</u> (Valued and certified by the Management)		
Software Work in progress	115,200	246,848
	115,200	246,848
Schedule VIII. <u>Sundry Debtors:</u> (Unsecured and considered good)		
(a) Outstanding for more than 6 months	69,027,290	7,730,758
(b) Others	71,867,933	53,721,578
	140,895,223	61,452,336

Standalone Financial Statements

Schedule VI. Fixed Assets Schedule

(Amount in ₹)

Sl. No.	Name of the Asset	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Balance as on 01.04.2010	Additions during the year	Sale or adjusts for the year	Balance as on 31.03.2011	Balance as on 01.04.2010	During the year	Sale or adjusts for the year	Total as on 31.03.2011	As on 31.03.2011	As on 31.03.2010
1.	Land at Hyderabad	9,174,326	-	-	9,174,326	-	-	-	-	9,174,326	9,174,326
2.	Building	85,512,306	-	-	85,512,306	9,548,097	1,393,851	-	10,941,948	74,570,358	75,964,209
3.	Air Conditioning System	17,993,614	26,750	41,930	17,978,434	5,920,220	853,708	295	6,773,633	11,204,801	12,073,394
4.	Plant & Machinery	3,170,162	-	-	3,170,162	1,175,919	150,583	-	1,326,502	1,843,660	1,994,243
5.	Electrical Equipments	5,970,937	330,000	-	6,300,937	2,032,200	283,620	-	2,315,820	3,985,117	3,938,737
6.	Electrical Fittings	9,478,245	-	-	9,478,245	3,085,396	450,217	-	3,535,613	5,942,632	6,392,849
7.	Interiors, Furniture & Fixtures	35,726,913	-	-	35,726,913	15,760,077	2,261,514	-	18,021,591	17,705,322	19,966,836
8.	Lift System	2,817,500	-	-	2,817,500	973,292	133,831	-	1,107,123	1,710,377	1,844,208
9.	Fire Safety Equipment	2,439,423	-	-	2,439,423	791,716	115,873	-	907,589	1,531,834	1,647,707
10.	Computers	13,750,210	2,650,620	-	16,400,830	8,075,613	1,296,054	-	9,371,667	7,029,163	5,674,597
11.	Software Tools & Packages	14,085,954	213,158	-	14,299,112	6,188,601	676,972	-	6,865,573	7,433,539	7,897,353
12.	Office Equipment	3,590,742	219,338	24,403	3,785,677	541,926	174,187	172	715,941	3,069,736	3,048,816
13.	Library Books	63,389	-	-	63,389	63,389	-	-	63,389	-	-
14.	Motor Cars	2,074,460	-	-	2,074,460	881,264	114,405	-	995,669	1,078,791	1,193,196
15.	Land at Vizag (under development)	3,867,596	-	-	3,867,596	-	-	-	-	3,867,596	3,867,596
	TOTAL	209,715,777	3,439,866	66,333	213,089,310	55,037,710	7,904,815	467	62,942,058	150,147,252	154,678,067
	Previous Year	200,321,667	9,349,110	-	209,715,777	48,126,276	6,911,434	-	55,037,710	154,678,067	152,195,391

Standalone Financial Statements

Schedules Forming part of Balance Sheet as at 31st March 2011

(Amount in ₹)

	As at March 31, 2011	As at March 31, 2010
Schedule IX. <u>Cash and Bank Balances</u>		
(a) Cash in Hand	200,367	1,136,114
(b) Balance with Scheduled Banks		
(i) In Current Accounts	30,132,897	1,624,765
(ii) Fixed Deposit Accounts	352,959	331,749
(iii) Unclaimed Dividend Accounts	275,196	245,346
	30,961,420	3,337,974
Schedule X. <u>Loans and Advances</u> <i>(Advances recoverable in cash or in kind or for value to be received)</i>		
(a) Loans to Subsidiaries	206,330,648	135,332,552
(b) Advances for Capital Goods	19,534,662	18,276,953
(c) Other Advances	185,222,409	1,078,531
(d) Deposits with Government Authorities	2,284,997	1,762,950
(e) Prepaid Taxes	14,881,932	17,017,383
	428,254,648	173,468,369
Schedule XI. <u>Current Liabilities and Provisions</u>		
(A) Current Liabilities:		
(a) Sundry Creditors for Capital Goods	352,376	752,197
(b) Sundry Creditors for Expenses	5,377,555	2,986,213
(c) Deposits and Advances Received	16,781,324	16,981,324
(d) Outstanding Liabilities for Expenses	15,406,534	6,921,477
(e) Provision for Gratuity	516,377	115,385
(f) Unclaimed Divided	275,196	245,346
	38,709,362	28,001,942
(B) Provisions:		
(a) Provision for Taxation	20,023,401	19,238,070
(b) Proposed Divided & Tax	2,221,012	3,462,500
	22,244,413	22,700,570
Schedule XII. <u>Software and Technical Services Income</u>		
(a) Software Projects (Exports)	128,711,692	98,303,082
(b) Software Technical Services (Domestic)	1,127,715	2,754,214
	129,839,407	101,057,296
Schedule XIII. <u>Lease / Rental Income</u>		
(a) Rent Receipts from Space	29,046,244	31,436,528
(b) Rent Receipts for Furniture	14,699,738	15,178,816
	43,745,982	46,615,344

Standalone Financial Statements

Schedules Forming part of Balance Sheet as at 31st March 2011

(Amount in ₹)

	As at March 31, 2011	As at March 31, 2010
Schedule XIV. <u>Other Income</u>		
(a) Interest Received	685,267	228,465
(b) Parking Charges	563,101	733,200
(c) Maintenance Charges	4,001,924	4,283,994
(d) Other Income	79,850	453,821
(e) Profit on Sale of Assets	10,203	-
	5,340,345	5,699,480
Schedule XV. <u>Changes in WIP Solutions</u>		
(a) Closing Software Work in progress	115,200	246,848
(b) Less: Opening Software Work in Progress	246,848	353,940
	(131,648)	(107,092)
Schedule XVI. <u>Employee Costs:</u>		
(a) Salaries & Benefits	80,569,543	34,156,379
(b) Software Professional Fee	9,807,638	1,876,884
(c) Staff Welfare Expenses	673,549	307,025
	91,050,730	36,340,288
Schedule XVII. <u>Business Development Expenses</u>		
(a) Traveling & Conveyance	4,004,891	5,371,942
(b) Advertisement	254,085	133,212
(c) Computer Software Renewal Fee	735,782	9,516
(d) Softnet Charge	1,240,517	637,908
(e) Marketing Development Expenses	748,990	462,048
(f) Membership & Subscriptions	85,726	52,037
	7,069,991	6,666,663
Schedule XVIII. <u>Administrative Expenses</u>		
(a) Professional Charges	772,011	7,865,299
(b) Printing & Stationery	228,685	182,298
(c) Repairs & Maintenance	6,574,322	4,898,212
(d) Telephone & Faxes	646,273	211,148
(e) Electricity Charges	2,319,816	1,164,785
(f) Auditor's Remuneration	551,500	193,025
(g) Insurance	517,966	189,102
(h) Rent, Rate, Taxes & Fees	4,754,065	1,308,845
(i) Exchange fluctuation	2,495,668	2,119,068
(j) Office Maintenance Expenses	1,159,011	755,535
(k) Bad Debts Written off	-	463,617
	20,019,317	19,350,934
Schedule XIX. <u>Financial Expenses</u>		
(a) Interest Paid to Bank on Term Loans	11,722,725	3,668,453
(b) Bank Charges	332,554	582,656
	12,055,279	4,251,109

Standalone Financial Statements

Schedules forming part of Balance Sheet and Profit & Loss Account for the year ended March 31, 2011

Schedule - XX - SIGNIFICANT ACCOUNTING POLICIES

1. Accounting Conventions:

Financial Statements have been prepared under historical cost conventions in accordance with generally accepted accounting principles in India and provisions of the Companies Act, 1956 as adopted consistently by the Company. All income and expenditure having a material bearing on financial statements are recognized on accrual basis.

2. Revenue Recognition:

a) Revenue from Services is recognized as and when Services are rendered. Expenditure on software purchase, developed and/or customized during the year is treated as revenue expenditure. Company follows completed method of accounting for services rendered in respect of Software projects and significant products under development.

b) Interest income is recognized on accrual basis.

3. Expenditure:

Expenses are accounted on accrual basis and provision is made for all known losses and liabilities.

4. Fixed Assets

Fixed assets are stated at cost of acquisition as reduced by accumulated depreciation. All costs including financial costs up to the date of commissioning and attributable to fixed assets are capitalized apart from taxes, freight and other incidental expenses related to acquisition and installation of respective fixed assets.

5. Depreciation:

Depreciation on Fixed assets including additions has been provided on straight-line method at the rates specified in the Schedule XIV to the Companies Act, 1956.

6. Investments:

Long term Investments are stated at cost. Provision, if any, is made for permanent diminution in the value of Investments. Current investments are stated at lower of cost or Market value.

7. Inventories:

Inventories are valued at lower of cost or net realizable value.

