

**24<sup>th</sup> Annual Report  
2014 - 2015**



**Cura Technologies Limited**  
**Plot No. 12, Software Units, Layout, Cyberabad, Hyderabad-500081.**

## **CURA TECHNOLOGIES LIMITED**

CIN: L72200TG1991PLC013479

### **BOARD OF DIRECTORS**

<b>Sri Bala Reddy G</b>	-	<b>Chairman &amp; Managing Director</b>
<b>Sri Venkateswara Rao Gudipudi</b>	-	Executive Director
<b>Smt. Lalitha Gudimetla</b>	-	Director
<b>Sri Venkata Reddy Nalabolu</b>	-	Director
<b>Sri Avula Venkata Narayana Reddy</b>	-	Director

**Compliance Officer** : G. Venkateswara Rao

#### **REGISTERED OFFICE**

Plot No. 12, Software Units Layout  
Cyberabad, Hyderabad – 500 081  
Telephone: 040-23111793  
Fax: 040 – 23100385  
E-Mail:secretarial@curasoftware.com  
Website: www.curatechnologies.co.in

#### **AUDITORS**

RAMBABU & CO.  
Chartered Accountants  
Pancom Chambers, 6-3-1090/1/A,  
Raj Bhavan Road, Hyderabad-500 082

#### **BANKERS**

State Bank of India  
Andhra Bank  
Yes Bank Limited

#### **SHARE TRANSFER AGENTS**

**Venture Capital and Corporate  
Investments Private Limited**  
12-10-167, Bharatnagar  
Hyderabad – 500 018

**NOTICE**

Notice is hereby given that the Twenty Fourth Annual General Meeting of the Members of the Company will be held on **WEDNESDAY, 30TH SEPTEMBER, 2015 at 11.00 A. M.** at the Registered Office of the Company at 5th Floor, Conference Hall, Plot No. 12, Software Units Layout, Cyberabad, Hyderabad – 500 081 to transact the following items of business:

**ORDINARY BUSINESS:**

1. To receive consider and adopt the Audited Balance Sheet as at 31st March, 2015 and Profit and Loss Account for the year ended as on that date along with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Sri Bala Reddy G, who retires by rotation and being eligible, offer himself for re-appointment.
3. To ratify the appointment of auditors of the Company to hold office until the conclusion of the Annual general Meeting for Financial year 2015-16 and the payment of remuneration as fixed by the Board of Directors and to consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary resolution.

**“RESOLVED THAT**, pursuant to the provisions of Section 139, 141 and 142 and all other applicable provisions of the Companies Act, 2013 and the rules made there under, including statutory modifications thereto or re-enactments thereof for the time being in force, and pursuant to the recommendations of the audit committee of the Board of directors, the appointment of M/S. Rambabu & Co, Chartered Accountants (Firm Registration No. 002976S), which was made AGM 2014 for Five Consecutive Audit-years ending on the conclusion of AGM for FY 2019 be and is hereby ratified and confirmed for the remaining audit period on such remuneration agreed upon by the Board of Directors and Auditors, in addition to reimbursement of all out of-pocket expenses in connection with the audit of the accounts of the Company as fixed by the Board of Directors”

**“RESOLVED FURTHER THAT** the directors of the Company jointly and severally be and are hereby authorised to do all such acts, matters and things as may be necessary to give effect to the above resolution and to certify and upload the e-forms.

BY ORDER OF THE BOARD  
For **CURA TECHNOLOGIES LIMITED**  
Sd/-  
**BALA REDDY G**  
Chairman & Managing Director

Place : Hyderabad

Date : 27.08.2015

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument of Proxy in order to be effective should be deposited at it's Registered Office of the Company not later than forty eight hours before the commencement of the Meeting.  

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholders.
2. Members are requested to bring their copy of the Annual Report while attending the Annual General Meeting.
3. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Annual General Meeting.
6. The Register of Members and Share Transfer Books of the Company will remain closed from 23.09.2015 to 30.09.2015(both days inclusive).
7. While members holding shares in physical form are requested to inform any change in their address/bank mandates/email address to Company and/or Company's Registrars and Transfer Agents, Venture Capital and Corporate Investments Private Limited, 12-10-167 Bharatnagar, Hyderabad-500018. Members holding shares in electronic form must submit the information about change in address to their respective Depository.
8. The Company has entered into agreements with NSDL and CDSL. The Depository System envisages the elimination of several problems involved in the scrip-based system such as bad deliveries, fraudulent transfers, fake certificates, thefts in postal transit, delay in transfers, mutilation of shares certificates, etc. Simultaneously, Depository System offers several advantages like exemption from stamp duty, elimination of concept of market lot, elimination of bad deliveries, reduction in transaction costs, improved liquidity, etc. Members therefore, now have the option of holding and dealing in the shares of the Company in electronic form through NSDL or CDSL. Members are encouraged to convert their holdings to electronic mode.
9. Shareholders seeking any information regarding the accounts are requested to write to the company at least two days in advance to enable the management to keep the information ready.
10. Members who are holding shares in identical order of names in more than one folio are requested to send to the Company or its RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. The Share certificates will be returned to the Members after making requisite changes thereon.
11. Non-Resident Indian Members are requested to inform the Company's Registrars and Transfer Agents, immediately:

- a) Change in the Residential status on return to India for permanent settlement.
  - b) Particulars of their Bank Account maintained in India with complete name, branch, account type, account number and address of the Bank with Pin Code Number, if not furnished earlier.
12. The Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the meeting is annexed hereto.
  13. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc from the Company electronically.
  14. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 24th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository services (INDIA) Limited (CDSL):
  15. The instructions for members for voting electronically are as under:-  
In case of members receiving e-mail:
    - (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
    - (ii) Click on "Shareholders" tab.
    - (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
    - (iv) Now Enter your User ID
      - a. For CDSL: 16 digits beneficiary ID,
      - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
      - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
    - (v) Next enter the Image Verification as displayed and Click on Login.
    - (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
    - (vii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.
Details#	<ul style="list-style-type: none"> <li>• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

**In case of members receiving the physical copy :**

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on 27-09-2015, 9-00 a.m. and ends on 29-09-2015, 5-00 p.m. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (Record Date) 22-09-2015 of may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**General Instructions:**

- a. The e-voting period commences on 27.09.2015 (9.00 a.m.) and ends on 29.09.2015 (5.00 p.m.) During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22.09.2015, may cast their vote electronically. The e-voting module shall also be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- b. Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22.09.2015, and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
- c. Dr. Mohan S Rao, Company Secretary, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- d. The Scrutinizer shall, within a period of not exceeding three working days from the conclusion of the e-voting period, unlock the votes in the presence of at least two witnesses, not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor of or against, if any, forthwith to the Chairman of the Company.
- e. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on 22.09.2015 The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.curatechnologies.co.in](http://www.curatechnologies.co.in) and on the website of CDSL within two days of the passing of the resolutions at 24th Annual General Meeting of the Company on 30th day September, 2015 and communicated to the Stock Exchanges.

## DIRECTORS' REPORT

To  
The Members

Your Directors have pleasure in presenting the Twenty Fourth Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2015.

### REVIEW OF PERFORMANCE:

The Highlights of the financial results is as below

(Standalone, Amount in ₹ Lakhs)

Particulars	Current Year 2014-15	Previous Year 2013-14
<b>Income</b>		
Software & Technical Services	557.73	542.08
Lease/Rental Income	314.46	309.22
Other Income	11.24	12.11
<b>Total Income</b>	<b>883.43</b>	<b>863.41</b>
<b>Total Expenditure</b>	<b>3349.78</b>	<b>1,344.72</b>
Profit/(loss) before tax	(2466.36)	(481.31)
Provision for Tax	(13.12)	(16.15)
Net Profit/(Loss) after Tax	(2453.24)	(465.16)
EPS- Basic	(25.67)	(4.87)
EPS - Diluted	(25.67)	(4.87)

### Global Operations:

Your Company has recorded a consolidated income (as per Indian GAAP) of 3193.72 Lakhs for the Financial Year under review and Loss of 12705.34 Lakhs.

### DIVIDENDS:

Due to losses, no dividend has been recommended by directors for the financial year 2014-15

### PUBLIC DEPOSITS:

Your Company has not accepted any deposits falling under Section 76(1) of the Companies Act, 2013 read with the Rule 2 of the Companies (Acceptance of Deposits) Rules 2014 during the year under review.

### DIRECTORS:

During the year Sri. Bala Reddy G retires by rotation and being eligible offers himself for re-appointment. The Board recommends his reappointment.

### PARTICULARS OF EMPLOYEES:

There are no employees whose particulars are to be furnished U/s 197 (12) of the Companies Act, 2013 and any other applicable provisions of the Act read with Rues 5(2) and 5(3) of the Companies, (Appointments and remuneration Managerial Personnel) Rules 2014, as the remuneraion of none of the employees has crossed the limits specified therein.a

### DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013 and any other applicable provisions of the Act the Directors of your Company hereby confirm that :

- i. That in the preparation of Annual Accounts for the year ended 31st March, 2015, the applicable accounting standards have been followed along with the proper explanation relating to material departures, if any, there from;
- ii. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the



state of affairs of the Company at the end of the financial year ended 31st March, 2015 and of the profit and loss of the Company for that period;

- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- iv. The Directors have prepared the annual accounts on a going concern basis.

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

Information in accordance with Section 134(5) of Companies Act, 2013 and any other applicable provisions of the Act read with the Companies (Accounts) Rules, 2014 and form part of the Directors Report for the period ended 31st March, 2015 is follows:

- A. Conservation of Energy** - Your Company is engaged in Software Development and IT Enabled Services and hence the details in respect of the above are not applicable. However, measures are taken to reduce energy consumption wherever possible.
- B. Research & Development** - Research and development of new services, designs, frameworks, processes and methodologies continue to be of importance at your Company. This allows Company to enhance quality and productivity and customer satisfaction through continuous innovation.
- C. Technology Absorption** - The Company being a knowledge based entity, continuously adapt itself to changing technologies so as to adhere to the quality policy and meet its clients' expectations.
- D. Foreign Exchange Earnings & Outgo:**

	<b>2014-15</b>	<b>2013-14</b>
Foreign Exchange earnings	₹ 267.10	₹ 393.92
Foreign Exchange outgo	--	₹ 10.57

#### **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 these Exchanges for the year 2015-16.

#### **SUBSIDIARY COMPANIES:**

The Audit Committee of the Company reviews the financial statements of the subsidiary companies. The Audit Committee also reviews investment made by subsidiary companies, minutes of their Board meetings, and the statement of all significant transactions and arrangements entered into by the subsidiary companies. None of the Indian subsidiary of the Company falls under the term 'material non-listed Indian subsidiary' as defined under Clause 49 of the Listing Agreement.

The Company has 6 subsidiaries (including step down subsidiaries) as on 31st March 2015.

- a) CURA Global GRC Solutions Pte Ltd, Singapore.
- b) CURA Risk Management Software (PTY) Limited, South Africa.
- c) CURA Software Solutions UK Limited, UK.
- d) CURA Software Solutions Company, USA.
- e) CURA Risk Management Software (PTY) Limited, Australia.
- f) Softpro Technologies Private Limited.

The Consolidated Financial Statements represented by the Company includes the Audited Financial Information of its subsidiaries

As per Section 129(3) of Companies Act 2013 and any other applicable provisions of the Act (Corresponding to Section 212 of the Companies Act, 1956 to the extent applicable) the Company is required to attach the Directors' Report, Balance Sheet and Profit and Loss Account of the subsidiaries to the Annual Report. The Ministry of Corporate Affairs, Government of India vide its circular No. 2/2011 dated 8th February 2011 has provided an exemption to companies from complying with Section 212, of The Companies Act 1956, provided such companies publish the audited consolidated financial statements in their annual report. Accordingly, the Annual Report 2014-15 does not contain the financial statements of the subsidiaries.

The audited financial statement and related information of the subsidiaries will be made available for inspection during business hours at our registered office in Hyderabad, India and separate of copy of such statements will be provided at the request of the members.

**SECRETARIAL AUDITOR :**

Dr Mohan S Rao, Practising Company Secretary has been appointed as the Secretarial Auditor to carry out the Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013 and the rules made thereunder. The Report of the Secretarial Auditor is enclosed to this Report as Annexure "III".

**AUDITORS:**

M/s. Rambabu & CO., Chartered Accountants, Hyderabad as statutory Auditors of the Company retires at the ensuing annual general meeting.

Pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules framed thereunder, it is proposed to ratify the appointment of M/s. Rambabu & CO., (ICAI Reg. No. 002976S) as statutory auditors of the Company from the conclusion of the forthcoming AGM till the conclusion of the 28th AGM to be held in the year 2019, subject to ratification of their appointment at every AGM. M/s. Rambabu & CO., Chartered Accountants have furnished the Certificate of their eligibility for appointment in compliance with Section 141 of the Companies Act, 2013

The Board recommends their appointment.

**CORPORATE GOVERNANCE:**

- a) Management Discussion & Analysis Report: Aspects of Management Discussion and Analysis is enclosed as Annexure - I to this report.
- b) Report on Corporate Governance: A separate report on Corporate Governance along with Auditor's Certificate on its compliance is enclosed as Annexure - II to this report.

**ACKNOWLEDGEMENTS:**

Your Directors thank customers, vendors, bankers, and service providers as well as regulatory and Governments Authorities for their support.

Your Directors would also like to place on record their sincere appreciation and gratitude to the Shareholders for their support and co-operation. Your Directors express their heartfelt gratitude to the employees for their exceptional commitment and loyalty to the Company.

