

**23<sup>rd</sup> Annual Report  
2013 - 2014**



**Cura Technologies Limited**

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



## **CURA TECHNOLOGIES LIMITED**

CIN: L72200TG1991PLC013479

### **BOARD OF DIRECTORS**

<b>Sri Bala Reddy Gopu</b>	-	Chairman & Managing Director
<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

**Smt. Jyothi Bung** - Company Secretary

#### **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**

Axis Bank Limited  
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 Third Annual General Meeting of the Members of the Company will be held on **SATURDAY, 27<sup>TH</sup> SEPTEMBER, 2014** at **10.00 A. M.** at the Registered Office of the Company at 5<sup>th</sup> 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 31<sup>st</sup> March, 2014 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 Venkateswara Rao Gudipudi, who retires by rotation and being eligible, offer him self for re-appointment.
3. To appoint Auditors to hold the office from the conclusion of this AGM until the conclusion of 28<sup>th</sup> Annual General Meeting to be held in the year 2019 and to fix their remuneration for the financial year ended 31<sup>st</sup> March, 2015.

#### **SPECIAL BUSINESS:**

##### **4. TO APPOINT SMT. LALITHA GUDIMETLA AS INDEPENDENT DIRECTOR ON THE BOARD:**

To consider and if thought fit, to pass with or without modification(s), the following resolution as **ORDINARY RESOLUTION:**

“**RESOLVED THAT** pursuant to Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and rules framed there under read with Schedule IV to the Act, Smt. Lalitha Gudimetla (DIN: 02198243), a non-executive independent director of the Company, who has submitted a declaration that she meets the criteria of independence as provided in Section 149(6) of the Act and who is eligible for appointment as Independent Director, be and is hereby appointed as an Independent Director on the Board of Directors of the Company to hold office for a term of 5 years commencing from 27<sup>th</sup> September, 2014 to 26<sup>th</sup> September, 2019.”

##### **5. TO APPOINT SRI VENKATA REDDY NALABOLU AS INDEPENDENT DIRECTOR ON THE BOARD:**

To consider and if thought fit, to pass with or without modification(s), the following resolution as **ORDINARY RESOLUTION:**

“**RESOLVED THAT** pursuant to Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and rules framed there under read with Schedule IV to the Act, Sri Venkata Reddy Nalabolu (DIN: 01930652), a non-executive independent director of the Company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and who is eligible for appointment as Independent Director, be and is hereby appointed as an Independent Director on the Board of Directors of the Company to hold office for a term of 5 years commencing from 27<sup>th</sup> September, 2014 to 26<sup>th</sup> September, 2019.”

##### **6. TO APPOINT SRI AVULA VENKATA NARAYANA REDDY AS INDEPENDENT DIRECTOR ON THE BOARD:**

To consider and if thought fit, to pass with or without modification(s), the following resolution as **ORDINARY RESOLUTION :**

**“RESOLVED THAT** pursuant to Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and rules framed there under read with Schedule IV to the Act, Sri Avula Venkata Narayana Reddy (DIN: 02290361), a non-executive independent director of the Company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and who is eligible for appointment as Independent Director, be and is hereby appointed as an Independent Director on the Board of Directors of the Company to hold office for a term of 5 years commencing from 27<sup>th</sup> September, 2014 to 26<sup>th</sup> September, 2019.”

**7. TO AUTHORISE THE BOARD TO MORTGAGE AND/OR CREATE CHARGE:**

To consider and if thought fit, to pass with or without modification(s), the following resolution as **SPECIAL RESOLUTION:**

**“RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, under the Companies Act, 2013 and the rules made there under, consent of the Company be and is hereby accorded to the Board of Directors of the Company to mortgage and/or create charge on all or any of the movable or immovable properties both present and future or the whole or substantially the whole of the undertaking or undertakings for securing the loans to be availed by the Company.”

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

Place : Hyderabad  
Date : 30.08.2014

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than 50 members and holding in aggregate not more than 10% of the total Share Capital of the Company. Members holding more than 10% ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member.  
  
The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.
2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the business in Item No. 4 to 7 is annexed hereto.
3. The Register of Members and Share transfer books of the Company will remain closed from **Saturday, 20<sup>th</sup> September, 2014 to Saturday, 27<sup>th</sup> September, 2014** (both days inclusive)
4. Members are requested to quote ledger folio number in all their correspondence to avoid delay in communication. Members are advised to consolidate their ledger folios where they are holding shares in different folios in the same name.