8. Foreign Exchange Transactions:-

All foreign exchange transactions entered into during the current period are accounted at exchange rate prevailing on the date of contract/documentation. Foreign exchange fluctuations on transactions entered into during the period and received/paid during the period are accounted in current financial year. Outstanding accounts in foreign currency are restated at the end of period at foreign currency rate prevailing on that date and any fluctuation on the same is recognized in profit and loss account.

9. Employee Benefits:-

a) In respect of employee's stock options, excess of fair price on the date of grant over the exercise price is recognized as deferred compensation cost amortized over the vesting period.

b) Company's contribution towards provident fund and pension fund are charged to Profit and Loss account. Company provides for retirement benefits in the form of gratuity based on valuations, as at the balance sheet date, made by Independent actuaries.

10. Miscellaneous Expenditure:

Preliminary and issue expenses, deferred revenue expenditure have been written off over a period of 5 years. Product development expenses have been written off over a period of three years.

Standalone Financial Statements

11. Income Taxes:

Income Tax liability for the year is calculated in accordance with relevant tax laws and regulations as applicable to the Company. Deferred tax resulting from timing difference between accounting income and taxable income is accounted for using tax rates and laws that are enacted or subsequently enacted as on the balance sheet date. Deferred tax asset is recognized and carried forward only to the extent there is a virtual certainty that the asset will be realized in future.

12. Earnings per share:

Basic earnings per share are calculated by dividing net profit or loss for the period attributable to equity share holders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, net profit attributable to equity share holders and the weighted average number of shares outstanding during the period are adjusted for effects of all dilutive potential equity shares, if any.

13. Provisions:

A provision is recognized when the Company has present obligation as a result of past event and it is probable than an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

14. Cash and cash equivalents:

Cash and cash equivalents in the cash flow statement comprise cash at bank, cash in hand, fixed deposits and un-claimed dividend account.

15. Use of estimates:

Preparation of financial statements is in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent liabilities at the date of financial statements and results of operation during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

Notes on Accounts:

1. The company has the following Contingent liabilities as on :

(₹)

Particulars	March 31, 2011	March 31, 2010
i) Bank Guarantee issued to Central Excise department	260,000	260,000
ii) Claim against the Company not acknowledge as debt	376,112	376,112

iii) The Commercial Tax Officer, (FAC), Madhapur, vide Assessment order dated 27.04.2010 raised a demand towards Value Added Tax amounting to ₹ 4,176,381 (Details given below) on rent for furniture. The Company approached the High Court of Andhra Pradesh for stay and in turn the High Court of Andhra Pradesh has granted interim Stay for further proceedings with a condition that Company shall pay 12.5% of disputed tax. The Company paid an amount of ₹ 522,047 towards disputed Tax liability.

(₹)

Particulars	March 31, 2011	March 31, 2010
2005-2006	1,058,047	1,058,047
2006-2007	1,358,171	1,358,171
2007-2008	1,760,163	1,760,163
Total	4,176,381	4,176,381

iv) The Company provided Corporate Guarantee of ₹ 341,333,000 to Andhra Bank for a counter guarantee provided by Andhra Bank to Bank of India for sanctioning a term loan of US \$ 14.24 million to Cura Global GRC Solutions Pte. Ltd, Singapore, a Subsidiary of the Company. This Corporate Guarantee is also secured by first Pari-pasu mortgage charge of its Land & Buildings at Vishakhapatnam.

Standalone Financial Statements

2. Estimated amount of contracts remaining to be executed on capital accounts not provided for ₹ 934,726 [Previous year ₹ 7,085,907] .
3. The Company granted 100,000 Options under ESOP 2008 to its employees @ ₹ 42 each (Including premium of ₹ 32 each) on 28-08-2008 and received ESOP 2008 application money of ₹ 1,000,000 on granting of 100,000 Options @ ₹ 10 each and created a Reserve for ESOP 2008 towards premium of ₹32 each and the differential price of ₹ 172.35 each on 100,000 options and correspondingly debited the sum to Deferred Employee Compensation Account with an amount of ₹ 20,435,000 and allotted 30,000 Equity shares under this scheme and transferred an amount of ₹ 300,000 to Equity Share Capital account at ₹ 10 each.
4. Further 1,65,000 Equity Shares and 2,400,000 Equity Shares were allotted on conversion of warrants during the year on Preferential basis to the Promoters and Non promoters and received an amount of ₹ 408,000,000 on 2,400,000 Equity Shares and ₹ 13,200,000 on 165,000 Equity shares towards Equity Share premium on conversion of warrants.

Further it has received an amount of ₹ 960,000 on allotment of 30,000 Equity Shares under ESOP 2008 Scheme and an amount of ₹ 5,170,500 was transferred to Equity Share premium account out of Reserve for ESOP 2008 Scheme . And an amount of ₹ 643,783 and ₹188,840 towards preferential issue and ESOP 2008 issue expenses has been utilized from Share premium account
5. The Company availed Term Loan from Andhra Bank, Koti, Hyderabad. The said Term Loan is secured by extension a charge of Land and Building of Cura Technologies Ltd, Hyderabad and Equitable mortgage of Company's Land and Building located at Vishakapatnam and the personal guarantee of the promoter.
6. During the year the company has restated the foreign currency receivables outstanding. However the advances/ Loans in foreign currency given to subsidiaries have not been restated as on the date of balance sheet .
7. During the year an amount of ₹ 19,173 being unclaimed dividend for the year 2002-03 was been transferred to Investor Education and Protection Fund A/c.
8. In compliance with Accounting Standard 22 relating to "Accounting for taxes on Income" issued by the Institute of Chartered Accountants of India, the company has accounted for Deferred Tax as under

(₹)

Deferred tax liabilities recognized for timing differences due to	31-03-2011	31-03-2010
Depreciation	488,333	300,742
Others	Nil	Nil
Total	488,333	300,742

9. Disclosure in accordance with Section 22 of Micro, Small and Medium Enterprises Development Act, 2006.

Particulars	As at March 31, 2011
a. Principal amount remaining unpaid and interest due thereon	Nil
b. Interest paid in term of Section 16	Nil
c. Interest due and payable for the period of delay in payment	Nil
d. Interest accrued and remaining unpaid	Nil
e. Interest due and payable even in succeeding years	Nil

This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

Standalone Financial Statements

10. Earnings per share:

Earnings per share computed in accordance with Accounting Standard 20 in respect of profit for the year 2010-11 is as under:

Description	31-03-2011 (Per Equity Share of ₹ 10 each)	31-03-2010 (Per Equity Share of ₹ 10 each)
Profit after Tax	30,562,460	28,513,920
Adjusted Profits	Nil	Nil
No. of shares – Basic	8,328,397	6,650,274
No. of Shares – Diluted	8,384,681	8,523,278
EPS - Basic Rs.	3.67	4.29
EPS - Diluted Rs.	3.65	3.34

The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year. The number of shares used in computing Diluted EPS comprises of weighted average shares considered for deriving Basic EPS and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

11. Related parties information:

A) Information regarding related party transactions as per Accounting Standard 18 is given below:

Names of related parties and description of relationship:

Party	Relationship
G. Bala Reddy	Key Management Person
G. Venkateswara Rao	Key Management Person
Softpro Technologies Private limited	Subsidiary Company
Cura Global Grc Solutions Pte Ltd	Wholly Owned Subsidiary
ICSA (India) Limited	Associate Company
BRG Energy Limited	Associate Company
P R Cements Ltd	Associate Company
Sahasra Investments Pvt Ltd	Associate Company
G. Velangini Mary	Relative of Key Management Person

(B) The details of related party transactions in terms of Accounting Standard (AS-18) are as follows: (₹)

Description	Subsidiaries	Associates	KMP's	Relatives of KMP's
Purchases/ Sub-contract works	0 (0)	330,800 (41,478,303)	0 (0)	0 (0)
Sales	101,806,712 (46,248,894)	877,715 (1,816,000)	0(0) (0)	0(0) (0)
Rendering of Services	0 (0)	0.00 (0)	0 (0)	0 (0)
Receiving of Services	0 (0)	0.00 (0)	0 (0)	0 (0)

Standalone Financial Statements

Rent Receipts	0 (0)	33,437,320 (30,816,000)	0 (0)	0 (0)
Loans and Advances	70,998,096 (123,015,162)	89,780,000 (0.0)	0 (0)	0 (0)
Rent Deposit	0 (0)	0 (10,000,000)	0 (0)	0 (0)
Total:	172,804,808 (169,264,056)	124,425,835 (84,110,303)	0 (0)	0 (0)

Note: Figures in brackets represent for previous year

c) Amounts due from / to related parties as at the year ended are: (₹)

Nature of the party	As at 31-03-2011		As at 31-03-2010	
	Due To	Due From	Due To	Due From
Cura Global GRC Solutions Pte Ltd	-	310,774,000	-	181,581,000
Softpro Technologies Pvt Ltd	-	18,000	-	-
I C S A India Ltd	10,000,000	92,817,000	10,569,000	-
B R G Energy Ltd	-	402,000	75,000	-
P R Cements	331,000	-	50,000	-

12. Details of Remuneration to Directors : (₹)

Name & Designation	Salary	HRA	Other Allowances	Total
G.Venkateswara Rao Executive Director	750,000	300,000	450,000	1,500,000
Total	750,000	300,000	450,000	1,500,000