BY ORDER OF THE BOARD  
For **CURA TECHNOLOGIES LIMITED**  
Sd/-  
**BALA REDDY G**  
Chairman & Managing Director

Place : Hyderabad

Date : 27.08.2015

STATEMENT PURSUANT TO SECTION 129(3) OF THE COMPANIES ACT, 2013 (CORRESPONDING TO SECTION 212 OF THE COMPANIES ACT, 1956 TO THE EXTENT APPLICABLE) RELATING TO SUBSIDIARY COMPANIES

S. No	Name of Subsidiary	Financial year of the Subsidiary company ended on	Holding Company Interest	Net aggregate amount of profit or losses of the subsidiary in so far as not dealt with in the Company's account so far as it concerns the members of the Holding Company	
				Current Year	Previous Year
1	Softpro Technologies Private Limited	31st March, 2015	93.28% (932820 Equity Shares of Rs. 10 each fully paid)	(6500)	(6,500)
2	CURA Global GRC Solutions Pte Ltd, Singapore	31st March, 2015	100% (subsidiary to CURA, India)	(2,02,46,177)	(91,100,533)
3	CURA Risk Management Software (PTY) Limited, South Africa	31st March, 2015	100% (Step down subsidiary to CURA, Singapore)	(2,81,17,929)	(14,512,160)
4	CURA Software Solutions UK Limited, UK	31st March, 2015	100% (Step down subsidiary to CURA, South Africa)	(10,20,778)	(7,049,446)
5	CURA Software Solutions Company, USA	31st March, 2015	100% (Step down subsidiary to CURA, South Africa)	(18,36,339)	9,159,646
6	CURA Risk Management Software (PTY) Limited, Australia	31st March, 2015	100% (Step down subsidiary to CURA, South Africa)	1,91,62,365	(44,697,951)

**INFORMATION ON FINANCIALS OF THE SUBSIDIARIES**

(Pursuant to circular no. 2/2011 dated 08th February, 2012 issued by Ministry of Corporate Affairs)

S. No.	Name	Capital	Reserves	Other Liabilities	Total Liabilities	Fixed Assets	Total Assets	(except investment in the subsidiaries)	Turnover	Profit before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend
1	Sofpro Technologies Pvt Limited - Hyderabad, India	10,000,000	1,92,755	4,20,941	1,06,13,696	0	1,06,13,696	NIL	NIL	(6,500)	NIL	(6,500)	NIL
2	Cura Global GRC Solutions Pte Limited - Singapore	17,03,01,143	(1,50,58,05,565)	1,44,80,83,559	11,25,79,137	0	11,25,79,137	NIL	5,61,48,251	(2,02,46,177)	NIL	(2,02,46,177)	NIL
3	Cura Risk Management Software (Pty) Ltd - South Africa	7,43,73,670	(4,75,57,231)	15,39,47,468	18,07,63,906	4,27,095	18,07,63,906	NIL	7,98,05,733	(2,81,17,929)	NIL	(2,81,17,929)	NIL
4	Cura Software Solutions UK Limited - UK	9,276	(1,52,49,987)	0	(1,52,40,711)	39,236	(1,52,40,711)	NIL	1,76,59,984	(10,20,778)	NIL	(10,20,778)	NIL
5	Cura Software Solutions Company - USA	6,253	(7,64,47,865)	13,04,30,514	5,39,88,902	0	5,39,88,902	NIL	1,67,78,050	(18,36,339)	NIL	(18,36,339)	NIL
6	Cura Risk Management Software (Pty) Ltd - Australia	4,808	(4,29,71,355)	(1,38,81,263)	(5,68,47,810)	7,47,008	(5,68,47,810)	NIL	9,80,99,609	1,91,62,365	NIL	1,91,62,365	NIL

## **ANNEXURE - I**

### **Management Discussion & Analysis**

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 Company Significant player is becoming a fully integrated company. CURA Global GRC solutions pte Ltd, a global operation risk management solution provider, CURA has an interesting track record of serving more than 50 fortune 175 clients with a total customer base in excess of 250 worldwide and operation spanned across US, UK, Australia and South Africa. The company was suitable in all respects of having a strong product, with wide customer base, an experienced management team and operating in multiple geographies. This marks the shift in focus, as mentioned during our last discussion, from a services based company to a product based company.

### **Current Industry Trends**

Global economic meltdown has taken a toll on technology spending worldwide. Corporations have adopted multiple ways to reduce costs and stay afloat. The receding recessionary trends in the last one year have given some organization headroom to relook at technology adoption to build processes that not only identify risks but also mitigate them. Similarly, increasing compliance requirements for public corporations has started to put pressure on corporations to build and make the processes transparent. We would also see some operating policies, procedures and processes mandated to create transparency to all stake holders. We are also seeing an increase in number of operational processes being automated which is increasing the robustness of the product. Compliance and risks are specific to geographies and therefore products in the market place are also turning from being generic to a combination of vertical and geography specific. While spending on technology is on the rise, corporations are judicious in selecting products which brings a hope with a caution. Industry has been dominated with small players till the recent past and consolidation started to take place. Large IT players have acquired small GRC companies and are looking to deploy resources to enhance the product and build the presence in the space. This indicates that the market is gearing up for larger and specialized deployments and competitions would strengthen in the short to medium term. Various government and industry and forums are evolving promoting the importance of risk and compliance and are working closely with all the industry stakeholders to evolve standards in assessment and mitigation. While the industry preparing itself for the next big leap in the next couple of years, is also cautioning on being judicious in planning and developing products that address the immediate needs of the customers.

### **Company's Plans**

Taking industry trends in consideration and assessing the internal strengths of the company we have set out an agenda for the current financial year to focus on the following:

- a) Enhancing the product features and drawing up a product road map for the medium term;
- b) Increasing the management bandwidth by building leadership layers to build a long term sustainable growth plan;
- c) Strengthening domain expertise to widen our offering to multiple industries;
- d) Internal organization to create flexibilities in addressing the customer needs faster and better;
- e) Constantly looking for opportunities to strengthen our position in the market place;
- f) While we focus on enhancing our customer base we also focus on the existing customer base for opportunities to broaden our offering and maintain continuity in serving them;
- g) Since the acquisition atmosphere is settled we also plan to strengthen the company operationally and financially.

## **OPPORTUNITIES AND OUTLOOK**

Cost effective base and skilled work force provide excellent opportunities for Indian Companies in general and for CURA in particular. The opportunity is being capitalized by growing outsourcing and number of products going off parent. Over the years, CURA institutionalized competencies that make it a preferred partner for a number of companies. This could lead to enhanced value creating opportunities in software world through a better leverage of existing relationships and research capabilities.

### **Risk and concerns:**

Some of the risks and concerns inherent to technology business which CURA may face are as follows

- a) Prolonged financial crisis, that can prolong shyness in Technology expenditure
- b) Cost cutting measures on corporate scale
- c) Cheaper alternative to achieve efficiencies
- d) Inherent lateral integration and subsequent competitive environment

### **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.

## **SEGMENT-WISE PERFORMANCE**

The necessary details are given as part of the notes to the financial statements.

## **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

## **ANNEXURE - II**

### **REPORT ON CORPORATE GOVERNANCE**

#### **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:**

The present strength of the Board consists of 5 Directors, Three of them are independent non-executive, one is promoter Executive Director and one Executive Director. Your Company has taken all necessary steps to strengthen the Board with Optimum combination of independent and promoter Directors. Board of Directors guides, direct and oversees overall management of the Company and protect interest of shareholders, employees and the society at large. No Director of the Company is a member in more than 10 committees or acts as Chairman of more than 5 committees across all companies, in which he/she is a director.

During the financial year 2014-15, Five (5) Board Meetings were held on the following dates:

30.05.2014	30.08.2014	23.03.2015
14.11.2014	13.02.2015	

Attendance of each Director at the Board meeting and last Annual General Meeting (AGM) and the number of Companies and committees where he is Director / Member (as on the date of Directors Report):

#### **Composition of Board as on 31st March, 2015:**

S. No	Director	Category	Attendance at AGM	Attendance in		Other Boards	
				Board Meeting Held	Board Meeting Attended	Directors hip	Committees
1.	Mr. G. Bala Reddy	Promoter Executive	Yes	5	5	8	1
2.	Mr. G. Venkateshwara Rao	Executive	Yes	5	5	3	1
3.	Ms. G. Lalitha	Non-Executive Independent	No	5	4	-	-
4.	Mr. N. Venkata Reddy	Non-Executive Independent	No	5	5	3	-
5.	Mr. A. V. N. Reddy	Non-Executive Independent	No	5	5	5	-

### 3. COMMITTEES OF THE BOARD

#### AUDIT COMMITTEE:

The primary objective of Audit Committee is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures and transparency in financial reporting.

#### Role of Audit Committee:

1. To oversee the Company's financial reporting process and disclosure of its financial information.
2. To recommend the appointment and removal of external auditors, fixation of audit fee and approval for payment of any other services;
3. To review with management the quarterly and annual financial results before submission to the Board
4. To review the adequacy of internal control systems with the management, external auditors and internal auditor;
5. To review the adequacy of internal audit function; discussing with internal auditor any significant findings and reviewing the progress of corrective actions on such issues; Major accounting policies and practices, compliance with accounting standards and with the stock exchange and legal requirements concerning financial statements and related party transactions, if any,
6. To review the findings of any internal investigations by the internal auditor in matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and then reporting such matters to the Board;
7. To discuss with external auditors, before the audit commences, the nature and scope of audit as well as having post-audit discussions to ascertain areas of concern, if any;
8. To recommend the appointment and removal of cost auditors;
9. To review the Company's financial and risk management policies
10. To review the progress made on cases that are reported under the Whistle Blower Policy of the Company..

#### ★ Composition & Qualifications:

Audit Committee comprises of 3 Non-Executive Independent Directors and thus majority of them being Independent Directors. The head of Finance & Accounts, representatives of the Statutory Auditors are the permanent invitees to the Audit Committee.

Name	Designation	Qualification
Ms. G. Lalitha	Chairperson	M.A, M. Phil
Mr. N. Venkata Reddy	Member	B E Electricals
Mr. A. V. N. Reddy	Member	MBA

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

#### ★ Meetings and Attendance during the year:

The Audit Committee met Four times during the financial year 2014-15 on

30.05.2014	14.08.2014	14.11.2014	13.02.2015
------------	------------	------------	------------



The attendance record of the Audit Committee members is given below:

Members	No. of Meetings held	Attended
Ms. G. Lalitha	4	4
Mr. N. Venkata Reddy	4	4
Mr. A.V.N. Reddy	4	3

#### **NOMINATION AND REMUNERATION COMMITTEE:**

##### **★ Brief description of terms of reference**

The Nomination and Remuneration Committee is vested with the powers relating to formulating the criteria for determining qualifications, attributes, independence of a directors, recommend to the board policies for executive directors and senior managements.

The Committee shall also identify & screen candidates who qualify to become directors and may be appointed in senior management with the criteria laid down, evaluation of director's performance, approving and evaluating the compensation plans, policies and programs for executive directors and senior managements.

##### **Composition:**

Remuneration Committee of the Company consists of following non-executive independent Directors, which is as follows:

Ms. G. Lalitha	Chairperson
Mr. N. Venkata Reddy	Member
Mr. A. V. N. Reddy	Member

##### **Details of remuneration paid to the Directors:**

Presently, the non-executive Directors do not receive any remuneration from the Company.

The aggregate value of salary and perquisites for the year ended 31.03.2015 to Executive Directors are as under:

Name of Director	Salary & Perks
G. Venkateswara Rao	₹ 15,00,000/-

#### **STAKEHOLDERS RELATIONSHIP COMMITTEE:**

##### **★ Composition:**

The following Directors consists the above committee:

Ms. G. Lalitha	Chairperson
Mr. N. Venkata Reddy	Member
Mr. A.V.N. Reddy	Member

##### **★ The role of Stakeholders' Relationship Committee is as follows:**

1. Considering and resolving the grievances of shareholders of the Company with respect to transfer of shares, non-receipt of annual report, non-receipt of declared dividend, etc.;
2. Ensuring expeditious share transfer process in line with the proceedings of the Share Transfer Committee;
3. Evaluating performance and service standards of the Registrar and Share Transfer Agent of the Company;

OTHERS:

##### **(a) Name and designation of Compliance officer:**

Mr. G. Venkateswara Rao - Compliance Officer

##### **(b) Details of Investor complaints received and redressed during the year:**

Nature of Complaints	Year 2014 - 15		
	Received	Resolved	Pending
Total Complaints	02	01	01

#### 4. General Body Meetings:

##### ● Location and time where the last three AGMs held:

Year	Location	Date	Time	No of Special Resolutions
2013-14	The Conference Hall, 5th Floor, Plot No # 12, Software Units Layout, Cyberabad, Hyderabad - 500 081.	Saturday 30.09.2013	10.00 AM	01
2012-13	The Conference Hall, 5th Floor, Plot No # 12, Software Units Layout, Cyberabad, Hyderabad - 500 081.	Monday 30.09.2013	10.00 AM	01
2011-12	The Conference Hall, 5th Floor, Plot No # 12, Software Units Layout, Cyberabad, Hyderabad - 500 081.	Friday 28.09.2012	10.00 AM	Nil

One Special Resolution was passed in last Annual General Meeting (AGM) for authorization to Mortgage and/or create charge on all or any of the movable or immovable properties.

No Special Resolutions were passed through postal ballot at the Last Annual General Meeting (AGM) and no Special Resolutions are proposed through postal ballot at the ensuing Annual General Meeting.

#### 5. DISCLOSURES:

##### **CMD Certification:**

The Managing Director have given a certificate to the Board as contemplated in Clause 49 of the Listing Agreement.

##### **Related Party Transactions:**

There are no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc., that may have potential conflict with the interests of Company at large:

Transactions with related parties were disclosed in the Notes to Accounts in the Annual Report.