5. Additional information pursuant to Clause 49 of the Listing Agreement entered with Stock Exchange in respect of Directors seeking appointment/re-appointment at the AGM are furnished and forms a part of Notice. The Directors have furnished the requisite consents/declarations for their appointment/re-appointment.
6. ***To promote green initiative, members are requested to register/update their e-mail addresses through their Depository Participants for receiving the future communications by e-mail. Members holding the shares in physical form may register their e-mail addresses through the RTA, giving reference of their Folio Number.***
7. Members/Proxies should bring the duly filled Attendance slip enclosed herewith to attend the Meeting.
8. **Voting through electronic means:**

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility to the members to cast their votes electronically on all resolutions set forth in the Notice convening the 23<sup>rd</sup> Annual General Meeting (AGM) to be held on Saturday, September 27, 2014, at 10.00 AM.. The Company has engaged the services of National Securities Depository Limited (NSDL) to provide e-voting facility. The e-voting facility is available at the link <https://www.evoting.nsdl.com>.

**The instructions for e-voting are as under:**

- i. Open the internet browser and launch the URL: <https://www.evoting.nsdl.com>.
- ii. If you are already registered with NSDL for e-voting, no password has been provided. Please enter your User ID and existing Password and click Login. (For assistance: Contact NSDL on (022) 2499 4600 or e-mail at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in))
- iii. If you are logging in for the first time, please enter your User ID and Password provided to you. Click Login.
- iv. Password Change menu will appear. Change with the new Password of your choice with minimum 8 digits or characters or a combination of both. (Changing initial Password is mandatory) Please take utmost care to keep your Password confidential.
- v. Login to e-voting website will be disabled upon five unsuccessful attempts to key-in the correct password. In such an event, you will need to go through 'Forgot Password' option available on the website to reset the same.
- vi. Home page of e-Voting opens. Click on e-Voting to activate voting cycles.
- vii. Select EVENT - Cura Technologies Limited. Once you select the EVENT, the Cast Vote page will open. Now you are ready for e-voting.
- viii. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained for that particular item.
- ix. Cast your vote by selecting your favoured option and click Submit. Also click Confirm when prompted. Upon confirmation, the message Vote cast successfully will be displayed. Please note that once your vote is cast on the selected resolution, it cannot be modified.
- x. Institutional members (i.e. members other than individuals, HUF, NRIs, etc.) are required to send a scanned copy (PDF/JPG format) of the relevant board resolution / authority letter, etc. together with the attested specimen signature(s) of the duly authorized signatory

(ies) who are authorized to vote, to the Scrutinizer through email at : [pjagan123@gmail.com](mailto:pjagan123@gmail.com), with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

- xi. In case of any queries, please refer to the Frequently Asked Questions (FAQs) for members and the e-voting user manual for members available in the Downloads section of <https://www.evoting.nsdl.com> You can also contact NSDL through e-mail at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or on telephone no. 022-2499 4600.

**General Instructions:**

- a. The e-voting period commences on 9 A.M. on Sunday, 21<sup>st</sup> September, 2014 to 6 P.M. on Tuesday, 23<sup>rd</sup> September, 2014. 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 29<sup>th</sup> August, 2014, may cast their vote electronically. The e-voting module shall be disabled for voting after the e-voting period ends.
- b. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date (record date) of Saturday, August 29<sup>th</sup>, 2014.
- c. You are advised to cast your vote only through one mode (E-voting or at the AGM). In case you cast your votes through both the modes, votes cast through E-voting shall only be considered and votes cast at the AGM would be rejected
- d. Mr. P. Jagannatham, Practicing Company Secretary (Corporate Advocate) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- e. The Scrutinizer shall, within a period of not exceeding three working days from the conclusion of the e-voting period, unblock 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 favour of or against, if any, forthwith to the Chairman of the Company.
- f. The results declared along with the Scrutinizer's Report shall be placed on the website of the Company [www.curatechnologies.co.in](http://www.curatechnologies.co.in) and on the NSDL website <https://www.evoting.nsdl.com> within two working days of the passing of the resolutions at the 23<sup>rd</sup> AGM of the Company on September 27, 2014 and also communicated to BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE).
9. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9 A.M. to 5 P.M.) on all working days except Saturdays and Sundays, up to and including the date of the Annual General Meeting of the Company.
10. A copy of this notice has been placed on the website of the Company.

## EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

### **Item No. 4 to 6:**

Smt. Lalitha Gudimetla, Sri Venkata Reddy Nalabolu, Sri Avula Venkata Narayana Reddy are Independent Director of the company and were appointed at various times.

With the enactment of the Companies Act, 2013 ('Act') it is now incumbent upon every listed company to appoint 'Independent Director' as defined in Section 149 of the Act, which has been notified w.e.f 1<sup>st</sup> April 2014, for term of 5 years and are not liable to retire by rotation. Further they can be re-appointed for another term of 5 Years on passing of special resolution by the members. The term will be counted from date of Commencement of Companies Act, 2013.

The Company has received declarations from Smt. Lalitha Gudimetla, Sri Venkata Reddy Nalabolu, Sri Avula Venkata Narayana Reddy confirming that they meet criteria of Independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the listing Agreement. Brief profile of Smt. Lalitha Gudimetla, Sri Venkata Reddy Nalabolu, Sri Avula Venkata Narayana Reddy is annexed to this Report.