13. Auditor's remuneration: (₹)

Particulars	March 31, 2011	March 31, 2010
i) Statutory Audit Fee	350,000	100,000
ii) Tax Audit fee	100,000	35,000
iii) Certification fee	50,000	25,000
iv) Other Services	-	15,000
v) Service Tax	51,000	18,000
Total	551,000	193,000

14. The details of Foreign Exchange earnings during the year (₹)

Particulars	March 31, 2011	March 31, 2010
Foreign Exchange earnings		
Exports	128,711,692	98,303,082
Interest	-	-
Total	128,711,692	98,303,082

Standalone Financial Statements

15. The details of Foreign Exchange Inward and Outgo during the year: (₹)

Particulars	March 31, 2011	March 31, 2010
Foreign Exchange Inward		
Exports realization	49,186,000	45,074,000
Advance from Customers	-	-
Total	49,186,000	45,074,000
Foreign Exchange Out go		
Value of Imports during the year (C.IF.Basis)	-	-
-Raw Materials	-	-
-Capital goods- Furniture & Fixtures	-	-
Expenditure in Foreign Currency during the year	-	-
Interest & Bank Charges (FCCB)	-	-
Professional Charges	-	-
Business Promotion	-	-
Foreign Travel	200,000	1,906,000
Loans and advances in Foreign currency during the Year	-	-
Loans and Advances to Subsidiary	70,998,096	122,691,000
Investments in WOS	-	132,500,000

16. Provision for Gratuity is made for the employees on the actuarial basis as per AS15 : **Gratuity**
Actuarial data Defined Benefit Plans:

Y.E. as on
31.03.2011
₹

Change in present value of obligations:

Present Value of Obligation at the beginning of the Year	278,362
Current Service Cost	308,438
Interest Cost	22,269
Actuarial (Gains) / Losses	(92,690)
Benefits paid	-
Present Value of Obligation at the end of the year	516,377

Change in fair value of Plan Assets

Fair Value of Plan Assets as at the beginning of the year	-
Expected Return on Plan Assets	-
Employer's Contribution	-
Benefits paid	-
Actuarial Gains	-
Fair Value of Plan Assets as at the end of the year	-

Amounts Recognised in the Balance Sheet

Present Value of Obligation at the end of the year	516,377
Fair Value of Plan Assets as at the end of the year	-
Funded Status	(516,377)
Net Asset (Liability) recognized in the Balance Sheet.....	(516,377)

Standalone Financial Statements

Expense recognized in the P & Loss Account

Current Service Cost	308,436
Interest Cost	2,269
Expected Return on Plan Assets	-
Net Actuarial (Gains)/Losses Recognised in the year	(92,690)
Net Cost Recognized in the Profit & Loss Account	238,015

Assumptions

Discount Rate.....	8.0%
Future Salary Increase	2.0%
Expected Rate of Return on Plan Assets	5.0%

17. Expenditure incurred on encashment of Earned leave is accumulated as and when the same is payable.
18. Quantitative details requirements regarding software and technical services are not applicable.
19. Balances of Sundry Debtors, Loans & Advances and Sundry Creditors are subject to confirmation from the concerned parties.
20. Segment Report as per Accounting Standard 17 for the Year ended 31st March 2011 :

(₹ 000's)

S. No.	Particulars	Audited Figures for	
		Year ended 31-03-2011	Year ended 31-03-2010
1	Segment Revenue (Net Sale/Income from segment)		
	a) Software Development	129,839	101,057
	b) Lease/Rental Income	43,746	46,615
	Total	173,585	147,672
	Less: Inter Segment Revenue	-	-
	Net Sales/Income from Operations	173,585	147,672
2	Segment Results Profit/Loss before tax, interest and Lease/Rental income from Segment		
	c) Software Development	18,326	2,006
	d) Lease/Rental Income	28,751	35,057
	Total	47,077	37,063
	c) Other Income	5,340	5,699
	Less:- (i) Interest	11,723	3,668
	Total Profit/Loss Before Tax	40,694	39,094
3	Capital Employed		
	a) Software Development	738,861	427,838
	b) Lease/Rental Income	75,559	50,712
	Total	814,420	478,550

Standalone Financial Statements

21. The figures of the previous year have been regrouped/recast to render them comparable with figures of the current year wherever necessary.
-

As per our report of even date attached
For **RAMBABU & CO**
Chartered Accountants
Firm Reg.No.002976S

for and on behalf of the Board

RAVI RAMBABU
Partner M.No.18541

G. BALA REDDY
Chairman & Managing Director

G. VENKATESWARA RAO
Executive Director

P. DURGA BHAVANI
Company Secretary

Place: Hyderabad
Date : 12.08.2011

Standalone Financial Statements

Balance Sheet Abstract and Companies General Business Profile

Additional Information pursuant to provisions of the Para 3 and 4 of Part II of Schedule VI of the Companies Act, 1956.

A. REGISTRATION DETAILS :

Registration No. State Code :

Balance Sheet Date :

Date Month Year

B. CAPITAL RAISED DURING THE YEAR (Amount in Rs. Thousands)

Public Issue Rights Issue

Bonus Issue Private Placement

C. POSITION OF MIBILISATION AND DEPLOYMENT OF FUNDS (Amount in Rs. Thousands)

Total Liabilities	<input type="text" value="9"/> <input type="text" value="2"/> <input type="text" value="1"/> <input type="text" value="7"/> <input type="text" value="7"/> <input type="text" value="7"/>	Total Assets	<input type="text" value="9"/> <input type="text" value="2"/> <input type="text" value="1"/> <input type="text" value="7"/> <input type="text" value="7"/> <input type="text" value="7"/>
Sources of Funds		Reserves & Surplus	<input type="text" value="7"/> <input type="text" value="3"/> <input type="text" value="4"/> <input type="text" value="9"/> <input type="text" value="1"/> <input type="text" value="4"/>
Paid - up capital	<input type="text" value="9"/> <input type="text" value="5"/> <input type="text" value="2"/> <input type="text" value="0"/> <input type="text" value="0"/>	Unsecured Loans	<input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>
Secured Loans	<input type="text" value="8"/> <input type="text" value="1"/> <input type="text" value="4"/> <input type="text" value="3"/> <input type="text" value="7"/>	Deffered Tax Liability	<input type="text" value="9"/> <input type="text" value="5"/> <input type="text" value="2"/> <input type="text" value="6"/>
Application Money	<input type="text" value="7"/> <input type="text" value="0"/> <input type="text" value="0"/>	Investments	<input type="text" value="1"/> <input type="text" value="4"/> <input type="text" value="1"/> <input type="text" value="8"/> <input type="text" value="2"/> <input type="text" value="7"/>
Application of Funds		Misc. Expenses	<input type="text" value="1"/> <input type="text" value="4"/> <input type="text" value="3"/> <input type="text" value="8"/> <input type="text" value="7"/>
Net Fixed Assets	<input type="text" value="2"/> <input type="text" value="2"/> <input type="text" value="6"/> <input type="text" value="2"/> <input type="text" value="9"/> <input type="text" value="0"/>	Deffered Tax Asset	<input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>
Net Current Assets	<input type="text" value="5"/> <input type="text" value="3"/> <input type="text" value="9"/> <input type="text" value="2"/> <input type="text" value="7"/> <input type="text" value="3"/>		
Accumulated Losses	<input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>		

D. PERFORMANCE OF COMPANY (Amount in Rs. Thousands)

Turnover	<input type="text" value="1"/> <input type="text" value="7"/> <input type="text" value="8"/> <input type="text" value="9"/> <input type="text" value="2"/> <input type="text" value="6"/>	Total Expenses	<input type="text" value="1"/> <input type="text" value="3"/> <input type="text" value="8"/> <input type="text" value="2"/> <input type="text" value="3"/> <input type="text" value="2"/>
Profit/Loss before Tax	<input "="" type="text" value="("/> <input type="text" value="4"/> <input type="text" value="0"/> <input type="text" value="6"/> <input type="text" value="9"/> <input type="text" value="4"/>	Profit/Loss after Tax	<input type="text" value="3"/> <input type="text" value="0"/> <input type="text" value="5"/> <input type="text" value="6"/> <input type="text" value="2"/>
Earning per Share (Basic)	<input type="text" value="3"/> <input type="text" value="."/> <input type="text" value="6"/> <input type="text" value="7"/>	Dividend	<input type="text" value="2"/> %
Earning per Share (Diluted)	<input type="text" value="3"/> <input type="text" value="."/> <input type="text" value="6"/> <input type="text" value="5"/>		

E. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS / SERVICES OF COMPANY (as per monetary terms)

Item Code No. (ITC Code)

Product Description

Standalone Financial Statements

CASH FLOW STATEMENT

(₹)