##### **Compliance with the Governance Framework**

The Company is in compliance with all mandatory requirements of Clause 49 of the Listing Agreement. In addition, the Company has also adopted the non-mandatory requirements of constitution of the Remuneration Committee and establishing of Whistle Blower mechanism

##### **Details of Non Compliance and Penalties:**

There was no non-compliance by the Company during the last 3 years on any matter relating to capital markets and there were no penalties, strictures imposed on the Company by stock Exchange or SEBI or any statutory authority.

##### **Means of Communication:**

Quarterly results and Annual Results of the Company are normally published in Telugu & English Newspaper. Further all material information which will have some bearing on the operation of the Company is sent to stock exchanges concerned.

##### **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 section of this Report.

#### Management Discussion and Analysis Report:

As required by Clause 49 of the Listing Agreement, Management Discussion and Analysis report is a part of the Annual Report

#### 6. GENERAL SHAREHOLDER INFORMATION:

**AGM:** The 24th Annual General Meeting of the Company will be held on **WEDNESDAY, 30TH SEPTEMBER, 2015 at 11.00 A.M.** at Registered Office of the Company at 5th Floor, Conference Hall, Plot No. 12, Software Units Layout Cyber bad, Hyderabad - 500 081.

#### Financial Calendar:

First Quarter Results	First week of August, 2015
Second Quarter Results	First week of November, 2015
Third Quarter Results	First week of February, 2015
Audited Financial Results	Last week of May, 2015

**Book Closure Date: Wednesday, 23rd September, 2015 to Wednesday, 30th September, 2015 (both days inclusive)**

**E-voting Dates:** Sunday, 27th September, 2015 9 A.M to Tuesday, 29th September, 2015 5.00 PM

**Dividend Payment Date:** N.A.

**Listing on Stock Exchanges:** The shares of the Company are listed on the following Stock Exchanges:

S. No.	High	Stock Code
1.	BSE Limited	532332
2.	National Stock Exchange of India Limited	CURATECH

Your Company has paid the Annual Listing Fee for the year 2015-16 to Bombay Stock Exchange Limited and National Stock Exchange Limited.

**Market Price Data & performance in comparison to BSE Sensex:** High/Low during each month in last financial year on the Stock Exchange is as follows:

Month	BSE Limited	
	High (₹)	Low (₹)
April 14	18.70	13.37
May 14	18.30	15.75
June 14	22.80	16.00
July 14	21.45	12.80
August 14	17.25	13.02
September 14	20.00	12.10
October 14	23.00	14.45
November 14	16.90	13.00
December 14	15.50	11.80
January 15	21.00	13.00
February 15	17.70	13.00
Marh 15	18.00	9.08

#### Index Comparison

**REGISTRAR AND TRANSFER AGENTS:****Venture Capital and Corporate Investments Private Limited**

12-10-167, Bharatnagar, Hyderabad - 500 018

Phone: 040 - 23818475

Fax: 040 - 23868024

E-mail: info@vccilindia.com

**Share Transfer System:**

All the physical share transfers received are processed by the Share Transfer agents, M/s. Venture Capital and Corporate Investments Private Limited. The Company's shares are being traded in compulsory De-mat form. The Company has already entered into agreement with both the depositories i.e. NSDL and CDSL, for dematerialization of shares, which enables the shareholders to hold and transfer shares in electronic form.

**SEBI Complaint Redressal System (SCORES):**

SEBI has initiated SCORES for processing Investor Complaints in a centralized Web based Redress System and online Redressal of all the Shareholders Complaints. The company is the Compliance with the SCORE and Redressed the share holder complaints well within the stipulated time.

**SHAREHOLDING PATTERN AS ON 31ST MARCH, 2015:**

S. No	Category	No. of Shares	% of Shareholding
1	Indian Promoters	3777251	39.53
3	Mutual Funds & UTI	--	--
4	Banks, Financial Institutions, Insurance Companies(Central/State Govt. Institutions/ Non-Govt. Institution)	63452	0.66
5	Foreign Institutional Investors	--	--
6	Private Corporate Bodies	982273	10.28
7	Indian Public	4650060	48.67
8	NRI's/OCB's	81964	0.86
	<b>TOTAL</b>	<b>95,55,000</b>	<b>100.00</b>

**DISTRIBUTION OF SHAREHOLDING AS ON 31<sup>ST</sup> MARCH, 2015 :**

S. No	Category From-To ₹            ₹	No. of Holders	% of Holders	No. of Shares	% of Shares
1	1 - 500	2527	84.46	286170	2.99
2	501 - 1000	136	4.55	112226	1.17
3	1001 - 2000	91	3.04	140230	1.47
4	2001 - 3000	56	1.87	143144	1.5
5	3001 - 4000	27	0.9	94322	0.99
6	4001 - 5000	23	0.77	108015	1.13
7	5001 - 10000	59	1.97	436675	4.57
8	10001 and above	73	2.44	8234218	86.18
	<b>TOTAL</b>	<b>2992</b>	<b>100</b>	<b>9555000</b>	<b>100</b>

**Dematerialization of shares and liquidity:**

The Company's shares are traded compulsorily in de-materialized form. In this connection, the Company has already entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the Company's ID is **INE117B01012**. The members are requested to dematerialize their physical holding in view of various advantages of holding the shares in dematerialized form. The details of the dematerialization of the company's shares with NSDL and CDSL and shares held in physical form are as under as on 31.03.2015:

<b>Category</b>	<b>No. of Shares</b>	<b>%</b>
NSDL	7777002	81.39
CDSL	1717550	17.98
PHYSICAL	60448	0.63
<b>TOTAL</b>	<b>95,55,000</b>	<b>100.00</b>

**Outstanding GDR's/ADR's/ Warrants or any Convertible instruments, conversion date and likely impact on equity: Nil**

**The Company has not issued GDR's/ADR's.**

**The Company has Nil FCWs outstanding as on 31.03.2015**

**Address for correspondence:**

**Venture Capital and Corporate Investments Private Limited**

12-10-167, Bharatnagar, Hyderabad - 500 018

Phone: 040 - 23818475

Fax: 040 - 23868024

E-mail: info@vccilindia.com

**DECLARATION OF THE MANAGING DIRECTOR ON COMPLIANCE WITH CODE OF CONDUCT AND ETHICS:**

Cura Technologies Limited has adopted a Code of Business Conduct and Ethics ("the Code") which applied to all employees and Director of the Company. Under code, it is responsibility of all employees and Directors to familiarize themselves with the Code and Comply with its standards. I, hereby certify that the Board Members and senior management personnel of Cura Technologies Limited have affirmed compliance with the Code for the Financial Year 2014-15.

Sd/-

**BALA REDDY G**

Chairman & Managing Director

**CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members of,  
**Cura Technologies Limited**  
Hyderabad.

We have examined the compliance of the conditions of Corporate Governance by Cura Technologies Limited (the Company) for the year ended on 31st March, 2015, as stipulated in Clause 49 of the Listing Agreement of the Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreements(s).

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

**Dr. Mohan S Rao**  
Company Secretary  
FCS No.: 5850  
C. P. No.: 14186

Place : Hyderabad

Date : 27th August, 2015

**Annexure III**  
**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014]  
For the Financial Year ended 31st March, 2015

To  
The Members,  
CURA Technologies Limited  
Plot No. 12, Software Units Layout,  
Cyberabad, Hyderabad - 500 081  
Telangana

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

The Company is in the Business of providing Software Applications to a class of Global Enterprises. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the period ended on 31st March, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period ended on 31st March, 2015 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the audit period);
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October, 2014.;

- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the audit period);
- f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the audit period);
- g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the audit period);
  - i) The following other laws as specifically applicable in the view of the Management.
    - (i) Income Tax act, 1961
    - (ii) The payment of bonus Act, 1965
    - (iii) Customs Act, 1962
    - (iv) Finance Act, 1994 (Service Tax)
    - (v) Minimum Wages Act, 1948
    - (vi) The Payment of Gratuity Act, 1972
    - (vii) The Payment of Wages Act, 1936
    - (viii) A.P Shops & Establishment Act, 1988

I further report that : having regard to the compliance system prevailing in the Company and on examination of relevant documents and records in pursuance thereof, on test-check basis and on the basis of the management representation that the Company has complied with all the industrial specific applicable laws.

I further report that : The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance as required, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority of the decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the respective meetings. I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

The Audit Committee of the Company reviews the financial statements of the subsidiary companies. The Audit Committee also reviews investment made by subsidiary companies, minutes of their Board meetings, and the statement of all significant transactions and arrangements entered into by the subsidiary companies. None of the Indian subsidiary of the Company falls under the term 'material non-listed Indian subsidiary' as defined under Clause 49 of the Listing Agreement.

The Company has 6 subsidiaries (including step down subsidiaries) as on 31st March 2015.

- a) CURA Global GRC Solutions Pte Ltd, Singapore.
- b) CURA Risk Management Software (PTY) Limited, South Africa.
- c) CURA Software Solutions UK Limited, UK.
- d) CURA Software Solutions Company, USA.
- e) CURA Risk Management Software (PTY) Limited, Australia.
- f) Softpro Technologies Private Limited.

The Consolidated Financial Statements represented by the Company includes the Audited Financial Information of its subsidiaries As per Section 129(3) of companies Act 2013 and any other applicable provisions of the Act (Corresponding to Section 212 of the Companies Act, 1956 to the extent applicable) the Company is required to attach the Directors' Report, Balance Sheet and Profit and Loss Account of the subsidiaries to the Annual Report. The Ministry of Corporate



Affairs, Government of India vide its circular No. 2/2011 dated 8th February 2011 has provided an exemption to companies from complying with Section 212 of Companies Act, 1956 provided such companies publish the audited consolidated financial statements in their annual report. Accordingly, the annual report 2014-15 does not contain the financial statements of the subsidiaries.

I further report that : the following are the brief events undertaken by Company during audit period:

During the period 2014-15, Five (5) Board meetings were held on 30, May, 2014, 30th August, 2014, 14th November, 2014, 13th February, 2015 and 23rd March 2015.

During the period 2014-15, Four (4) Audit Committee meetings were held on 30th May, 2014, 14th August, 2014, 14th November, 2014 and 13th February, 2015.

The Financial Year 2014-15 was for a period of 12 months i.e., from 1st April 2014 to 31st March, 2015.

**Dr. Mohan S Rao**  
Company Secretary  
FCS No.: 5850  
C. P. No.: 14186

Place : Hyderabad  
Date : 27th August, 2015

Dear Member,

**Service of documents through electronic mode under Green Initiative in the Corporate Governance by Ministry of Corporate Affairs (MCA), Government of India, New Delhi - Registration of e-mail address.**

The Ministry of Corporate Affairs has taken up 'Green Initiative' as a part of Corporate Governance by allowing paperless compliance companies as per their circular dated April 21, 2011 stating that the service of documents by a company can be made through electronic mode. MCA has further clarified that the company will be deemed to have complied with the provisions of Section 53 (Service of Documents) of the Companies Act, 1956, in case the documents like Notice, Annual Report etc., are sent to its members in electronic mode to their registered e-mail addresses.

Similarly, Securities and Exchange Board of India (SEBI) in line with the green initiative of MCA came out with the amendments to Equity Listing Agreement vide its circular dated October 5, 2011 to the effect that instead of supplying complete and full annual report to all the shareholders, the listed entities shall supply i) soft copies of full annual report to all those shareholders who have registered their e-mail addresses for the purpose, ii) hard copy of abridged annual report to others and iii) hard copies of full reports to those shareholders, who request for the same.

We, therefore, propose to send documents like Notices, Annual Reports, Postal Ballot papers and other communication to you through e-mail to be provided by you in this regard. Sending the notices and reports through electronic mode will definitely reduce paper consumption to a great extent and allow public at large to contribute towards a greener environment. The Notices, Annual Reports and other communication sent electronically will also be made available on our Company's website [www.curatechnologies.co.in](http://www.curatechnologies.co.in) for viewing by the members.

Since you are holding the shares in physical form, we request you to register your e-mail address with us by filling up the 'e-mail registration form' given below and post it to us in the self-addressed envelope (postage pre-paid) enclosed herein, for registering the same.

Please note that you will be entitled to be furnished, free of cost, with a printed copy of the Annual Report of the Company and other notice/ documents, in accordance with the provisions of Companies Act, 2013, upon receipt of a requisition from you, any time, as a member of the Company.

Thanking you and assuring you of our best services.

Yours faithfully,  
For **CURA Technologies Limited**  
Sd/-  
**BALA REDDY G**  
Chairman & Managing Director

## Independent Auditor's Report

To The Members of  
**CURA TECHNOLOGIES LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of CURA TECHNOLOGIES LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

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

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

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

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

## Opinion

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

## Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of written representations received from the directors as on 31st March, 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of Companies (Audit and Auditors) Rules, 2014 in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations as at 31st March 2015 on its financial position in its financial statements as referred to in note 2.17 to the financial statements.
    - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and on long term contracts including derivative contracts.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March 2015.

Place : Hyderabad  
Date : 29-05-2015

**FOR RAMBABU & Co.,**  
Chartered Accountants  
FRN: 002976S.  
Sd/-  
**Ravi Rambabu**  
Partner  
M.No.018541

**CURA TECHNOLOGIES LIMITED, HYDERABAD**

**Balance Sheet as at 31st March, 2015**

Particulars	Notes	As at 31 March,2015	As at 31 March,2014
<b>I EQUITY &amp; LIABILITIES</b>			
<b>1 SHARE HOLDERS' FUND</b>			
Share Capital	3	9,55,50,000	9,55,50,000
Reserves & Surplus	4	41,56,00,269	66,09,24,386
		<b>51,11,50,269</b>	<b>75,64,74,386</b>
<b>2 NON-CURRENT LIABILITIES</b>			
(a) Long Term Borrowings	5	27,47,78,946	20,60,27,573
(b) Deferred Tax Liabilities	6	33,85,457	46,97,515
(c) Other Long Term Liabilities	7	62,93,639	1,92,22,920
(d) Long Term Provisions	8	13,26,108	11,20,817
		<b>28,57,84,150</b>	<b>23,10,68,825</b>
<b>3 CURRENT LIABILITIES</b>			
(a) Trade Payables	9	92,29,434	2,95,85,617
(b) Other Current Liabilities	10	27,15,04,253	26,02,81,169
		<b>28,07,33,686</b>	<b>28,98,66,786</b>
		<b>1,07,76,68,106</b>	<b>1,27,74,09,997</b>
<b>II ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
<b>1 (a) Fixed Assets</b>	11		
Tangible Assets		11,03,27,366	11,99,42,078
Intangible Assets		31,91,082	67,86,254
Capital Work-in-progress		8,07,53,156	7,94,13,770
		<b>19,42,71,604</b>	<b>20,61,42,102</b>
(b) Non Current Investments	12	13,71,62,897	13,71,62,896
(c) Long Term Loans & Advances	13	53,33,86,948	70,40,23,499
		<b>67,05,49,845</b>	<b>84,11,86,395</b>
<b>2 CURRENT ASSETS</b>			
(a) Trade Receivables	14	20,47,62,082	20,79,32,319
(b) Cash and Bank Balances	15	31,50,455	18,87,480
(c) Short Terms Loans and Advances	16	2,22,500	1,52,57,045
(d) Other Current Assets	17	47,11,620	50,04,657
		<b>21,28,46,657</b>	<b>23,00,81,500</b>
		<b>1,07,76,68,106</b>	<b>1,27,74,09,997</b>

**See accompanying notes forming part of the financial statements 1 to 22**

The accompanying notes are an integral part of financial statements

As per our report of even date attached

for and on behalf of Board

**for RAMBABU&Co**

Chartered Accountants

Firm Registration No.: 002976S

**RAVI RAMBABU**

Partner No: 018541

Place: Hyderabad

Date: 29-05-2015

**G. Bala Reddy**

Chairman & Managing Director

**G.Venkateswara Rao**

Executive Director

<b>CURA TECHNOLOGIES LIMITED, HYDERABAD</b>			
<b>Statement of Profit and Loss for the year ended 31st March, 2015</b>			
<b>Particulars</b>	<b>Note</b>	<b>for the year ended 31 March 2015</b>	<b>for the year ended 31 March 2014</b>
Revenue from operations	18	5,57,72,548	5,42,07,745
Other Income	19	3,25,69,568	3,21,32,468
<b>Total Revenue</b>		<b>8,83,42,116</b>	<b>8,63,40,213</b>
<b>Expenses</b>			
Employee Benefit Expenses	20	3,95,88,927	3,71,72,844
Finance Costs	21	1,48,55,061	1,23,87,945
Depreciation & Amortisation expenses	11	1,33,61,472	94,47,608
Other expenses	22	26,71,72,830	7,54,63,317
<b>Total Expenses</b>		<b>33,49,78,290</b>	<b>13,44,71,713</b>
<b>PROFIT BEFORE TAX &amp; EXCEPTIONAL ITEMS</b>		<b>(24,66,36,174)</b>	<b>(4,81,31,499)</b>
Tax Expenses			
Current Tax		-	
Deferred Tax		(13,12,058)	(16,15,151)
<b>PROFIT AFTER TAX BEFORE EXCEPTIONAL ITEMS</b>		<b>(24,53,24,116)</b>	<b>(4,65,16,348)</b>
Exceptional items		-	-
<b>PROFIT AFTER TAX AND EXCEPTIONAL ITEMS</b>		<b>(24,53,24,116)</b>	<b>(4,65,16,348)</b>
<b>EARNINGS PER EQUITY SHARE</b>			
Equity share of par value Rs.10/- each			
<b>Earnings per share</b>			
Basic - Par value		(25.67)	(4.87)
Diluted - Par value		(25.67)	(4.87)
<b>Number of shares used in computing earning per share</b>			
Basic - Par value		95,55,000	95,55,000
Diluted - Par value		95,55,000	95,55,000

**See accompanying notes forming part of the financial statements 1 to 22**

The accompanying notes are an integral part of financial statements

As per our report of even date attached

for and on behalf of Board

**for RAMBABU&Co**

Chartered Accountants

Firm Registration No.: 002976S

**RAVI RAMBABU**

Partner No: 018541

Place: Hyderabad

Date: 29-05-2015

**G. Bala Reddy**

Chairman & Managing Director

**G.Venkateswara Rao**

Executive Director

<b>CURA TECHNOLOGIES LIMITED, HYDERABAD</b>		
<b>Cash Flow Statement for the year ended 31st March, 2015</b>		
<b>Particulars</b>	<b>for the year ended 31 March 2015</b>	<b>for the year ended 31 March 2014</b>
<b>Cash flow from operating activities</b>		
Net Profit / (Loss) before extraordinary items and tax	(24,66,36,174)	(4,81,31,499)
Adjustments for:		
Depreciation and amortization	1,33,61,472	94,47,608
Foreign exchange loss/ (gain)	2,67,09,516	4,04,49,204
Interest received	(1,53,854)	3,07,619
Interest expenses	1,48,55,061	1,23,87,945
Accrued interest		
Operating profit / (loss) before working capital changes	<b>(19,18,63,979)</b>	<b>1,44,60,876</b>
<u>Changes in working capital:</u>		
<b>Adjustments for (increase) / decrease in operating assets:</b>		
Trade receivables	31,70,237	(2,19,31,866)
Short-term loans and advances	1,79,484	21,80,619
Long-term loans and advances	21,29,71,444	(25,02,15,260)
<b>Adjustments for increase/(decrease) in operating liabilities:</b>		
Trade payables	(2,03,56,183)	67,66,035
Other current liabilities	1,12,23,083	24,96,31,052
Other Long term liabilities	(1,29,29,281)	
Long-term provisions	2,05,291	(3,68,421)
	<b>19,44,64,074</b>	<b>(1,39,37,840)</b>
Cash generated from operations	26,00,095	5,23,036
Net income tax (paid) / refunds	-	-
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>26,00,095</b>	<b>5,23,036</b>
<b>Cash flow from investing activities</b>		
Capital expenditure on fixed assets, including capital advances	(14,90,975)	(63,688)
Sale of fixed asset		
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(14,90,975)</b>	<b>(63,688)</b>
<b>Cash flow from financing activities</b>		
Dividends paid	40,395	
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>40,395</b>	-
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>11,49,515</b>	<b>1,51,729</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>17,05,684</b>	<b>15,53,954</b>

**See accompanying notes forming part of the financial statements 1 to 22**

The accompanying notes are an integral part of financial statements

As per our report of even date attached

for and on behalf of Board

**for RAMBABU&Co**

Chartered Accountants

Firm Registration No.: 002976S

**RAVI RAMBABU**

Partner No: 018541

Place: Hyderabad

Date: 29-05-2015

**G. Bala Reddy**

Chairman & Managing Director

**G.Venkateswara Rao**

Executive Director

<b>CURA TECHNOLOGIES LIMITED, HYDERABAD</b>		
<b>Notes forming part of Balance sheet</b>		
<b>Particulars</b>	<b>As at 31 March, 2015</b>	<b>As at 31 March, 2014</b>
<b>Note 3 :</b>		
<b>Share Capital</b>		
<b>Authorised Share Capital</b>		
100,00,000 Equity shares of Rs.10 each	10,00,00,000	10,00,00,000
	<b>10,00,00,000</b>	<b>10,00,00,000</b>
<b>Issued, Subscribed &amp; Paid up Capital</b>		
95,55,000 Equity Shares of Rs.10/- each fully paid up (Previous year 95,50,000 Equity Shares of Rs.10/- each fully paid-up)	9,55,50,000	9,55,50,000
	<b>9,55,50,000</b>	<b>9,55,50,000</b>
<b>Reconciliation of the equity shares outstanding is set out below:</b>		
<b>Equity Shares:</b>		
Number of shares outstanding at the beginning of the year	95,55,000	95,55,000
<b>Share issued during the year:</b>		
on exercise of employee stock options	-	-
Number of shares outstanding at the end of the year	<b>95,55,000</b>	<b>95,55,000</b>
<b>Details of shareholders holding more than 5% shares in the company</b>		
<b>Particulars</b>		
SAHASRA INVESTMENTS ( P ) LTD	36,17,726	36,17,726
Share holding %	37.86	37.86
<b>Note 4 :</b>		
<b>Reserves &amp; Surplus</b>		
a Capital reserve	15,65,900	15,65,900
b Securities premium		
Opening balance	61,32,87,556	61,32,87,556
Closing balance	61,32,87,556	61,32,87,556
c General reserve		
Opening balance	3,23,28,123	3,23,28,123
Closing balance	3,23,28,123	3,23,28,123
d Profit and Loss Statement		
Opening balance	1,37,42,807	6,02,59,155
Add: Profit for the year	(24,53,24,116)	(4,65,16,348)
Closing balance	(23,15,81,310)	1,37,42,807
	<b>41,56,00,269</b>	<b>66,09,24,386</b>
<b>Note 5 :</b>		
<b>Long Term Borrowing</b>		
From Banks – Secured		
(a) Andhra Bank Term Loan (refer note 5.1)	27,47,78,946	20,50,02,573
Unsecured		
Sahasra Investments Pvt. Ltd.	-	10,25,000
	<b>27,47,78,946</b>	<b>20,60,27,573</b>
Notes forming part of Balance sheet		



Particulars	As at 31 March, 2015	As at 31 March, 2014
<b>Note 5.1</b>		
During the financial year 2009-10, Cura Global GRC Solutions Pte Ltd - Singapore, has taken a term loan of USD 14.24 Mn from Bank of India, Singapore. Andhra Bank, Hyderabad has given the financial guarantee to Bank of India, Singapore towards 50% of the loan sanctioned by Bank of India, Singapore for which the Company has given a counter guarantee to Andhra Bank, Hyderabad. During the Financial year 2012-13, Bank of India revoked the guarantee given by Andhra Bank, Hyderabad and Andhra Bank, Hyderabad in turn revoked the corporate guarantee given by the company and credited an amount of Rs. 26.86 crores to company's loan account. The said loan is secured by pari-passu mortgage charge on the Land and Building of the company. The Company has debited the the same amount along with the interest to Cura Global GRC Solutions Pte Ltd, Singapore and accounted the under the head Loan and advances to Subsidiaries.		
<b>Note 6 :</b>		
<b>Deferred Tax Liabilities</b>		
Opening Deferred tax liability	46,97,515	63,12,666
Tax effect of items constituting deferred tax liability		
On difference between book balance and tax balance of fixed assets	(13,12,058)	(16,15,151)
Net deferred tax liability	<b>33,85,457</b>	<b>46,97,515</b>
<b>Note 7 :</b>		
<b>Other Long Term Liabilities</b>		
Rental deposits	62,93,639	1,92,22,920
	<b>62,93,639</b>	<b>1,92,22,920</b>
<b>Note 8 :</b>		
<b>Long Term Provision</b>		
(a) Leave Encashment Payable	5,19,195	4,81,444
(b) Provision for Gratuity	8,06,913	6,39,373
	<b>13,26,108</b>	<b>11,20,817</b>
<b>Note 9 :</b>		
<b>Trade Payables</b>		
(a) Creditors for Materials	-	-
(b) Creditors for Services	92,29,434	2,95,85,617
	<b>92,29,434</b>	<b>2,95,85,617</b>
<b>Note 10:</b>		
<b>Other Current Liabilities</b>		
(a) Current maturities of long-term debt, Secured (refer note 10.1 & 5.1)		
(i) Andhra Bank Term Loan (refer note 10.1)	9,10,02,915	7,74,10,856
(ii) Andhra Bank Term Loan (refer note 5.1)	17,42,50,863	17,42,50,863
(b) Unclaimed dividends	1,41,402	1,82,337
(c) Provision for expenses	2,03,804	8,84,724
(d) Due to statutory authorities	41,63,297	71,43,038
(e) Other Liabilities (refer note 2.19)	17,41,971	4,09,352

Particulars	As at 31 March, 2015	As at 31 March, 2014
<b>Note 10.1</b> During the financial year 2009-10, the Company has taken a term loan of 9.38 crore from Andhra Bank, Hyderabad. The said loan is repayable in 60 equitable monthly installments of Rs 15.6 Lakhs each commencing from 20th Nov 2009. The said loan is secured by way of first charge on rent receivables from tenants and further secured by second charge on land and buildings of the Company and personal guarantee of Mr. G Bala Reddy, Director. Further the company has defaulted on repayment of the loan and the total outstanding of Rs 9.10 crores including interest is currently due.		
	<b>27,15,04,253</b>	<b>26,02,81,169</b>
<b>Note 12:</b> <b>Non Current Investments (Unquoted)</b> Cura Global GRC Solutions Pte Ltd. (Cost of 27,23,510 Equity Shares with face value of USD 1/- each fully paid and one Equity Shares of SGD 1/- each fully paid) Softpro Technologies Pvt Ltd (932,820 Equity Shares with face value of Rs.10/- each fully paid up after provision for diminution in value of investments)	13,24,98,797  46,64,100  -	13,24,98,796  46,64,100  -
	<b>13,71,62,897</b>	<b>13,71,62,896</b>
<b>Note 13:</b> <b>Long-term Loans and Advances</b> (Advances recoverable in cash or in kind or for the value to be received)		
a) Advances to Subsidiaries - (Cura Singapore) (refer note 5.1) Less: Advances written off	53,62,89,101 (8,63,76,463)	49,33,22,452 -
	<b>44,99,12,638</b>	<b>49,33,22,452</b>
b) Advances for capital goods Less: Advances written off	1,79,45,000 (1,79,45,000)	1,79,45,000 -
	-	<b>1,79,45,000</b>
c) Other advances Less: Advances written off	8,75,47,903 (7,88,23,987)	8,76,82,309 -
	<b>87,23,916</b>	<b>8,76,82,309</b>
d) Advances to Related Parties	5,98,94,821	9,32,50,902
e) Deposits with Government authorities (refer note 13.1)	31,07,536	28,92,088
f) Prepaid Taxes	1,17,48,037	89,30,748
	<b>53,33,86,948</b>	<b>70,40,23,499</b>
<b>Note 13.1:</b> Deposits with Government Authorities include an amount of Rs. 21,40,148 (previous year: Rs.19,24,700) towards Security Deposit with APCPDCL Hyderabad and other deposits Rs. 967,388 (previous year: 967,388)		
<b>Note 14:</b> <b>Trade Receivables</b> (Unsecured)		
a) Outstanding for more than 6 months Considered Good Considered doubtful	20,46,74,427 3,14,13,718	20,78,42,999 1,55,54,243
	<b>23,60,88,145</b>	<b>22,33,97,242</b>
Less: Provision for Doubtful Debts	-	(1,55,54,243)
Less: Bad Debts written off	(3,14,13,718)	
	<b>20,46,74,427</b>	<b>20,78,42,999</b>
b) Others	87,654	89,320
	<b>20,47,62,082</b>	<b>20,79,32,319</b>