	As at 31.03.2011	As at 31.03.2010
A CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before Tax and Extraordinary Items	40,693,954	39,094,600
<u>Adjustment for :</u>		
Depreciation	7,904,815	6,911,434
Profit / (Loss) on sale of Assets	(10,203)	-
Deferred Employee compensation	5,170,500	-
Interest / Dividend Received	(685,267)	(228,465)
Operating Profit before working capital changes	53,073,799	45,777,569
<u>Adjustment for Increase (-) / Decrease (+)</u>		
Trade and other Receivables	(334,229,166)	(181,181,523)
Inventories, Increase (-) / Decrease (+)	131,648	107,092
Trade Payables, Increase (-) / Decrease (+)	10,251,263	21,776,094
Cash generated from Operations	(27,0772,456)	(113,520,768)
Interest Paid	1,172,2725	3,668,453
Director Taxes Paid	(10,398,161)	(10,279,939)
Cash flow before extraordinary items	(269,447,892)	(120,132,254)
Extra Ordinary Items (ESOP Expenses)	82,725	(165,450)
NET CASH FLOW FROM OPERATING ACTIVITIES	(269,365,167)	(120,297,704)
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(3,439,866)	(9,394,110)
Capital Work-in-progress	(11,941,138)	(15,704,011)
Sale of Fixed Assets	76,069	-
Purchase of Investments	-	(132,498,796)
Interest Received	685,267	228,465
Interest paid	(11,722,725)	(3,668,453)
NET CASH USED IN INVESTING ACTIVITIES	(26,342,393)	(161,036,905)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital	335,264,877	195,718,229
Proceeds from Long Term Borrowings	-	93,800,000
Repayment of Working Capital Loan	(9,712,859)	(2,649,826)
Dividends paid (Net of reversal of excess provision)	(2,221,012)	(3,462,500)
NET CASH FLOW FROM FINANCING ACTIVITIES	323,331,006	283,405,903
Net Increase in cash and cash equivalent (A+B+C)	27,623,446	2,071,294
Cash and cash equivalent at the beginning	3,337,974	1,266,680
Cash and cash equivalent at the close	30,961,420	3,337,974
	27,623,446	2,071,294

As per our report of even date attached

for and on behalf of the Board

For **RAMBABU & CO**

Chartered Accountants

Firm Reg.No.002976S

RAVI RAMBABU

Partner

M.No.18541

G. BALA REDDY

Chairman & Managing Director

G. VENKATESWARA RAO

Executive Director

P. DURGA BHAVANI

Company Secretary

Place : Hyderabad

Date : 12.08.2011

Auditors' Report on Consolidate Financial Statements

AUDITORS' REPORT

To
The Board of Directors
CURA TECHNOLOGIES LIMITED
(Formerly known as SOFTPRO SYSTEMS LIMITED)
HYDERABAD.

1. We have audited the attached Consolidated Balance Sheet of **CURA TECHNOLOGIES LIMITED** (Formerly known as SOFTPRO SYSTEMS LIMITED) and its subsidiaries (*collectively referred to as the Group*) as at 31st March 2011 and the Consolidated Profit and Loss Account and Consolidated Cash Flow statement for the period ended on that date annexed thereto. These consolidated financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding the components. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We have audited the financial statements of the subsidiary **Softpro Technologies Pvt. Ltd**, whose financial statements reflect total assets of ₹ 106.14 Lakhs as at 31st March, 2011, total revenue of ₹ 'Nil' and net cash flows amounting to ₹ (0.08) lakhs for the period ended 31st March, 2011.
4. We did not audit the financial statements of the subsidiary **Cura Global GRC Solutions (Pte) Ltd** whose financial statements reflect total assets of ₹ 2770.37 Lakhs as at 31st March, 2011, total revenue of ₹ 4465.60 Lakhs for the period ended 31st March, 2011. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely on the report of other auditors.
5. We report that the consolidated financial statements have been prepared by the company's management in accordance with the requirements of the Accounting Standard (AS) 21, Consolidated Financial Statements as notified by the Companies (Accounting Standards) Rules, 2006.
6. Based on our audit as aforesaid, and on consideration of reports of other auditors on the separate financial statements and on the other financial information of the components and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting policies generally accepted in India
 - a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March 2011;
 - b) in the case of Consolidated Profit and Loss Account, of the loss of the Group for the year ended on that date; and
 - c) in the case of Consolidated Cash Flow Statement, of the Cash Flows of the Group for the year ended on that date.

For RAMBABU & CO.,
Chartered Accountants
Firm Reg. No: 002976S

RAVI RAMBABU
Partner
M.No: 18541

Place : Hyderabad
Date : 12.08.2011

Consolidated Financial Statements

Balance Sheet as at 31 st March, 2011

(Amount in ₹)

Particulars	Schedules	Year ended March 31, 2011	Year ended March 31, 2010
<u>SOURCES OF FUNDS</u>			
(A) Shareholder's Fund			
a. Share Capital	I	95,200,000	69,250,000
b. ESOP/Warrant Application Money	II	700,000	112,712,500
c. Reserves and Surplus	III	489,534,557	262,165,516
d. Minority Interest		711,609	721,996
(B) Loan funds:			
Secured Loans	IV	589,838,760	736,754,298
(C) Deferred Tax Liability			
		9,526,166	9,037,833
TOTAL		1,185,511,092	1,190,642,143
<u>APPLICATION OF FUNDS:</u>			
(A) Fixed Assets			
a. Gross Block	V	250,123,544	244,610,302
Less: Accumulated Depreciation		87,162,990	72,237,723
Net Block		162,960,554	172,372,579
b. Capital Work-in-progress		81,630,240	72,805,345
c. Goodwill on consolidation		629,686,805	629,686,805
d. Deferred Research&Development Expenses		21,681,122	61,330,273
(B) Deferred Tax Asset			
		-	2,969,581
(C) Current Assets, Loans & Advances			
a. Inventory – Software WIP	VI	10,725,750	10,857,398
b. Sundry Debtors	VII	187,123,090	232,791,714
c. Cash & Bank Balances	VIII	95,378,992	74,328,687
d. Loans & Advances	IX	232,333,676	53,104,690
SUB TOTAL:		525,561,508	371,082,489
Less: Current Liabilities and Provisions			
a. Current Liabilities	X	229,661,098	125,332,862
b. Provisions		27,212,310	23,085,311
Net Current Assets		256,873,408	148,418,173
a. Miscellaneous Expenses to the extent not written off or adjusted		6,477,046	8,212,794
b. Deferred Employee Compensation A/c-2008		14,304,500	20,435,000
c. ESOP Expenses		82,725	165,450
TOTAL		1,185,511,092	1,190,642,143
Significant Accounting policies & Notes on Accounts	XIX		

As per our report of even date attached
For **RAMBABU & CO**
Chartered Accountants
Firm Reg.No.002976S

for and on behalf of the Board

RAVI RAMBABU
Partner M.No.18541

G. BALA REDDY
Chairman & Managing Director

G. VENKATESWARA RAO
Executive Director

P. DURGA BHAVANI
Company Secretary

Place : Hyderabad
Date : 12.08.2011

Consolidated Financial Statements

Profit and Loss Account for the year ended 31st March 2011

(Amount in ₹)

	Schedules	Year ended March 31, 2011	Year ended March 31, 2010
I. Income:			
1. Software and Technical Services Income	XI	474,592,254	529,737,536
2. Lease / Rental Income	XII	43,745,982	46,615,344
3. Other Income	XIII	5,340,345	6,504,367
Total:		523,678,581	582,857,247
II. Expenditure			
1. Decrease in WIP – Software	XIV	131,648	12,392,092
2. Software Expenses		31,170,683	40,650,000
3. Employee Costs	XV	381,289,235	267,419,986
4. Business Development Expenses	XVI	43,521,199	48,112,215
5. Administrative Expenses	XVII	95,663,059	114,294,967
6. Finance Charges	XVIII	49,837,019	31,392,284
7. Depreciation on Assets	V	15,774,126	12,428,067
8. Amortization Expenses		67,102,623	24,994,994
9. Preliminary Expenses		2,159,001	2,276,936
Total:		692,648,593	553,961,541
PROFIT BEFORE TAX		(168,970,013)	28,895,705
Less: Provision for Income Tax			
Current Tax		10,253,312	15,004,169
Excess IT Provision of Earlier Years W/B		(610,151)	-
Deferred TAX		488,333	(5,435,139)
Dividend Tax Paid		-	509,850
PROFIT AFTER TAX		(179,101,507)	18,816,827
Less : Minority Interest		39,809	50,196
Less : Unrealised Profit		3,020,425	-
Profit brought forward from Previous Year		44,824,464	60,045,259
		(137,337,277)	78,811,890
Less:- Appropriations:			
Transfer to General Reserve		1,528,123	30,000,000
Proposed Dividend (including Dividend Tax)		2,221,012	4,037,621
Previous Year Balance Dividend and Tax		7,55,000	-
Balance Carried to Balance sheet		(141,841,412)	48,811,890
Earnings per Share :Basic		(21.50)	2.83
Earnings per Share :Diluted		(21.36)	2.21
Significant Accounting Policies & Notes on Accounts	XIX		

As per our report of even date attached

for and on behalf of the Board

For RAMBABU & CO

Chartered Accountants

Firm Reg.No.002976S

RAVI RAMBABU

Partner M.No.18541

G. BALA REDDY

Chairman & Managing Director

G. VENKATESWARA RAO

Executive Director

P. DURGA BHAVANI

Company Secretary

Place : Hyderabad

Date : 12.08.2011

Consolidated Financial Statements

Schedules Forming part of Balance Sheet as at 31st March 2011

(Amount in ₹)