Particulars	As at 31 March, 2014	As at 31 March, 2013
<b>Note 14.1:</b> Trade receivables for more than six months includes an amount of Rs. 20,46,74,427 receivable from wholly owned subsidiary CURA Global GRC solutions Pte Limited.(Previous year balance: Rs 19,21,36,141/-)		
<b>Note 15:</b> <b>Cash and Bank Balances</b>		
I) Cash and Cash Equivalents		
a) Cash in Han	14,716	6,302
b) Balances with scheduled banks		
i) In current accounts	29,94,337	16,99,381
II) Other Bank Balances		
a) Unclaimed Dividends	1,41,402	1,81,797
Cash and cash equivalents for cash flow statements	31,50,455	18,87,480
Out of the above Cash and Cash equivalents which meet the definition of Cash flow statements is Rs.30,09,053. (previous year Rs. 17,05,683)		
<b>Note 16:</b> <b>Short-term Loans and Advances</b>		
Advances to vendors	1,52,11,500	1,52,01,500
Less: Advances written off	(1,50,00,000)	-
	<b>2,11,500</b>	<b>1,52,01,500</b>
Staff loans and advances	11,000	55,545
	<b>2,22,500</b>	<b>1,52,57,045</b>
<b>Note 17:</b> <b>Other Current Assets</b>		
Prepaid expenses	11,56,679	12,31,357
Rent Receivables	35,30,630	37,48,989
Others	24,311	24,311
	<b>47,11,620</b>	<b>50,04,657</b>
<b>Note 18:</b> <b>Revenue from Operations</b>		
Software development on Exports Projects	5,57,72,548	5,42,07,745
	<b>5,57,72,548</b>	<b>5,42,07,745</b>
<b>Note 19:</b> <b>Other Income</b>		
Rent Receipts for Space (Gross Amount)	3,06,11,784	2,98,06,396
Less: Service Tax	(33,67,410)	(32,78,810)
	<b>2,72,44,374</b>	<b>2,65,27,586</b>
Maintenance Charges Receipts	42,01,509	43,94,338
Interest Received	1,53,854	3,07,619
Miscellaneous Income	9,69,831	9,02,926
	<b>3,25,69,568</b>	<b>3,21,32,468</b>
<b>Note 20:</b> <b>Employee Benefit</b>		
Salaries, wages and bonus	3,69,13,558	3,44,43,506
Contribution to provident and other funds	18,72,411	17,95,793
Staff welfare expenses	8,02,958	9,33,545
	<b>3,95,88,927</b>	<b>3,71,72,844</b>

Particulars	As at 31 March, 2015	As at 31 March, 2014
<b>Note 21:</b>		
<b>Finance Cost</b>		
Interest on term loans	1,46,63,526	1,17,66,924
Bank Charges & Commission	1,91,535	6,21,021
	<b>1,48,55,061</b>	<b>1,23,87,945</b>
<b>Note 22:</b>		
<b>Other Expenses</b>		
Advertisements	1,75,056	54,242
Selling expenses	44,42,880	-
Maintenance Expenses	46,03,823	37,25,274
Power and fuel	37,24,354	38,15,267
Professional & Consulting expenses	36,71,611	9,03,821
Travelling and conveyance	1,66,749	10,28,477
Foreign exchange loss	2,67,09,516	4,04,49,204
Communication	10,15,948	10,68,425
Rent	24,23,919	23,23,291
Security expenses	22,21,386	17,80,804
Rates and taxes	18,45,504	16,70,973
Printing and stationery	80,837	71,005
Insurance	4,54,526	6,52,451
Payment to auditors	6,50,000	6,50,000
Advances written off	19,81,45,450	-
Bad & Doubtful Debt written off	1,57,06,858	1,55,54,243
Miscellaneous	11,34,413	16,63,841
	<b>26,71,72,830</b>	<b>7,54,63,317</b>
<b>Note 22.1:</b>		
<b>Payments to the auditors comprises</b> (Excluding Service Tax)		
Audit Fee	4,50,000	4,50,000
Tax Audit Fee	1,00,000	1,00,000
Certification and others	1,00,000	1,00,000
	<b>6,50,000</b>	<b>6,50,000</b>

## Schedule 11 : FIXED ASSETS SCHEDULE

S. No.	Name of the Asset	GROSS BLOCK			DEPRECIATION			NET BLOCK				
		Balance as on 01-04-2014	Additions during the period	Sale or adjusts for the period	Balance as on 31-03-2015	Balance 01-04-2014	During the period	Sale or Adjts for the period	Total as on 31-03-2015	As on 31-03-2015	As on 31-03-2014	
<b>a) Tangible Assets</b>												
1	Land at Hyderabad	91,74,326	-	-	91,74,326	-	-	-	-	-	91,74,326	91,74,326
2	Building	8,59,36,779	-	-	8,59,36,779	1,51,37,356	14,00,323	-	1,65,37,679	6,93,99,100	7,07,99,423	
3	Air Conditioning System	1,80,66,934	-	-	1,80,66,934	93,38,175	7,59,319	-	1,00,97,494	79,69,440	87,28,759	
4	Plant & Machinery	31,70,162	-	-	31,70,162	17,78,250	1,19,362	-	18,97,612	12,72,550	13,91,912	
5	Electrical Equipments	63,38,874	-	-	63,38,874	32,15,186	5,12,108	-	37,27,294	26,11,580	31,23,688	
6	Electrical Fittings	94,78,245	-	-	94,78,245	48,86,263	7,72,138	-	56,58,401	38,19,844	45,91,982	
7	Interiors, Furniture & Fixtures	3,64,31,638	-	-	3,64,31,638	2,48,66,292	17,80,521	-	2,66,46,813	97,84,825	1,15,65,346	
8	Lift System	28,17,500	-	-	28,17,500	15,08,617	2,19,002	-	17,27,619	10,89,882	13,08,884	
9	Fire Safety Equipment	24,39,423	-	-	24,39,423	12,55,207	10,62,245	-	23,17,452	1,21,971	11,84,216	
10	Computers	1,64,76,699	24,089	-	1,65,00,788	1,54,39,193	5,86,740	-	1,60,25,933	4,74,855	10,37,506	
11	Office Equipment	39,39,512	-	-	39,39,512	12,58,642	23,24,684	-	35,83,326	3,56,186	26,80,870	
12	Library Books	63,389	-	-	63,389	63,389	-	-	63,389	-	-	
13	Motor Cars	20,74,460	-	-	20,74,460	15,86,890	1,02,359	-	16,89,249	3,85,211	4,87,570	
14	Land at Vizag (under development)	38,67,596	-	-	38,67,596	-	-	-	-	38,67,596	38,67,596	
	<b>TOTAL (a)</b>	<b>20,02,75,537</b>	<b>24,089</b>	<b>-</b>	<b>20,02,99,626</b>	<b>8,03,33,459</b>	<b>96,38,801</b>	<b>-</b>	<b>8,99,72,260</b>	<b>11,03,27,366</b>	<b>11,99,42,078</b>	
<b>b) Intangible Assets</b>												
1	Software Tools & Packages	1,57,56,087	1,27,500	-	1,58,83,587	89,69,833	37,22,672	-	1,26,92,505	31,91,082	67,86,254	
	<b>TOTAL (b)</b>	<b>1,57,56,087</b>	<b>1,27,500</b>	<b>-</b>	<b>1,58,83,587</b>	<b>89,69,833</b>	<b>37,22,672</b>	<b>-</b>	<b>1,26,92,505</b>	<b>31,91,082</b>	<b>67,86,254</b>	
	<b>TOTAL (a+b)</b>	<b>21,60,31,624</b>	<b>1,51,589</b>	<b>-</b>	<b>21,61,83,213</b>	<b>8,93,03,292</b>	<b>1,33,61,473</b>	<b>-</b>	<b>10,26,64,765</b>	<b>11,35,18,448</b>	<b>12,67,28,332</b>	

## NOTES FORMING PART OF FINANCIAL STATEMENTS

### 1. CORPORATE INFORMATION

CURA Technologies Limited (CURA' or 'the Company'), having registered office at #12, Software Units Layout, Cyberabad, Hyderabad, Telangana - 500 081, with its presence in 7 geographies of the world is a global enterprise class software application provider for organizations to efficiently manage their Risk, Compliance and Audit framework through an automated process.

### 2. SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

#### 2.1 Accounting Conventions:

The financial statements have been prepared under the historical cost conventions in accordance with the generally accepted accounting principles in India including the Accounting Standards notified by the Government of India and issued by the Institute of Chartered Accountants of India, as applicable, and the provisions of the Companies Act adopted consistently by the Company. All income and expenditure having a material bearing on the financial statements are recognized on accrual basis.

#### 2.2 Use of Estimates:

The preparation of the financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period like provision for employee benefits, provision for doubtful debts/advances/contingencies, allowances for slow/non moving inventories, useful lives of fixed assets, provision for taxation, etc. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results may vary from these estimates.

#### 2.3 Inventories:

Inventories have been valued at lower of cost or net realizable value.

#### 2.4 Cash and Cash equivalents (for purposes of Cash Flow Statement):

Cash comprises of cash on hand, amount in current accounts and deposit accounts.

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

#### 2.5 Depreciation and Amortization:

Depreciation on Fixed Assets including on the additions on account of revaluation has been provided on a straight-line method as per the useful lives specified in the Schedule II to the Companies Act, 2013.

Intangible assets are amortized over the estimated useful life:

The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization method is revised to effect the changed pattern.

## **2.6 Revenue Recognition:**

Revenue on services contracts are recognized as the related services are performed and revenue from the end of the last billing to the balance sheet date is recognized as unbilled revenues.

Annual maintenance contracts and revenue from fixed maintenance contracts are recognized over the period in which the services are rendered.

Revenue from sale of user licenses for software applications is recognized on transfer of title in the user license.

## **2.7 Expenditure :**

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

## **2.8 Tangible 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 the fixed assets are capitalized apart from taxes, freight and other incidental expenses related to the acquisition and installation of the respective fixed assets and excludes duties and taxes to the extent recoverable from tax authorities.

Fixed Assets which are revalued are stated at the amounts revalued as reduced by the depreciation.

## **2.9 Intangible assets:**

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

## **2.10 Foreign Exchange Transactions:**

### **Initial Recognition**

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

*Measurement of foreign currency monetary items at the Balance Sheet date*

Foreign currency monetary items (other than derivative contracts) of the Company at the Balance Sheet date are restated at the year-end rates.

**Treatment of exchange differences**

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognized as income or expense in the Statement of Profit and Loss.

**2.11 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.

**2.12 Employee Benefits:****a) Short Term Employee Benefits**

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages and short term compensated absences etc. are recognized in the period in which the employee renders the related service.

**b) Long Term Employee Benefits****Defined Benefit Plans**

The Company accounts its liability for future gratuity benefits based on actuarial valuation, as at the Balance Sheet date, determined every year by actuarial professionals using the Projected Unit Credit method. Actuarial gains / losses are immediately recognized in the Statement of Profit and Loss.

In respect of Provident Fund and Pension Fund, Contributions are made by the Company in accordance with the relevant rules and fully charged off to Statement of Profit and Loss.

The company provides for leave encashment based on valuations, as at the balance sheet date, made by independent actuaries.

**2.13 Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted



for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

#### **2.14 Taxes on Income**

Income tax liability for the year is calculated in accordance with the relevant tax laws and regulations applicable to the Company. Deferred tax is recognized on timing differences, being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

#### **2.15 Impairment of Assets**

The carrying amounts of assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's assets. The recoverable amount of such assets is estimated. Where the carrying amount of the asset exceeds the recoverable amount, the impairment loss is recognized in the Statement of profit and loss.

#### **2.16 Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Contingent liability is disclosed for (i) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

## 2.17 The company has the following Contingent liabilities as on :

Particulars	31 March, 2015	31 March, 2014
i) Bank Guarantee issued to Central Excise department	249,991	249,991
ii) Claim against the Company not acknowledge as debt	-	-

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	31 March, 2015	31 March, 2014
2005-2006	1,058,047	1,058,047
2006-2007	1,358,171	1,358,171
2007-2008	1,760,163	1,760,163
<b>Total</b>	<b>4,176,381</b>	<b>4,176,381</b>

2.18 Estimated amount of contracts remaining to be executed on capital accounts not provided for NIL [Previous year NIL].

2.19 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. The details of the outstanding options granted, expired and exercised are as follows:

Particulars	Shares arising out of options	Range of exercise price
Outstanding at the beginning of the year	35,000	₹ 42
Grants during the year	-	-
Expired/forfeited during the year	-	-
Exercised during the year	-	-
Outstanding at the end of the year	35,000	₹ 42
Exercisable at the end of the year	35,000	₹ 42

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

Particulars	As at 31 March 2015	As at 31 March 2014
a) Principal amount remaining unpaid and interest due thereon	NIL	NIL
b) Interest paid in terms of Section 16	NIL	NIL
c) Interest due and payable for the period of delay in payments	NIL	NIL
d) Interest accrued and remaining unpaid	NIL	NIL
e) Interest due and payable even in succeeding years	NIL	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.

**2,21 Information regarding related party transactions as per Accounting Standard 18 is given below:**

A) 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 Limited	Wholly Owned Subsidiary Company
ICSA (INDIA) Limited	Associate Company
Sahasra Investments Pvt Ltd	Associate Company

A) 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
Sales	5,57,72,548	-	-	-
		-	-	-
Rendering of Services	-	-	-	-
	-	-	-	-
Rental Income	-	-	-	-
	-	-	-	-
Loans and Advances given	44,99,12,638	8,09,916	-	-
	49,22,97,452	8,09,916	-	-
Balances Receivable/(Payable)	20,46,74,427	(20,50,000)	-	-
	68,44,33,593	(1,14,18,732)	-	-

Note: - Amounts in Italics relating to previous year.

2.22 Provision for Gratuity is made for the employees on the actuarial basis as per AS15 : **Gratuity**

	As at 31 March 2015	As at 31 March 2014
<b>Change in present value of obligations:</b>		
Present Value of Obligation at the beginning of the Year	639,373	417,687
Current Service Cost	259,513	234,504
Interest Cost	57,544	33,415
Actuarial (Gains) / Losses	(1,49,517)	(46,233)
Benefits paid		-
Present Value of Obligation at the end of the year	8,06,913	639,373
<b>Amounts Recognised in the Balance Sheet</b>		
Present Value of Obligation at the end of the year	8,06,913	639,373
Fair Value of Plan Assets as at the end of the year	-	-
Funded Status	(8,06,913)	(639,373)
Net Asset (Liability recognized in the Balance Sheet)	(8,06,913)	(639,373)
<b>Expense recognized in the Statement of Profit and Loss</b>		
Current Service Cost	259,513	234,504
Interest Cost	57,544	33,415
Expected Return on Plan Assets	-	-
Net Actuarial (Gains) / Losses Recognised in the year	(1,49,517)	(46,233)
Net Cost Recognized in the Profit & Loss Account	167,540	221,686
<b>Assumptions</b>		
Discount Rate	7.77%	9.00%
Future Salary Increase	3.00%	3.00%
Expected Rate of Return on Plan Assets	0 to 5 : 5% 5 to 10 : 3.7%	0 to 5 : 5% 5 to 10 : 3.7%

2.23 Provision for Leave Encashment is made for the employees on the actuarial basis as per AS15 : **Leave Encashment**

	As at 31.03.2015
<b>Assumptions</b>	
<b>Change in present value of obligations:</b>	
Present Value of Obligation at the beginning of the Year	481,444
Current Service Cost	523,461
Interest Cost	15,962
Actuarial (Gains) / Losses	106,499
Benefits paid	(608,171)
Present Value of Obligation at the end of the year	519,195
<b>Amounts Recognised in the Balance Sheet</b>	
Present Value of Obligation at the end of the year	519,195
Fair Value of Plan Assets as at the end of the year	-
Funded Status	(519,195)
<b>Net Asset (Liability recognized in the Balance Sheet)</b>	<b>(519,195)</b>
<b>Expense recognized in the Statement of Profit and Loss</b>	
Current Service Cost	523,461
Interest Cost	15,962
Expected Return on Plan Assets	-
Net Actuarial (Gains) / Losses Recognized in the year	106,499
Net Cost Recognized in the Statement of Profit and Loss	645,922
<b>Assumptions</b>	
Discount Rate	7.77%
Future Salary Increase	3.00%
Expected Rate of Return on Plan Assets	0 to 5 : 5% 5 to 10 : 3.7%

- 2.24. Quantitative details requirements regarding software and technical services are not applicable.
- 2.25 Balances of Sundry Debtors, Loans & Advances and Sundry Creditors are subject to confirmation from the concerned parties.
- 2.26. Segment Report as per Accounting Standard 17 for the Year ended 31st March 2015:

(Amounts in Lakhs)

Particulars	31-03-2015 Audited	31-03-2014 Audited
<b>Segment wise revenue, results and capital employed</b>		
<b>Segment wise revenue</b>		
a) Software Development	557.72	542.08
b) Lease/Rental Income	314.46	309.22
<b>Total</b>	<b>872.18</b>	<b>851.30</b>
Less:- Inter segment Revenue	-	
Net Sales/Income from Operations	872.18	851.30
Segment Results - Profit / (Loss) before tax and interest		
a) Software Development	(2,243.8)	(389.70)
b) Lease/Rental Income	(85.3)	20.10
<b>Total</b>	<b>(2,329.1)</b>	<b>(369.50)</b>
c) other Income	11.24	12.11
Less:- Interest	148.55	123.88
Total Profit/(Loss) Before Tax	(2,466.36)	(481.31)
Capital Employed		
a) Software Development	3,227.0	4,746.2
b) Rental Income & Others	1,884.5	2,813.4
<b>Total</b>	<b>5,111.50</b>	<b>7,559.6</b>

- 2.27. Figures were regrouped/reclassified wherever necessary. Figures are rounded off to the nearest rupee.

<b>CURA TECHNOLOGIES LIMITED, HYDERABAD</b>			
<b>Consolidated Balance Sheet as at 31st March 2015</b>			
<b>Particulars</b>	<b>Note</b>	<b>for the year ended 31 March, 2015</b>	<b>for the year ended 31 March, 2014</b>
<b>I EQUITY &amp; LIABILITIES</b>			
<b>1 SHARE HOLDERS' FUND</b>			
Share Capital	3	9,55,50,000	9,55,50,000
Reserves & Surplus	4	(90,25,14,085)	62,88,87,752
		<b>(80,69,64,085)</b>	<b>72,44,37,752</b>
<b>2 NON-CURRENT LIABILITIES</b>			
(a) Long Term Borrowings	5	56,45,41,815	48,19,20,046
(b) Deferred Tax Liabilities	6	33,85,457	10,89,618
(c) Other Long Term Liabilities	7	30,79,16,907	18,56,48,499
(d) Long Term Provisions	8	11,58,00,167	11,20,817
		<b>99,16,44,346</b>	<b>66,97,78,980</b>
<b>3 CURRENT LIABILITIES</b>			
(a) Trade Payables	9	10,42,87,830	23,67,74,927
(b) Other Current Liabilities	10	33,86,17,718	37,70,75,310
(c) Short Term Provisions			
		<b>44,29,05,547</b>	<b>61,38,50,237</b>
		<b>62,75,85,809</b>	<b>2,00,80,66,970</b>
<b>II ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
<b>1 (a) Fixed Assets</b>			
Tangible Assets	11	11,15,41,386	12,28,86,239
Intangible Assets		31,91,082	67,86,254
Capital Work-in-progress		8,07,53,156	17,55,16,826
		<b>19,54,85,624</b>	<b>30,51,89,319</b>
(b) Goodwill		-	62,96,86,805
(c) Long Term Loans & Advances	12	28,43,10,040	79,06,24,896
		<b>28,43,10,040</b>	<b>1,42,03,11,701</b>
<b>2 CURRENT ASSETS</b>			
(a) Inventories		-	-
(b) Trade Receivables	13	11,94,48,286	22,71,71,402
(c) Cash and Cash equivalents	14	1,81,87,628	2,94,71,160
(d) Short Terms Loans and Advances	15	1,01,54,232	2,59,23,388
		<b>14,77,90,145</b>	<b>28,25,65,950</b>
		<b>62,75,85,809</b>	<b>2,00,80,66,970</b>

**See accompanying notes forming part of the financial statements 1 to 22**

The accompanying notes are an integral part of financial statements

As per our report of even date attached

for and on behalf of Board

**for RAMBABU&Co**

Chartered Accountants

Firm Registration No.: 002976S

RAVI RAMBABU  
Partner No: 018541

G. Bala Reddy  
Chairman & Managing Director

G.Venkateswara Rao  
Executive Director

Place : Hyderabad  
Date : 29-05-2015

<b>CURA TECHNOLOGIES LIMITED, HYDERABAD</b>			
<b>Consolidated Profit and Loss for the year ended 31st March 2015</b>			
<b>Particulars</b>	<b>Note</b>	<b>for the year ended 31 March, 2015</b>	<b>for the year ended 31 March, 2014</b>
Revenue from operations	16	28,64,29,741	33,35,48,311
Other Income	17	3,29,42,404	3,42,82,561
<b>Total Revenue</b>		<b>31,93,72,145</b>	<b>36,78,30,873</b>
<b>Expenses</b>			
Employee Benefit Expenses	18	14,70,65,087	13,94,92,882
Finance Costs	19	8,68,92,685	11,71,34,884
Depreciation & Amortisation expenses	11	1,50,21,775	1,17,38,682
Other expenses	20	1,33,38,81,860	28,47,41,646
<b>Total Expenses</b>		<b>1,58,28,61,407</b>	<b>55,31,08,094</b>
<b>PROFIT BEFORE TAX &amp; EXCEPTIONAL ITEMS</b>		<b>(1,26,34,89,262)</b>	<b>(18,52,77,221)</b>
Tax Expenses			
Current Tax		47,48,550	
Deferred Tax	6	22,95,839	(52,23,048)
<b>PROFIT AFTER TAX BEFORE EXCEPTIONAL ITEMS</b>		<b>(1,27,05,33,651)</b>	<b>(18,00,54,173)</b>
Exceptional items			
<b>PROFIT AFTER TAX AND EXCEPTIONAL ITEMS</b>		<b>(1,27,05,33,651)</b>	<b>(18,00,54,173)</b>
<b>EARNINGS PER EQUITY SHARE</b>			
Equity share of par value Rs.10/- each			
<b>Earnings per share</b>			
Basic - Par value		(132.97)	(18.84)
Diluted - Par value			
<b>Number of shares used in computing earning per share</b>			
Basic - Par value		95,55,000	95,55,000
Diluted - Par value		95,55,000	95,55,000

**See accompanying notes forming part of the financial statements 1 to 22**

The accompanying notes are an integral part of financial statements

As per our report of even date attached

for and on behalf of Board

**for RAMBABU&Co**

Chartered Accountants

Firm Registration No.: 002976S

RAVI RAMBABU  
Partner No: 018541

G. Bala Reddy  
Chairman & Managing Director

G.Venkateswara Rao  
Executive Director

Place: Hyderabad  
Date : 29-05-2015



**CURA TECHNOLOGIES LIMITED, HYDERABAD**  
**Consolidated Cash Flow Statement for the year ended 31st March 2015**

Particulars	for the year ended 31 March, 2015	for the year ended 31 March, 2014
<b>Cash flow from operating activities</b>		
Net Profit / (Loss) before extraordinary items and tax	(1,26,34,89,262)	(18,52,77,222)
Adjustments for:		
Depreciation and amortisation	1,50,21,775	1,17,38,682
Good will write off	62,96,86,805	
ESOP Expenses	-	-
Adjustment in Securites Premium	(91,32,301)	-
Adjustment in Foreign currency reserve	(25,17,35,885)	-
Foreign exchange loss/ (gain)	3,44,56,591	3,11,67,545
Interest (income)/expenses	8,68,92,685	11,71,34,884
Operating profit / (loss) before working capital changes	<b>(75,82,99,592)</b>	<b>(2,52,36,111)</b>
Changes in working capital:		
<b>Adjustments for (increase) / decrease in operating assets:</b>		
Inventories	-	34,56,100
Trade receivables	10,77,23,116	5,54,91,692
Short-term loans and advances	1,57,69,156	16,31,42,065
long-term loans and advances	47,18,58,266	(40,95,14,043)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	(13,24,87,097)	16,72,81,046
Other current liabilities	(4,32,06,142)	17,21,98,485
Long-term provisions	23,69,47,757	(42,77,590)
	<b>65,66,05,055</b>	<b>14,77,77,755</b>
Cash generated from operations	(10,16,94,537)	12,25,41,644
Net income tax (paid) / refunds		-
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>(10,16,94,537)</b>	<b>12,25,41,644</b>
<b>Cash flow from investing activities</b>		
Capital expenditure on fixed assets, including capital advances	9,46,81,919	-
Sale of fixed asset	-	-
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>9,46,81,919</b>	-
<b>Cash flow from financing activities</b>		
Proceeds from long-term borrowings		-
Repayment of long term borrowing	-	-
Finance Costs	(42,70,916)	(11,71,34,884)
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>(42,70,916)</b>	<b>(11,71,34,884)</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>(1,12,83,534)</b>	<b>54,06,760</b>
Cash and cash equivalents at the beginning of the year	2,94,71,161	2,40,64,401
<b>Cash and cash equivalents at the end of the year</b>	<b>1,81,87,627</b>	<b>2,94,71,161</b>