	As at March 31, 2011	As at March 31, 2010
Schedule I. <u>Share Capital</u>		
<u>Authorised Share Capital</u>		
100,00,000 Equity shares of ₹ 10 each	100,000,000	100,000,000
	100,000,000	100,000,000
<u>Issued, Subscribed & Paid up Capital</u>		
95,20,000 Equity Shares of ₹ 10 each fully paid up (Previous year 69,25,000 Equity Shares of ₹ 10 each fully paid-up)	95,200,000	69,250,000
	95,20,0,000	69,250,000
Schedule II. <u>ESOP/Warrant Application Money</u>		
(a) Warrant Application Money Received	-	111,712,500
(b) ESOP 2008 Application Money Received	700,000	1,000,000
	700,000	112,712,500
Schedule III. <u>Reserves and Surplus</u>		
(a) Capital Reserve	1,565,900	1,565,900
(b) Equity Share Premium	606,135,306	179,637,429
(c) General Reserve	32,328,123	30,800,000
(d) Profit & Loss Account	141,841,411	44,774,267
(e) Reserve for ESOP Scheme – 2008	14,304,500	20,435,000
(f) Foreign Currency Translation Reserve	(22,957,861)	(15,047,080)
	489,534,557	262,165,516
Schedule IV. <u>Secured Loans</u>		
Term Loan from Bank of India & Andhra Bank	589,838,760	736,754,298
	589,838,760	736,754,298
Schedule VI. <u>Inventory:</u> (Valued and certified by the Management)		
Software Work in progress	10,725,750	10,857,398
	10,725,750	10,857,398
Schedule VII. <u>Sundry Debtors:</u> (Unsecured and considered good)		
a) Outstanding for more than 6 months	36,571,095	7,730,758
b) Others	150,551,995	225,060,956
	187,123,090	232,791,714
Schedule VIII. <u>Cash and Bank Balances</u>		
(a) Cash in Hand	201,375	1,154,870
(b) Balance with Scheduled Banks		
(i) In Current Account	53,701,461	31,240,652
(ii) Fixed Deposit Accounts	41,200,959	41,687,819
(iii) Unclaimed Dividend Account	275,196	245,346
	95,378,991	74,328,687

Consolidated Financial Statements

Schedule V. Consolidate Fixed Assets Schedule

(Amount in ₹)

Sl. No.	Name of the Asset	GROSS BLOCK			DEPRECIATION			NET BLOCK		
		Balance as on 01.04.2010	Additions during the year	Sale or adjusts for the year	Balance as on 31.03.2011	During the year	Sale or adjusts for the year	Total as on 31.03.2011	As on 31.03.2011	As on 31.03.2010
1.	Land at Hyderabad	9,174,326	-	-	9,174,326	-	-	-	9,174,326	9,174,326
2.	Building	85,512,306	-	-	85,512,306	1,393,851	-	10,941,948	74,570,358	75,964,209
3.	Air Conditioning System	17,993,614	26,750	41,930	17,978,434	853,708	295	6,773,633	11,204,801	12,073,394
4.	Plant & Machinery	4,085,839	-	915,677	3,170,162	150,583	129,246	1,326,502	1,843,660	2,780,674
5.	Electrical Equipments	5,970,937	330,000	-	6,300,937	283,620	-	2,315,820	3,985,117	3,938,737
6.	Electrical Fittings	9,478,245	-	-	9,478,245	450,217	-	3,535,613	5,942,632	6,392,849
7.	Interiors, Furniture & Fixtures	35,726,913	-	-	35,726,913	2,261,514	-	18,021,591	17,705,322	19,966,836
8.	Lift System	2,817,500	-	-	2,817,500	133,831	-	1,107,123	1,710,377	1,844,208
9.	Fire Safety Equipment	2,439,423	-	-	2,439,423	115,873	-	907,589	1,531,834	1,647,707
10.	Computers	31,771,124	3,703,072	-	35,474,196	7,268,681	-	24,780,617	10,693,579	14,259,188
11.	Software Tools & Packages	14,085,954	213,158	-	14,299,112	676,972	-	6,865,573	7,433,539	7,897,353
12.	Office Equipment	12,975,950	219,338	2,552,307	10,642,981	174,187	719,307	4,198,629	6,444,352	8,232,201
13.	Library Books	63,389	-	-	63,389	-	-	63,389	-	-
14.	Motor Cars	2,470,761	23,425	-	2,494,186	208,111	-	1,254,500	1,239,686	1,424,372
15.	Land at Vizag (under development)	3,867,596	-	-	3,867,596	-	-	-	3,867,596	3,867,596
16.	Lease Hold Improvements	2,322,120	2,333,725	-	4,655,845	616,238	-	1,792,439	2,863,406	1,145,919
	Intangibles									
17.	Computer Software	3,854,305	2,173,688	-	6,027,993	1,186,740	-	3,278,024	2,749,969	1,763,021
	TOTAL	244,610,302	9,023,156	3,509,914	250,123,544	15,774,126	848,848	87,162,990	162,960,554	172,372,590
	Previous Year	227,546,951	17,625,758	562,407	244,610,302	12,428,067	264,855	72,237,712	172,372,590	167,472,450

Consolidated Financial Statements

Schedules Forming part of Balance Sheet as at 31st March 2011

(Amount in ₹)

	As at March 31, 2011	As at March 31, 2010
Schedule IX. <u>Loans and Advances</u>		
<i>(Advances recoverable in cash or in kind or for value to be received)</i>		
(a) Advances for Capital Goods	19,534,662	18,276,953
(b) Other Advances	195,632,085	7,889,901
(c) Deposits with Government Authorities	2,284,997	5,677,887
(d) Prepaid Taxes	14,881,932	21,259,949
	232,333,676	53,104,690
Schedule X. <u>Current Liabilities and Provisions</u>		
(A) Current Liabilities:		
(a) Sundry Creditors for Capital Goods	352,376	752,197
(b) Sundry Creditors for Expenses	131,949,958	19,894,683
(c) Deposits and Advances Received	16,781,324	16,981,324
(d) Outstanding Liabilities for Expenses	15,412,049	35,821,862
(e) Payable to Holding & Subsidiary Co	64,373,818	-
(f) Deferred Revenue	-	51,522,065
(g) Provision for Gratuity	516,377	115,385
(h) Unclaimed Dividend	275,196	245,346
	229,661,098	125,332,862
(B) Provisions:		
(a) Provision for Taxation	24,991,298	19,622,811
(b) Proposed Dividend & Tax	2,221,012	3,462,500
	27,212,310	23,085,311
Schedule XI. <u>Software and Technical Services Income</u>		
(a) Software Projects (Exports)	471,871,245	526,983,322
(b) Software Technical Services (Domestic)	2,721,009	2,754,214
	474,592,254	529,737,536
Schedule XII. <u>Lease / Rental Income</u>		
(a) Rent Receipts from Space	29,046,244	31,436,528
(b) Rent Receipts for Furniture	14,699,738	15,178,816
	43,745,982	46,615,344
Schedule XIII. <u>Other Income</u>		
(a) Interest Received	685,267	941,112
(b) Parking Charges	563,101	733,200
(c) Maintenance Charges	4,001,924	4,283,994
(d) Other Income	79,850	546,061
(e) Profit on Sale of Assets	10,203	-
	5,340,345	6,504,367

Consolidated Financial Statements

Schedules Forming part of Balance Sheet as at 31st March 2011

(Amount in ₹)

	As at March 31, 2011	As at March 31, 2010
Schedule XIV. <u>Changes in WIP Solutions</u>		
(a) Closing Software Work in progress	10,725,750	10,857,398
(b) Less: Opening Software Work in Progress	10,857,398	23,249,490
Decrease/Increase in WIP Software	(131,648)	(12,392,092)
Schedule XV. <u>Employee Costs:</u>		
(a) Salaries & Benefits	370,808,048	263,704,242
(b) Software Professional Fee	9,807,638	1,876,884
(c) Staff Welfare Expenses	673,549	1,838,860
	381,289,235	267,419,986
Schedule XVI. <u>Business Development Expenses</u>		
(a) Traveling & Conveyance	20,799,685	13,026,738
(b) Advertisement	275,811	1,437,971
(c) Computer Software Renewal Fee	735,782	7,670,994
(d) Training Expenses	1,345,919	8,678,293
(e) Softnet Charges	1,240,517	637,908
(f) Commission	-	2,234,337
(g) Marketing Development Expenses	19,009,836	14,373,937
(h) Membership & Subscriptions	113,649	52,037
	43,521,199	48,112,215
Schedule XVII. <u>Administrative Expenses</u>		
(a) Professional Charges	11,161,490	16,171,905
(b) Printing & Stationery	1,471,218	1,804,479
(c) Repairs & Maintenance	15,756,810	5,551,462
(d) Software Licenses	-	48,519,881
(e) Telephone & Faxes	11,972,683	11,542,850
(f) Electricity Charges	3,642,260	1,164,785
(g) Auditor's Remuneration	3,620,849	1,776,782
(h) Insurance	2,409,367	1,945,728
(i) Rent, Rate, Taxes & Fees	31,144,590	18,377,120
(j) Exchange fluctuation	2,467,732	2,246,148
(k) Entertainment Expenses	3,114,672	3,178,526
(l) Office Maintenance Expenses	7,512,259	1,550,376
(m) Bad Debts Written Off	1,389,129	464,925
	95,663,059	114,294,967
Schedule XIII. <u>Finance Charges</u>		
(a) Interest on Term Loan	48,706,805	3,668,453
(b) Interest to Others	-	25,557,861
(c) Bank Charges	1,130,214	2,165,970
	49,837,019	31,392,284

Consolidated Financial Statements

Schedules forming part of Consolidated Balance Sheet and Profit & Loss Account for the year ended March 31, 2011

Schedule - XIX - SIGNIFICANT ACCOUNTING POLICIES

1. Accounting Conventions:

Financial Statements have been prepared under historical cost conventions in accordance with generally accepted accounting principles in India and provisions of the Companies Act, 1956 as adopted consistently by the Company. All income and expenditure having a material bearing on financial statements are recognized on accrual basis.