**See accompanying notes forming part of the financial statements 1 to 20**

The accompanying notes are an integral part of financial statements

As per our report of even date attached

for and on behalf of Board

**for RAMBABU&Co**

Chartered Accountants

Firm Registration No.: 002976S

RAVI RAMBABU

Partner No: 018541

Place: Hyderabad

Date : 29-05-2015

G. Bala Reddy

Chairman & Managing Director

G.Venkateswara Rao

Executive Director

<b>CURA TECHNOLOGIES LIMITED, HYDERABAD</b>		
<b>Notes forming part of Financial Statements</b>		
<b>Particulars</b>	<b>As at 31 March, 2015</b>	<b>As at 31 March, 2014</b>
<b>Note 3 : Share Capital</b>		
<b>Authorised Share Capital</b>		
100,00,000 Equity shares of Rs.10 each	10,00,00,000	10,00,00,000
	<b>10,00,00,000</b>	<b>10,00,00,000</b>
<b>Issued, Subscribed &amp; Paid up Capital</b>		
95,55,000 Equity Shares of Rs.10/- each fully paid up (Previous year 95,50,000 Equity Shares of Rs.10/- each fully paid-up)	9,55,50,000	9,55,50,000
<b>Reconciliation of the equity shares outstanding is set out below:</b>		
<b>Equity Shares:</b>		
Number of shares outstanding at the beginning of the year	95,55,000	95,50,000
Number of shares outstanding at the end of the year	95,55,000	95,55,000
<b>Details of shareholders holding more than 5% shares in the company</b>		
<b>Particulars</b>		
SAHASRA INVESTMENTS ( P) LTD	36,17,726	36,17,726
Share holding %	37.86%	37.86%
<b>Note 4 : Reserves &amp; Surplus</b>		
4.1 Capital reserve	15,65,900	15,65,900
Securities premium	69,30,87,549	70,22,19,850
	<b>69,46,53,449</b>	<b>70,37,85,750</b>
4.3 General reserve		
Opening balance	3,78,32,595	3,78,32,595
Closing balance	3,78,32,595	3,78,32,595
4.4 Profit and Loss Statement		
Opening balance	(40,29,61,617)	(22,29,07,443)
Add: Profit for the year	(1,27,05,33,651)	(18,00,54,174)
<b>Closing balance</b>	<b>(1,67,34,95,268)</b>	<b>(40,29,61,617)</b>
4.5 Employee stock options outstanding	-	-
4.6 Deffered Stock Compensation cost	-	-
4.7 Foreign currency reserve	3,78,23,339	28,95,59,224
4.8 Minority Interest	6,71,800	6,71,800
	3,84,95,139	29,02,31,024
	<b>(90,25,14,085)</b>	<b>62,88,87,752</b>
<b>Note 5 : Long Term Borrowing</b>		
From Banks - Secured		
(a) Andhra Bank Term Loan (refer note 5.1)	27,47,78,946	20,50,02,573
(b) Bank of India Term Loan (refer note 5.2)	28,97,62,869	27,69,17,473
	<b>56,45,41,815</b>	<b>48,19,20,046</b>

Particulars	As at 31 March, 2015	As at 31 March, 2014
<b>Note 5.1</b> During the financial year 2009-10, Cura Global GRC Solutions Pte Ltd - Singapore, has taken a term loan of USD 14.24 Mn from Bank of India, Singapore. Andhra Bank, Hyderabad has given the financial guarantee to Bank of India, Singapore towards 50% of the loan sanctioned by Bank of India, Singapore for which the Company has given a counter guarantee to Andhra Bank, Hyderabad. During the Financial year 2012-13, Bank of India revoked the guarantee given by Andhra Bank, Hyderabad. Consequently Andhra Bank, Hyderabad has revoked the corporate guarantee given by the company and credited an amount of Rs. 26.86 crores to company's secured loan account. The said loan is secured by pari-passu mortgage charge on the Land and Building of the company. The Company has debited the the same amount along with the interest to Cura Global GRC Solutions Pte Ltd, Singapore and accounted under the head Loans and Advances to Subsidiaries.		
<b>Note 5.2</b> During the financial year 2009-10, Cura Global GRC Solutions Pte Ltd, Singapore a wholly owned subsidiary of the company has taken a term loan of USD 14.24 Mn. The said loans are repayable in 20 quarterly equal installments of USD 712,000 each. The said term loan is secured by the way of first charge on equity shares of subsidiaries of Cura Global GRC Solutions Pte Ltd, Singapore and further secured by the way of second charge on Land and Buildings of Cura Technologies Ltd. During the year the company has defaulted in repayment of the said loans and the company has not provided interest on the said loan for an amount of USD 1,748,216		
<b>Note 6 : Deferred Tax Liabilities</b>		
Opening Deferred tax liability		
Tax effect of items constituting deferred tax liability	10,89,618	63,12,666
On difference between book balance and tax balance of fixed assets	22,95,839	(52,23,048)
Net deferred tax liability	<b>33,85,457</b>	<b>10,89,618</b>
<b>Note 7 : Other Long Term Liabilities</b>		
(a) Rental Deposits	1,09,64,975	1,92,22,920
(b) Loans - Unsecured	29,69,51,932	16,64,25,579
	<b>30,79,16,907</b>	<b>18,56,48,499</b>
<b>Note 8 : Long Term Provision</b>		
Leave Encashment Payable	5,19,195	4,81,444
Other Provisions	11,44,74,059	-
Provision for Gratuity	8,06,913	6,39,373
	<b>11,58,00,167</b>	<b>11,20,817</b>
<b>Note 9 : Trade Payables</b>		
Creditors for Materials	-	-
Creditors for Services	10,42,87,830	23,67,74,927
	<b>10,42,87,830</b>	<b>23,67,74,927</b>
<b>Note 10: Other Current Liabilities</b>		
(a) Current maturities of long-term debt, Secured (refer note 10.1 & 5.1)		
(i) Andhra Bank Term Loan (refer note 10.1)	9,10,02,915	7,74,10,856
(ii) Andhra Bank Term Loan (refer note 5.1)	17,42,50,863	17,42,50,863
(b) Creditors for capital goods	-	-
Other Current Liabilities	48,23,377	2,90,62,725
Due to statutory authorities	14,63,297	71,43,038
Other current liabilities	-	-
Deferred Income	6,70,77,265	8,92,07,828
	<b>33,86,17,718</b>	<b>37,70,75,310</b>

Particulars	As at 31 March, 2015	As at 31 March, 2014
<b>Note 10.1</b> During the financial year 2009-10, the Company has taken a term loan of 9.38 crore from Andhra Bank, Hyderabad. The said loan is repayable in 60 equitable monthly installments of Rs 15.6 Lakhs each commencing from 20th Nov 2009. The said loan is secured by way of first charge on rent receivables from tenants and further secured by second charge on land and buildings of the Company and personal guarantee of Mr. G Bala Reddy, Director. Further the company has defaulted on payment of the loan and the total outstanding of Rs 9.10 crores including interest is currently due.		
<b>Note 12: Long-term Loans and Advances</b> (Advances recoverable in cash or in kind or for the value to be received)		
a) Non current Investments	26,07,30,550	-
b) Advances for capital goods	1,79,45,000	-
Less: Advances written off	(1,79,45,000)	-
c) Other advances	8,75,47,903	77,88,02,060
Less: Advances written off	(7,88,23,987)	-
	<b>87,23,916</b>	<b>77,88,02,060</b>
d) Deposits with Government authorities (refer note 12.1)	31,07,536	28,92,088
e) Prepaid Taxes	1,17,48,037	89,30,748
	<b>28,43,10,040</b>	<b>79,06,24,896</b>
<b>Note 12.1:</b> Deposits with Government Authorities include an amount of Rs. 21,40,148 (previous year: Rs.19,24,700) towards Security Deposit with APCPDCL Hyderabad and other deposits Rs. 967,388 (previous year: 967,388)		
<b>Note 13: Trade Receivables</b> (Unsecured and considered good)		
a) Outstanding for more than 6 months (refer Note 13.1)		
Considered Good	5,94,65,811	20,78,42,999
Considered Doubtful	13,56,25,301	1,55,54,243
	19,50,91,112	22,33,97,242
Less: Bad Debts written off	(13,56,25,301)	-
Less: Provision for Doubtful Debts	-	(1,55,54,243)
	5,94,65,811	20,78,42,999
b) Others	5,99,82,475	1,93,28,403
	11,94,48,286	22,71,71,402
<b>Note 13.1</b> Advances accepted from the customers related to Singapore region		
<b>Note 14: Cash &amp; Cash Equivalents</b>		
a) Cash in Hand	17,862	9,448
b) Balances with scheduled banks	-	-
i) in current accounts	1,80,28,364	2,92,79,915
ii) Fixed deposit accounts	-	-
iii) Unclaimed dividend accounts	1,41,402	1,81,797
Cash and cash equivalents for cash flow statements	1,81,87,628	2,94,71,160
Out of the above Cash and Cash equivalents which meet the definition of Cash flow statements is Rs.18,046,226. (previous year Rs. 29,289,363)		

Particulars	As at 31 March, 2015	As at 31 March, 2014
<b>Note 15: Short-term Loans and Advances</b>		
Considered good		
Staff loans and advances	-	50,263
Other Advances	1,91,54,069	2,02,61,702
	<b>(1,50,00,000)</b>	
	<b>41,54,069</b>	<b>2,02,61,702</b>
Balances with statutory/ government authorities	-	-
Prepaid expenses	60,00,163	56,11,423
	1,01,54,232	2,59,23,388
<b>Note 16: Revenue from Operations</b>		
Licence Sale	1,60,84,240	4,98,69,071
Maintenance and Support Charges	16,55,57,141	18,06,99,483
Software Services	10,47,88,359	10,29,79,757
	<b>28,64,29,741</b>	<b>33,35,48,311</b>
<b>Note 17: Other Income</b>		
Rent Receipts for Space	2,72,44,374	2,86,77,679
Maintenance Charges Receipts	42,01,509	43,94,338
Interest Received	4,08,558	3,07,619
Miscellaneous Income	10,87,964	9,02,926
	<b>3,29,42,404</b>	<b>3,42,82,561</b>
<b>Note 18: Employee Benefit</b>		
Salaries, wages and bonus	13,44,98,080	13,72,71,306
Contribution to provident and other funds	18,72,411	17,95,793
Staff welfare expenses	1,06,94,596	4,25,783
Expense on Employee Stock Option Scheme (ESOP)	-	-
	<b>14,70,65,087</b>	<b>13,94,92,882</b>
<b>Note 19: Finance Cost</b>		
Interest on term loans	8,58,95,294	11,68,27,465
Interest on Statutory Payments		3,07,419
Bank Charges & Commission	9,97,391	-
	<b>8,68,92,685</b>	<b>11,71,34,884</b>
<b>Note 20: Other Expenses</b>		
Other selling expenses	1,07,17,812	64,27,921
Repairs and maintenance	2,50,110	
Power and fuel	41,36,856	52,000
Legal and professional	1,47,72,730	1,73,57,847
Travelling and conveyance	83,67,464	1,77,24,298
Foreign exchange loss	3,40,99,627	3,11,67,545
Communication	66,56,415	66,95,302
Rent	1,25,74,320	1,20,54,251
Security expenses	22,21,386	23,23,291
Rates and taxes	18,45,504	17,80,804
Printing and stationery	8,13,243	16,70,973
Insurance	15,08,761	71,005
Payment to auditors	46,87,518	47,26,632
Provision for Doubtful Debts	31,80,63,891	2,19,90,598
Miscellaneous	7,87,90,975	16,06,99,179
Impairment Loss	83,43,75,246	-
	<b>1,33,38,81,860</b>	<b>28,47,41,646</b>

Schedule 12 : CONSOLIDATED FIXED ASSETS SCHEDULE

S. No.	Name of the Asset	GROSS BLOCK			DEPRECIATION			NET BLOCK		
		Balance as on 01-04-2015	Additions during the period	Sale or adjts for the period	Balance as on 31-03-2015	During the period	Sale or Adjts for the period	Total as on 31-03-2015	As on 31-03-2015	As on 31-03-2014
<b>a) Tangible Assets</b>										
1	Land	1,12,44,929	-	-	1,12,44,929	20,28,280	-	20,28,280	92,16,649	92,16,649
2	Building	8,59,36,779	7,27,806	-	8,66,64,585	1,57,50,458	15,15,027	1,72,65,485	6,93,99,100	7,01,86,321
3	Air Conditioning System	1,80,66,934	80,000	-	1,81,46,934	94,18,175	7,59,319	1,01,77,494	79,69,440	86,48,759
4	Plant & Machinery	31,70,162	781	-	31,70,943	17,79,032	1,19,362	18,98,394	12,72,550	13,91,130
5	Electrical Equipments	63,38,874	50,014	-	63,88,888	32,65,187	5,12,122	37,77,309	26,11,580	30,73,687
6	Electrical Fittings	94,78,245	75,000	-	95,53,245	49,61,263	7,72,138	57,33,401	38,19,844	45,16,982
7	Interiors, Furniture & Fixtures	4,09,72,343	89,737	-	4,10,62,080	2,89,41,157	20,25,126	3,09,66,284	1,00,95,796	1,00,40,780
8	Lift System	28,17,500	-	-	28,17,500	15,08,617	2,19,002	17,27,619	10,89,882	13,08,884
9	Fire Safety Equipment	24,39,423	-	-	24,39,423	12,55,207	10,62,245	23,17,452	1,21,971	11,84,216
10	Computers	4,02,94,792	24,089	18,53,676	3,84,65,205	3,62,73,599	10,04,173	3,72,77,771	11,87,434	40,21,193
11	Office Equipment	1,03,25,844	-	6,91,682	96,34,162	59,21,596	32,08,230	91,29,826	5,04,336	44,04,248
12	Library Books	63,389	-	-	63,389	63,389	-	63,389	-	-
13	Motor Cars	25,11,777	-	43,098	24,68,679	19,81,109	1,02,359	20,83,468	3,85,211	5,30,668
14	Land at Vizag (under development)	38,67,596	-	-	38,67,596	-	-	-	38,67,596	38,67,596
	<b>TOTAL (a)</b>	<b>23,75,28,587</b>	<b>10,47,428</b>	<b>25,88,456</b>	<b>23,59,87,558</b>	<b>11,31,47,069</b>	<b>1,12,99,103</b>	<b>12,44,46,172</b>	<b>11,15,41,386</b>	<b>12,23,91,112</b>
<b>b) Intangible Assets</b>										
1	Software Tools & Packages	2,12,20,983	1,27,500	-	2,13,48,482	1,44,34,728	37,22,672	1,81,57,400	31,91,082	67,86,254
	<b>TOTAL (b)</b>	<b>2,12,20,983</b>	<b>1,27,500</b>	<b>-</b>	<b>2,13,48,482</b>	<b>1,44,34,728</b>	<b>37,22,672</b>	<b>1,81,57,400</b>	<b>31,91,082</b>	<b>67,86,254</b>
	<b>TOTAL (a+b)</b>	<b>25,87,49,569</b>	<b>11,74,928</b>	<b>25,88,456</b>	<b>25,73,36,040</b>	<b>12,75,81,797</b>	<b>1,50,21,775</b>	<b>14,26,03,572</b>	<b>11,47,32,468</b>	<b>12,91,77,366</b>

**NOTES FORMING PART OF FINANCIAL STATEMENTS****1. CORPORATE INFORMATION**

CURA Technologies Limited (CURA' or 'the Company') with its with its presence in 7 geographies of the world is a global enterprise class software application provider for organizations to efficiently manage their Risk , Compliance and Audit framework through an automated process.

**2. SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES****2.1 Accounting Conventions:**

The financial statements have been prepared under the historical cost conventions in accordance with the generally accepted accounting principles in India including the Accounting Standards notified by the Government of India and issued by the Institute of Chartered Accountants of India, as applicable, and the provisions of the Companies Act adopted consistently by the Company. All income and expenditure having a material bearing on the financial statements are recognized on accrual basis.

**2.2 Use of Estimates:**

The preparation of the financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities ( including contingent liabilities ) as of the date of the financial statements and the reported income and expenses during the reporting period like provision for employee benefits, provision for doubtful debts/ advances/contingencies, allowances for slow/non moving inventories, useful lives of fixed assets, provision for taxation, etc. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results may vary from these estimates.

**2.3 Inventories:**

Inventories have been valued at lower of cost or net realizable value.

**2.4 Cash and Cash equivalents (for purposes of Cash Flow Statement):**

Cash comprises of cash on hand, amount in current accounts and deposit accounts.

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**2.5 Depreciation and Amortization:**

Depreciation on Fixed Assets including on the additions on account of revaluation has been provided on a straight-line method as per the useful lives specified in the Schedule II to the Companies Act, 2013.

Intangible assets are amortized over the estimated useful life:

The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization method is revised to effect the changed pattern.

**2.6 Revenue Recognition:**

Revenue on services contracts are recognized as the related services are performed and

revenue from the end of the last billing to the balance sheet date is recognized as unbilled revenues.

Annual maintenance contracts and revenue from fixed maintenance contracts are recognized over the period in which the services are rendered.

Revenue from sale of user licenses for software applications is recognized on transfer of title in the user license.

## **2.7 Expenditure:**

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

## **2.8 Tangible 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 the fixed assets are capitalized apart from taxes, freight and other incidental expenses related to the acquisition and installation of the respective fixed assets and excludes duties and taxes to the extent recoverable from tax authorities.

Fixed Assets which are revalued are stated at the amounts revalued as reduced by the depreciation.

## **2.9 Intangible assets**

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

## **2.10 Basis of Consolidation**

The consolidated financial statements include the financial statements of CURA Technologies Limited ("CURA or the Company"), the parent company and all of its subsidiaries (collectively referred to as "the Group" or "CURA Group"), in which the company has more than one-half of the voting power of an enterprise or where the company controls the composition of the board of directors.

In accordance with AS27 - "Financial Reporting of Interest in Joint Ventures", issued under companies (Accounting Standards) Rules, 2006, the Group has accounted for its proportionate share of interest in a joint venture by proportionate consolidation method. The Consolidated financial statements have been prepared on the following basis:

The financial statements of the parent company and the subsidiaries have been combined on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses after eliminating intra-group balances/transactions and resulting unrealized profits in full. Unrealized losses resulting from intra-group transactions have also been eliminated except to the extent that recoverable value of related assets is lower than their costs to the group.

The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the balance sheet of the parent company and its share in the post-acquisition increase in



the relevant reserves of the subsidiaries. The Group accounts for investments by the equity method of accounting where it is able to exercise significant influence over the operating and financial policies of the investee. Inter company profits and losses have been proportionately eliminated until realized by the investor or investee.

Pursuant to the adoption of AS 27 "Financial Reporting of interest in Joint ventures", the group does not consolidate entities where regardless of the share capital contributions, the minority shareholders have significant participating rights jointly with the group, that provide for effective involvement in significant financial and operating decisions in the ordinary course of business. The proportionate share of group's interest in joint ventures is combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group transactions and resulting unrealized profits, to the extent it pertains to the group.

The excess/deficit of cost to the parent company of its investment in the subsidiaries, joint ventures and associates over its portion of equity at the respective dates on which investment in such entities were made is recognized in the financial statements as goodwill/ Capital reserve. The parent company's portion of equity in such entities is determined on the basis of the book values of assets and liabilities as per the financial statements of such entities as on the date of investment and if not available, the financial statements for the immediately preceding period adjusted for the effects of significant transactions, up to the date of investment. Goodwill / Capital reserve arising on the acquisition of an associate by the parent company included in the carrying amount of investment in the associate but is disclosed separately. The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the parent company for its separate financial statements. The consolidated financial statements are prepared using uniform accounting policies for like transactions other events in similar circumstances.

## **2.11 Foreign Exchange Transactions:**

### **Initial Recognition**

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement of foreign currency monetary items at the Balance Sheet date

Foreign currency monetary items (other than derivative contracts) of the Company at the Balance Sheet date are restated at the year-end rates.

Treatment of exchange differences

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognized as income or expense in the Statement of Profit and Loss.

## **2.12 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.

## **2.13 Employee Benefits:**

### **c) Short Term Employee Benefits**

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages and short term compensated absences etc. are recognized in the period in which the employee renders the related service.

### **d) Long Term Employee Benefits**

## Defined Benefit Plans

The Company accounts its liability for future gratuity benefits based on actuarial valuation, as at the Balance Sheet date, determined every year by actuarial professionals using the Projected Unit Credit method. Actuarial gains / losses are immediately recognized in the Statement of Profit and Loss.

In respect of Provident Fund and Pension Fund, Contributions are made by the Company in accordance with the relevant rules and fully charged off to Statement of Profit and Loss.

The company provides for leave encashment based on valuations, as at the balance sheet date, made by independent actuaries.

### 2.14 Earnings per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

### 2.15 Taxes on Income

Income tax liability for the year is calculated in accordance with the relevant tax laws and regulations applicable to the Company. Deferred tax is recognized on timing differences, being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

### 2.16 Impairment of Assets

The carrying amounts of assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's assets. The recoverable amount of such assets is estimated. Where the carrying amount of the asset exceeds the recoverable amount, the impairment loss is recognized in the Statement of profit and loss.

### 2.17 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Contingent liability is disclosed for (i) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

## 2.17 The company has the following Contingent liabilities as on :

Particulars	31 March, 2015	31 March, 2014
i) Bank Guarantee issued to Central Excise department	249,991	249,991
ii) Claim against the Company not acknowledge as debt	-	-

ii) 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.

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Particulars	31 March, 2015	31 March, 2014
2005-2006	1,058,047	1,058,047
2006-2007	1,358,171	1,358,171
2007-2008	1,760,163	1,760,163
<b>Total</b>	<b>4,176,381</b>	<b>4,176,381</b>

iii) The Company provided Corporate Guarantee of ₹ 379,253,436 to Andhra Bank for a counter guarantee provided to Bank of India for term loan sanctioned by Bank of India to Cura Global GRC Solutions Pte. Ltd, Singapore ("CURA Singapore"), a Subsidiary of the Company. This Corporate Guarantee is also secured by first Pari-pasu mortgage of its Land & Buildings.

2.18 Estimated amount of contracts remaining to be executed on capital accounts not provided for ₹ NIL [Previous year ₹ NIL].

2.19 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. The details of the outstanding options granted, expired and exercised are as follows:

Particulars	Shares arising out of options	Range of exercise price
Outstanding at the beginning of the year	35,000	₹ 42
Grants during the year	-	-
Expired/forfeited during the year	-	-
Exercised during the year	-	-
Outstanding at the end of the year	35,000	₹ 42
Exercisable at the end of the year	35,000	₹ 42

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

Particulars	As at 31 March 2015	As at 31 March 2014
a) Principal amount remaining unpaid and interest due thereon	NIL	NIL
b) Interest paid in terms of Section 16	NIL	NIL
c) Interest due and payable for the period of delay in payments	NIL	NIL
d) Interest accrued and remaining unpaid	NIL	NIL
e) Interest due and payable even in succeeding years	NIL	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.

**2.21 Information regarding related party transactions as per Accounting Standard 18 is given below:**

C) Names of Related Parties and description of Relationship:

Party	Relationship
G.Bala Reddy	Key Management Person
G.VenkateswaraRao	Key Management Person
Softpro Technologies Private Limited	Subsidiary Company
Cura Global GRC Solutions Pte Limited	Wholly Owned Subsidiary Company
ICSA (INDIA) Limited	Associate Company
Sahasra Investments Pvt Ltd	Associate Company

D) 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
Sales	<i>5,57,72,548</i>	-	-	-
		-	-	-
Rendering of Services	-	-	-	-
	-	-	-	-
Rental Income	-	-	-	-
	-	-	-	-
Loans and Advances given	<i>44,99,12,638</i>	<i>8,09,916</i>	-	-
	<i>49,22,97,452</i>	<i>8,09,916</i>	-	-
Balances Receivable/(Payable)	<i>20,46,74,427</i>	<i>(20,50,000)</i>	-	-
	<i>68,44,33,593</i>	<i>(1,14,18,732)</i>	-	-

Note: - Amounts in Italics relating to previous year.

- 2.22. Quantitative details requirements regarding software and technical services are not applicable.
- 2.23 Balances of Sundry Debtors, Loans & Advances and Sundry Creditors are subject to confirmation from the concerned parties.
- 2.24. Figures were regrouped/reclassified wherever necessary. Figures are rounded off to the nearest rupee.



## CURA TECHNOLOGIES LIMITED

CIN: L72200TG1991PLC013479

**Registered Office:**

# 12, Software Units Layout, Cyberabad,

Hyderabad - 500081 (TG), INDIA

Tel: +91-40-23111793/806, Fax: +91-40-23100385

e-mail: [secretarial@curasoftware.com](mailto:secretarial@curasoftware.com), [www.curatechnologies.co.in](http://www.curatechnologies.co.in)

**PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s)	
Registered address	
E-mail ID	
Folio No. / DP ID and Client ID	

I/We, being the Member(s) of shares of the above named Company, hereby appoint

Name:	E-mail ID:
address:	Signature:

Or failing him/her

Name:	E-mail ID:
Address:	Signature:

as my/our proxy to attend and vote, in case of a poll, for me/us and on my/our behalf at the 24th Annual General Meeting of the Company, to be held on **Wednesday, 30th September, 2015 at 11.00 A.M** at The Conference Hall, 5th Floor, Plot No # 12, Software Units Layout, Cyberabad, Hyderabad - 500 081 and at any adjournment thereof in respect of such resolutions as are indicated below:

Reso. No.	Description	Vote Yes/No
1	Adoption of Annual Accounts and Reports thereon for the financial year ended 31st March, 2015.	
2	Re-appointment of Sri Bala Reddy G who retires by rotation.	
3	Ratification of Appointment of M/s. Rambabu & Co., as Statutory Auditors of the Company and to fix their remuneration for the financial year ending 31st March, 2016.	

Signed this 30th day of September, 2015.

Signature of shareholder

Signature of Proxy holder(s)

This form of Proxy, to be effective, should be deposited at the Registered Office of the Company not less than 48 HOURS before the commencement of the aforesaid meeting and request you to Indicate resolutions on which proxy is authorised to vote.

Affix
Rs. 1/- Revenue Stamp



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e-mail: secretarial@curasoftware.com, www.curatechnologies.co.in

**ATTENDANCE SLIP**  
**24th ANNUAL GENERAL MEETING**  
**Wednesday, 30th September, 2015 at 11.00 A.M.**

REGISTERED Folio No. / Demat Account No. (Client ID)	
DP ID No.	
Name of Shareholder	
Number of Shares held	

I / We hereby record my / our presence at the 24th Annual General Meeting of the company at The Conference Hall, 5th Floor, Plot No # 12, Software Units Layout, Cyberabad, Hyderabad - 500 081.

Shareholder's / Proxy's Signature

*Share holder or Proxy holder attending this meeting requested to bring this attendance slip to the meeting and hand over at the entrance duly filed and signed.*

**To**  
**Company Secretary**  
**The CURA Technologies Limited**  
Plot No. 12, Software Units Layout  
Cyberabad, Hyderabad - 500 081

Stamp duty to be  
paid by company

**E-mail Registration Form**

To  
The Company Secretary  
Cura Technologies Limited

Dear Sir,

**Option-I\***

I agree to receive the documents/communication as referred to in the Company's letter dated 01.03.12, in electronic mode, as per e-mail address furnished.

Folio No./DP ID

No. of shares held

Permanent Account Number (PAN)

E-mail address to which documents/notices can be served electronically i.e., E-mail ID.

**Option-II\***

I agree to receive the documents/ communication by hard copy (Please tick the box given alongside)

Signature of the shareholder:

(subject to verification with the signature records maintained by the company)

\*(Please choose any one option)

(Note: Filled in form be mailed to the Company through the self-addressed envelope provided)

Thanking you and assuring you of our best services.

**Book Post**



**To,**

**If undelivered please, return to :**



**Cura Technologies Limited**

**Plot No. 12, Software Units, Layout, Cyberabad, Hyderabad-500081.**