2. Basis of Consolidation:

The Consolidated Financial Statements relate to "Cura Technologies Limited (*The Company or Cura*)" and its subsidiary companies "*Softpro Technologies Private limited*" and "*Cura Global GRC Solutions Pte. Ltd*" where "Cura" holds 93.282% and 100% share holding respectively as on 31.03.2011.

The consolidated financial statements of the company and its subsidiaries have been prepared by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group transactions in accordance with Accounting Standard (AS) 21 – "Consolidated Financial Statements".

Minority Interest's share of net profit for the year is identified and adjusted against the income in order to arrive at the net income attributable to the shareholders of the company.

Minority Interest's share of net assets of subsidiary is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the company's shareholders.

All income and expenditure having a material bearing on the financial statements are recognized on accrual basis.

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

3. Revenue Recognition

a) Revenue from Services is recognized as and when Services are rendered. Expenditure on software purchase, developed and/or customized during the year is treated as revenue expenditure. Company follows completed method of accounting for services rendered in respect of Software projects and significant products under development.

b) Interest income is recognized on accrual basis.

4. Expenditure:

Expenses are accounted on accrual basis and provision is made for all known losses and liabilities.

5. Fixed Assets:

Fixed assets are stated at cost of acquisition as reduced by accumulated depreciation. All costs including financial costs up to the date of commissioning and attributable to fixed assets are capitalized apart from taxes, freight and other incidental expenses related to acquisition and installation of respective fixed assets.

6. Depreciation:

Depreciation on Fixed assets including additions has been provided on straight-line method at the rates specified in the Schedule XIV to the Companies Act, 1956.

Leasehold improvements	3 Years
Furniture, Fixtures and Office equipment	3-6 Years
Motor Vehicles	5 Years

Consolidated Financial Statements

7. Investments:

Long term Investments are stated at cost. Provision, if any, is made for permanent diminution in the value of Investments. Current investments are stated at lower of cost or Market value.

8. Inventories:

Inventories are valued at lower of cost or net realizable value.

9. Foreign Exchange Transactions :

All foreign exchange transactions entered into during the current period are accounted at exchange rate prevailing on the date of contract/documentation. Foreign exchange fluctuations on transactions entered into during the period and received/paid during the period are accounted in current financial year. Outstanding accounts in foreign currency are restated at the end of period at foreign currency rate prevailing on that date and any fluctuation on the same is recognized in profit and loss account.

- a) The net exchange difference resulting from the translation of items in the financial statements of integral foreign operations is recognized as income or as expense for the year.
- b) Contingent liabilities are translated at the closing rate.
- c) The following foreign subsidiaries have been identified as non-integral operations in accordance with the requirements of AS-11 (Revised 2003).
 - i. Cura Global GRC Solutions Pte. Ltd, Singapore.
 - ii. Cura Risk Management Software (Proprietary) Ltd.
 - iii. Cura Software Solutions Company, USA.
 - iv. Cura Software Solutions UK Ltd, UK.
 - v. Cura Risk Management Software (Pty) Ltd, Australia.

10. Employee Benefits:

- a) In respect of employee's stock options, excess of fair price on the date of grant over the exercise price is recognized as deferred compensation cost amortized over the vesting period.
- b) Company's contribution towards provident fund and pension fund are charged to Profit and Loss account. Company provides for retirement benefits in the form of gratuity based on valuations, as at the balance sheet date, made by Independent actuaries.

11. Miscellaneous Expenditure:

Preliminary and issue expenses, deferred revenue expenditure have been written off over a period of 5 years. Product development expenses have been written off over a period of three years.

12. Income Taxes:

Income Tax liability for the year is calculated in accordance with relevant tax laws and regulations applicable to the Company. Deferred tax resulting from timing difference between accounting income and taxable income is accounted for using tax rates and laws that are enacted or subsequently enacted as on the balance sheet date. Deferred tax asset is recognized and carried forward only to the extent there is a virtual certainty that the asset will be realized in future.

13. Impairment of Assets:

The Group assets at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset or

Consolidated Financial Statements

the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable. The reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

14. Leases:

Assets taken on lease where the Group acquires substantially the entire risks and rewards incidental to ownership are classified as finance leases. The amount recorded is the lesser of the present value of the minimum lease rental and other incidental expenses during the lease term or the fair value of the assets taken on lease. Rental obligations, net of interest charges, are reflected in secured loan. Leases that do not transfer substantially all risks and rewards of ownership are classified as operating leases and recorded as expenses as and when payments are made over the lease term.

Notes on Accounts:-

1. Cura Technologies Limited acquired Cura Global GRC Solutions Pte Ltd, Singapore along with its step down subsidiaries in South Africa, Australia, USA & UK in July 2009. With this acquisition Cura Global became the subsidiary of Cura Technologies Ltd.

2. The company has the following contingent liabilities as on: (₹)

Particulars	March 31, 2011	March 31, 2010
i. Bank Guarantee issued to Central Excise Department	260,000	260,000
ii. Claim against the Company not acknowledge as debt	376,112	376,112

- iii) The Commercial Tax Officer, (FAC), Madhapur, vide Assessment order dated 27.04.2010 raised a demand towards Value Added Tax amounting to ₹ 4,176,381 (Details given below) on rent for furniture. The Company approached the High Court of Andhra Pradesh for stay and in turn the High Court of Andhra Pradesh has granted interim Stay for further proceedings with a condition that Company shall pay 12.5% of disputed tax. The Company paid an amount of ₹ 522,047/- towards disputed Tax liability.

(₹)

Particulars	March 31, 2011	March 31, 2010
2005-2006	1,058,047	1,058,047
2006-2007	1,358,171	1,358,171
2007-2008	1,760,163	1,760,163
Total	4,176,381	4,176,381

- iv) The Company provided Corporate Guarantee of ₹ 341.33 million to Andhra Bank a counter guarantee provided by Andhra Bank to Bank of India for sanctioning a term loan of US \$ 14.24 million to Cura Global GRC Solutions Pte. Ltd, Singapore, a Subsidiary of the Company. This Corporate Guarantee is also secured by a First Pari-pasu mortgage charge of its Land & Buildings at Visakhapatnam.
3. The Company granted 100,000 Options under ESOP 2008 to its employees @ ₹ 42 each (Including premium of ₹ 32 each) on 28-08-2008. During the previous year the Company received ESOP 2008 application money of ₹ 1,000,000 on granting of 100,000 Options @ ₹ 10 each. The Company created a Reserve for ESOP 2008 towards premium of ₹ 32 each and the differential price of ₹ 172.35 each on 100,000 options and correspondingly debited the sum to Deferred Employee Compensation Account with an amount of ₹ 20,435,000. And the Company allotted 30,000 Equity shares under this scheme and transferred an amount of ₹ 300,000 to Equity Share Capital account at ₹ 10 each.

Consolidated Financial Statements

4. Further Company allotted 1,65,000 Equity Shares and 2,400,000 Equity Shares were allotted on conversion of warrants during the year on Preferential basis to the Promoters and Non promoters and received an amount of ₹ 408,000,000 on 2,400,000 Equity Shares and ₹13,200,000 on 165,000 equity shares towards Equity Share premium on conversion of warrants. Further the Company has received an amount of ₹ 960,000 on allotment of 30,000 Equity Shares under ESOP 2008 Scheme and an amount of ₹ 5,170,500 was transferred to Equity Share premium account out of Reserve for ESOP 2008 Scheme. And an amount of ₹ 643,783 and ₹ 188,840 towards preferential issue and ESOP 2008 issue expenses has been utilized from Share premium account.
5. During the year the company has restated the foreign currency receivables outstanding. However, the advances/loans in foreign currency given to subsidiaries have not been restated as on date of balance sheet.
6. During the year an amount of ₹ 19,173 being unclaimed dividend for the year 2002-03 was been transferred to Investor Education and Protection Fund A/c.

7. Details of Remuneration to Directors

(₹)

Name & Designation	Salary	HRA	Other Allowances	Total
G.Venkateswara Rao Executive Director	750,000	300,000	450,000	1,500,000
Total	750,000	300,000	450,000	1,500,000

8. Auditor's remuneration:

(₹)

Particulars	March 31, 2011	March 31, 2010
i) Statutory Audit Fee	3,419,849	1,683,782
ii) Tax Audit fee	100,000	35,000
iii) Certification fee	50,000	25,000
iv) Other Services	-	15,000
v) Service Tax	51,000	18,000
Total	3,620,849	1,776,782

9. Related parties information:-

- A) Information regarding related party transactions as per Accounting Standard 18 is given below:

Names of related parties and description of relationship:

Party	Relationship
G Bala Reddy	Key Management Person
G. Venkateswara Rao	Key Management Person
Softpro Technologies Private limited	Subsidiary Company
Cura Global Grc Solutions Pte Ltd	Wholly Owned Subsidiary
ICSA (India) Limited	Associate Company
BRG Energy Limited	Associate Company
P R Cements Ltd	Associate Company
Sahasra Investments Pvt Ltd	Associate Company
G Velangini Mary	Relative of Key Management Person

Consolidated Financial Statements

B) The details of related party transactions in terms of Accounting Standard (AS-18) are as follows: (₹)

Description	Subsidiaries	Associates	KMP's	Relatives of KMP's
Purchases/ Sub-contract works	0 (0)	330,800 (41,478,303)	0(0)	0(0)
Sales	101,806,712 (46,248,894)	877,715 (1,816,000)	0(0)	0(0)
Rendering of Services	0(0)	0.00(0)	0(0)	0(0)
Receiving of Services	0(0)	0.00(0)	0(0)	0(0)
Rent Receipts	0 (0)	33,437,320 (30,816,000)	0(0)	0(0)
Loans and Advances	70,998,096 (123,015,162)	89,780,000 (0.0)	0(0)	0(0)
Rent Deposit	0 (0)	0 (10,000,000)	0(0)	0(0)
Total:	172,804,808 (169,264,056)	124,425,835 (84,110,303)	0(0)	0(0)

Note: Figures in brackets represent for previous year

c) Amounts due from / to related parties as at the year end are: (₹)

Nature of the party	As at 31-03-2011		As at 31-03-2010	
	Due To	Due From	Due To	Due From
Cura Global GRC Solutions Pte Ltd	-	310,774,000	-	181,581,000
Softpro Technologies Pvt Ltd	-	18,000	-	-
I C S A India Ltd	10,000,000	92,817,000	10,569,000	-
B R G Energy Ltd	-	402,000	75,000	-
P R Cements	331,000	-	50,000	-

10. Segment Report as per Accounting Standard 17 for the Year ended 31st March 2011 : (₹ 000's)

S. No.	Particulars	Audited Figures for	
		Year ended 31-03-2011	Year ended 31-03-2010
1	Segment Revenue (Net Sale/Income from segment)		
	a) Software Development	472,862	529,736
	b) Lease/Rental Income	43,746	46,615
	Total	516,608	576,351
	Less: Inter Segment Revenue	-	-
	Net Sales/Income from Operations	516,608	576,351
2	Segment Results Profit/Loss before tax, interest and Lease/Rental income from Segment		

Consolidated Financial Statements

	c) Software Development	(165,876)	18,726
	d) Lease/Rental Income	28,751	35,057
	Total	(137,125)	(53,783)
	e) Other Income	7,071	6,504
	Less:- (i) Interest	49,047	31,392
	Total Profit/Loss Before Tax	(179,101)	28,895
3	Capital Employed		
	a) Software Development	564,992	425,596
	b) Lease/Rental Income	72,665	50,172
	Total	637,657	476,308

11. The details of Foreign Exchange Inward and Outgo during the year:

(₹)

Particulars	March 31, 2011	March 31, 2010
Foreign Exchange Inward		
Exports realization	49,186,000	45,074,000
Advance from Customers	-	-
Total	49,186,000	45,074,000
Foreign Exchange Out go		
Value of Imports during the year (C.IF.Basis)	-	-
-Raw Materials	-	-
-Capital goods- Furniture & Fixtures	-	-
Expenditure in Foreign Currency during the year	-	-
Interest & Bank Charges (FCCB)	-	-
Professional Charges	-	-
Business Promotion	-	-
Foreign Travel	200,000	1,906,000
Loans and advances in Foreign currency during the Year	-	-
Loans and Advances to Subsidiary	70,998,096	122,691,000
Investments in WOS	-	132,500,000

Consolidated Financial Statements

12. Earnings per Share

Description	31-03-2011 (Per Equity Share of ₹ 10 each)	31-03-2010 (Per Equity Share of ₹ 10 each)
Profit after Tax (after adjusting Minority Interest) as per Profit & Loss Account for Basic EPS	(182,161,741)	18,766,629
Adjusted Profits	-	-
Weighted Average No. of shares – Basic	8,328,397	6,650,274
Weighted Average No. of Shares – Diluted	8,384,681	8,522,401
EPS - Basic Rs.	(21.87)	2.83
EPS - Diluted Rs.	(21.73)	2.20

The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year. The number of shares used in computing Diluted EPS comprises of weighted average shares considered for deriving Basic EPS and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

13. Provision for Gratuity is made for the employees on the actuarial basis as per AS15 - Gratuity

Actuarial data Defined Benefit Plans:

(₹)

	Year Ended 31.03.2011
Change in present value of obligations:	
Present Value of Obligation at the beginning of the Year	278,362
Current Service Cost	308,438
Interest Cost.	22,269
Actuarial (Gains) / Losses	(92,690)
Benefits paid.	—
Present Value of Obligation at the end of the year	516,377
Change in fair value of Plan Assets	
Fair Value of Plan Assets as at the beginning of the year	—
Expected Return on Plan Assets	—
Employer's Contribution	—
Benefits paid	—
Actuarial Gains	—
Fair Value of Plan Assets as at the end of the year	—
Amounts Recognized in the Balance Sheet	
Present Value of Obligation at the end of the year	516,377

Consolidated Financial Statements

Fair Value of Plan Assets as at the end of the year	-
Funded Status	(516,377)
Net Asset (Liability) recognized in the Balance Sheet	(516,377)
Expense recognized in the P & Loss Account	
Current Service Cost	308,436
Interest Cost	22,269
Expected Return on Plan Assets	—
Net Actuarial (Gains)/Losses Recognised in the year	(92,690)
Net Cost Recognized in the Profit & Loss Account	238,015
Assumptions	
Discount Rate	8.0%
Future Salary Increase	2.0%
Expected Rate of Return on Plan Assets	5.0%

15. Expenditure incurred on encashment of Earned leave is accumulated as and when the same is payable.
16. Quantitative details requirements regarding software and technical services are not applicable.
17. Balances of Sundry Debtors, Loans & Advances and Sundry Creditors are subject to confirmation from the concerned parties.
18. The figures of the previous year have been regrouped/recast to render them comparable with figures of the current year wherever necessary.

As per our report of even date attached
For RAMBABU & CO
Chartered Accountants
Firm Reg. No. 002976S

for and on behalf of the Board

RAVI RAMBABU
Partner
M.No.18541

G. BALA REDDY
Chairman & Managing Director

G. VENKATESWARA RAO
Executive Director

P. DURGA BHAVANI
Company Secretary

Place: Hyderabad
Date : 12.08.2011

Consolidated Financial Statements

Companies General Business Profile

Additional Information pursuant to provisions of the Para 3 and 4 of Part II of Schedule VI of the Companies Act, 1956.

A. REGISTRATION DETAILS :

Registration No.

L772200AP1991PLC03479

State Code :

0 1

Balance Sheet Date :

3 1 0 3 2 0 1 1

Date Month Year

B. CAPITAL RAISED DURING THE YEAR (Amount in Rs. Thousands)

Public Issue

N I L

Rights Issue

N I L

Bonus Issue

N I L

Private Placement

2 5 9 5 0

C. POSITION OF MIBILISATION AND DEPLOYMENT OF FUNDS (Amount in Rs. Thousands)

Total Liabilities

1 1 8 5 5 1 1

Total Assets

1 1 8 5 5 1 1

Sources of Funds

Paid - up capital

9 5 2 0 0

Reserves & Surplus

4 8 9 5 3 4

Secured Loans

5 8 9 8 3 8

Unsecured Loans

N I L

ESOP Application Money

7 0 0

Deffered Tax Liability

9 5 2 6

Application of Funds

Net Fixed Assets

1 6 2 9 6 0

Investments

N I L

Net Current Assets

2 6 8 6 8 8

Misc. Expenses

2 0 8 6 4

Accumulated Losses

N I L

Deffered Tax Asset

N I L

D. PERFORMANCE OF COMPANY (Amount in Rs. Thousands)

Turnover

5 2 3 6 7 8

Total Expenses

6 9 2 6 4 8

Profit/Loss before Tax

- 1 6 8 9 7 0

Profit after Tax

- 1 7 9 1 0 1

Earning per Share (Basic)

- 2 1 . 5 0

Dividend

N I L

Earning per Share (Diluted)

- 2 1 . 3 6

E. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS / SERVICES OF COMPANY (as per monetary terms)

Item Code No. (ITC Code)

N.A.

Product Description

Software Services & Development

Consolidated Financial Statements

CASH FLOW STATEMENT

(₹)

	As at 31.03.2011	As at 31.03.2010
A CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before Tax and Extraordinary Items	(168,970,013)	28,895,705
Adjustment for : Depreciation	82,876,749	37,423,063
Profit / (Loss) on sale of Assets	(10,203)	-
Deffered Employee Compensation	5,170,500	-
Investments	-	-
Interest / Dividend Received	(685,267)	(941,112)
Operating Profit before working capital changes	(81,618,234)	65,377,656
Adjustment for : Increase (-) / Decrease (+)		
Trade and other Receivables	(133,560,362)	(253,960,303)
Inventories, increase (-) / Decrease (+)	131,648	(12,392,092)
Trade Payables, Increase (-) / Decrease (+)	108,455,235	120,052,939
Cash generated from Operations	(106,591,713)	(80,921,801)
Interest Paid	48,706,805	29,226,314
Director Taxes Paid	(10,398,161)	(10,078,880)
Cash flow before extraordinary items	(68,283,069)	(61,774,366)
Extra Ordinary Items	(34,435,279)	(628,578,838)
NET CASH FLOW FROM OPERATING ACTIVITIES	(102,718,348)	(690,353,204)
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(9,023,156)	(46,237,730)
Capital Work-in-progress	(8,824,895)	(121,303,199)
Sale of Fixed Assets	3,509,914	2,440,851
Interest Received	685,267	941,112
Interest paid	(48,706,805)	(29,226,314)
NET CASH USED IN INVESTING ACTIVITIES	(62,359,675)	(193,385,666)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of Share Capital	335,264,877	222,985,047
Proceeds from Long Term Borrowings	-	736,754,298
Repayment of Working Capital Loan	(146,915,538)	-
Dividends paid (Net of reversal of excess provision)	(2,221,012)	(3,000,000)
NET CASH FLOW FROM FINANCING ACTIVITIES	186,128,327	956,739,345
Net Increase in cash and cash equivalent (A+B+C)	21,050,304	73,000,475
Cash and cash equivalent at the beginning	74,328,688	1,328,213
Cash and cash equivalent at the close	95,378,992	74,328,688
	21,050,304	73,000,475

As per our report of even date attached

for and on behalf of the Board

For **RAMBABU & CO**

Chartered Accountants

Firm Reg. No. 002976S

RAVI RAMBABU

Partner

M.No.18541

G. BALA REDDY

Chairman & Managing Director

G. VENKATESWARA RAO

Executive Director

P. DURGA BHAVANI

Company Secretary

Place : Hyderabad

Date : 12.08.2011

CURA TECHNOLOGIES LIMITED

Registered Office: Plot # 12, Software Units Layout, Cyberabad, Hyderabad – 500 081

Dear Members,

Ministry of Corporate Affairs has made taken “Green initiative in the Corporate Governance” by allowing paperless compliances by the Companies after considering section 2, 4, 5 and 81 of the Information Technologies Act, 2000 for legal validity of compliances under Companies Act, 1956 through electronic mode.

In the light of the above provisions and circumstances it is hereby clarified that the company would be in compliance of sections 219(1) of Companies Act, 1956, in case, a copy of the Balance Sheet etc., is sent by electronic mail to its member subject to the fact the company has obtained ;

- (a) email address of its members for sending the Notice with balance sheet, profit & Loss Account, Auditor’s Report, Director’s Report, and Explanatory Statement etc through email, after giving an advance opportunity to the member to register his e-mail address and changes therein from time to time with the company or with the concerned depository
- (b) Company’s website display full text of these documents well in advance prior to mandatory period and issue advertisement in prominent newspapers in both vernacular and English stating that the copies of the aforesaid documents are available in the website and for inspection at the Registered office of the Company during Office Hours. Website must be designed in a way so that documents can be opened easily and quickly
- (c) in cases where any member(s) has not registered his e-mail address for receiving the Balance Sheet etc., through e-mail, the Balance Sheet etc., will be sent by other modes of services as provided under section 53 of the Companies Act, 1956
- (d) in case any member(s) insist for physical copies of above documents, the same should be sent to him physically, by post free of cost.

In the light of the MCA Directive, the Company is initiating Green Initiative in the Corporate Governance” from next year. Hence, all the shareholders are requested to update their corresponding address, email ids by filling the below mentioned application & send it either to registered office of the company or Register Share Transfer Agent.

Your action in the above matter will help us in serving you better.

Yours truly
For **CURA Technologies limited**
SD/-
G. BALA REDDY
Chairman & Managing Director

CUT HERE

CURA TECHNOLOGIES LIMITED

Registered Office: Plot # 12, Software Units Layout, Cyberabad, Hyderabad – 500 081

Folio No: _____

I/We hereby opt for receipt of Notice/ Director Report / Balance Sheet/ Profit & Loss Account / Auditor Report & Explanatory Statement etc in electronic mode Yes No

If yes, provide your e-mail id:

If No, your Corresponding Address:

I / we hereby declare that the above particulars are complete and correct. If the communication is delayed or effected at all due to incomplete or incorrect information, I /We shall not hold the Company responsible.

Signature of the First named Shareholder:

Name of the Shareholder

Address:

Place :

Date :

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Proxy Form

CURA TECHNOLOGIES LIMITED

Regd. Off: Plot #12, Software Units Layout, Cyberabad, Hyderabad – 500 081

**PROXY FORM
Twenty Annual General Meeting**

Folio No. _____ Client ID. _____ DP ID _____
Number of Shares held _____

I/We.....of..... in the district of being a member/members of the above named company hereby appoint..... in the district of as my / our Proxy to attend and vote for me / us on my / our behalf at the 20th Annual General Meeting of the Company to be held at the Conference Hall, 5th Floor, Plot #12, Software Units Layout, Cyberabad, Hyderabad – 500 081 on Friday, the 30th September, 2011 at 10.00 AM and at any adjournment thereof.

Signed at this day of 2011.



Note : The form of Proxy, duly signed across 1 Revenue Stamp should reach the Company not less than 48 hours before the time fixed for the Meeting. The Proxy need not be a member of the Company.



CUT HERE



CURA TECHNOLOGIES LIMITED

Regd. Off: Plot #12 , Software Units Layout, Cyberabad, Hyderabad – 500 081

ATTENDANCE SLIP

I hereby record my presence at the 20th Annual General Meeting of the Company at 5th Floor, Plot #12, Software Units Layout, Cyberabad, Hyderabad – 500 081 on Friday, the 30thSeptember, 2011 at 10.00 AM.

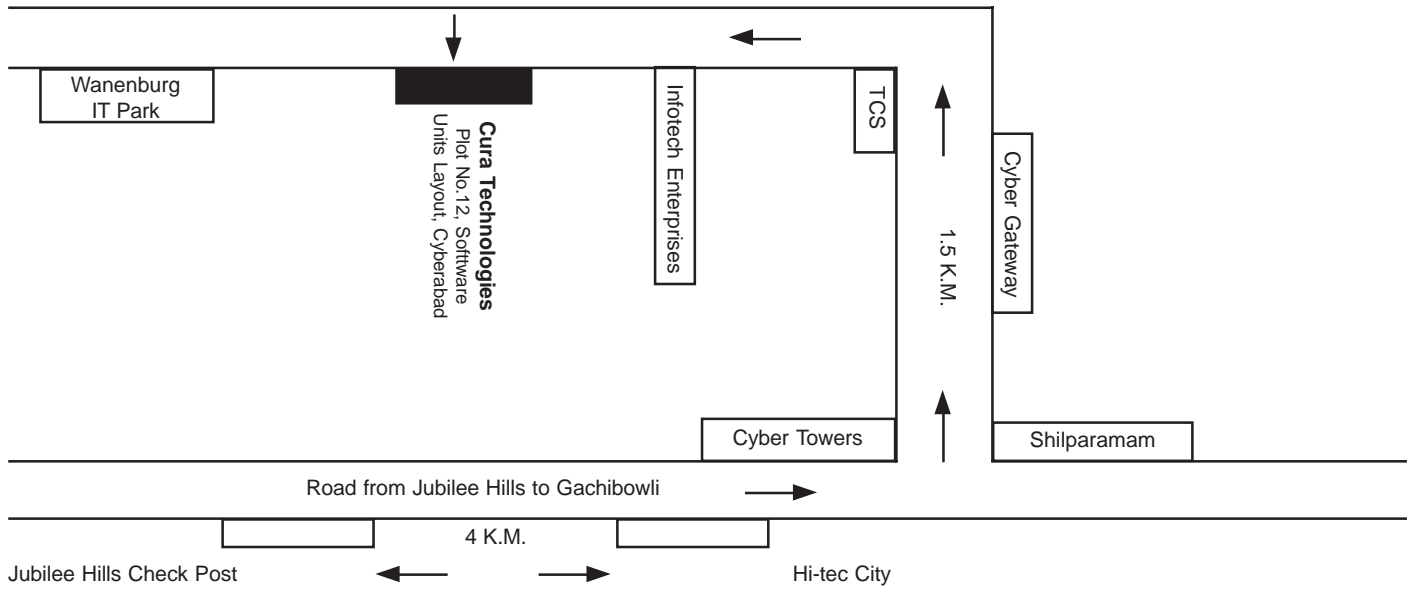
Folio No / Client ID & DP ID No. of Shares held
.....

Full Name of the Shareholder / Proxy (in block letters)

Signature

Note : Shareholders attending the Meeting in person or by proxy are requested to complete the Attendance Slip and hand it over at the entrance.

Route Map





Cura Technologies Limited

(Formerly known as Softpro Systems Ltd.)

Plot No.12, Software Units Layout,Cyberabad, Hyderabad - 500 081.