The Board of Directors of your Company, after reviewing the provisions of the Act, are of the opinion that Smt. Lalitha Gudimetla, Sri Venkata Reddy Nalabolu, Sri Avula Venkata Narayana Reddy fulfills the conditions specified in the Act and the Rules made there under to be eligible to be appointed as Independent Director pursuant to the provisions of section 149 of the Act and Clause 49 of the Listing Agreement. Further as per the declarations received by the Company, they are not disqualified under Section 164 of the Companies Act, 2013. Hence the Board of Directors of your Company is also of the opinion that Smt. Lalitha Gudimetla, Sri Venkata Reddy Nalabolu, Sri Avula Venkata Narayana Reddy are independent of the management of the Company.

The Board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail services of the above said Directors as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of said Directors as an Independent Director pursuant to provisions of section 149 read with schedule IV of the Act and Clause 49 of the listing agreement for the approval by the shareholders of the Company.

Pursuant to provisions of Section 149(10) of the Act, appointment of independent Directors for term as set forward in the notice requires approval of member by passing of ordinary resolution, hence these Resolutions at Item Nos. 04, 05, 06 of the Notice commended for approval of members.

Except Smt. Lalitha Gudimetla, Sri Venkata Reddy Nalabolu, Sri Avula Venkata Narayana Reddy, None of the other Directors, Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in these resolutions.

### **Item No.7:**

Your Directors has from time to time mortgaged and/or charged its all or any of the movable or immovable properties both present and future or the whole or substantially the whole of the undertaking or undertakings for securing the loans availed by the Company.

As per the provisions of Section 180(1)(a) Companies Act, 2013, the above powers of the Board are required to be exercised only with the consent of the Company by a Special Resolution. Hence this resolution is commended for your approval

None of the Directors is interested in this resolution.

BY ORDER OF THE BOARD  
For **CURA TECHNOLOGIES LIMITED**

Sd/-

BALA REDDY GOPU  
Chairman & Managing Director

Place : Hyderabad  
Date : 30.08.2014



**Additional information on Directors recommended for appointment / re-appointment as required under Clause 49 of the Listing Agreement.**

<b>Name of Director</b>	<b>GUDIPUDI VENKATESWARA RAO</b>
<b>Date of Birth</b>	12.01.1959
<b>Date of First Appointment</b>	07.04.2008
<b>DIN NO.</b>	02147615
<b>Experience in Specific Functional Area</b>	He is an Entrepreneur with vast experience in General Management of the companies.
<b>No. of Shares held in the company</b>	2,925 Fully Paid-up Equity Shares of 10/- each
<b>Qualification</b>	B.Com., L.L.B.

<b>Name of Director</b>	<b>LALITHA GUDIMETLA</b>
<b>Date of Birth</b>	24.09.1953
<b>Date of First Appointment</b>	07.04.2008
<b>DIN NO.</b>	02198243
<b>Experience in Specific Functional Area</b>	She has vast experience in administration, finance and General Management areas.
<b>No. of Shares held in the company</b>	11,414 Fully Paid-up Equity Shares of 10/- each
<b>Qualification</b>	M.A., M.Phil.

<b>Name of Director</b>	<b>VENKATA REDDY NALABOLU</b>
<b>Date of Birth</b>	10.04.1963
<b>Date of First Appointment</b>	24.04.2008
<b>DIN NO.</b>	01930652
<b>Experience in Specific Functional Area</b>	He has 18 years of experience in Electrical and Electronics and Software Embedded industry in India and abroad.
<b>No. of Shares held in the company</b>	NIL
<b>Qualification</b>	B.E. (Electricals)

<b>Name of Director</b>	<b>AVULA VENKATA NARAYANA REDDY</b>
<b>Date of Birth</b>	01.06.1969
<b>Date of First Appointment</b>	28.08.2008
<b>DIN NO.</b>	02290361
<b>Experience in Specific Functional Area</b>	He has vast experience in Marketing and Finance areas
<b>No. of Shares held in the company</b>	3,900 Fully Paid-up Equity Shares of 10/- each
<b>Qualification</b>	MBA

## DIRECTORS' REPORT

To  
The Members

Your Directors have pleasure in presenting the Twenty Third Annual Report together with the Audited Accounts of the Company for the year ended 31<sup>st</sup> March, 2014.

### **REVIEW OF PERFORMANCE:**

The Highlights of the financial results is as below

(Standalone, Amount in ₹ Lakhs)

Particulars	Current Year 2013-14	Previous Year 2012-13
<b>Income</b>		
Software & Technical Services	542.08	529.03
Lease/Rental Income	309.22	251.19
Other Income	12.11	25.05
<b>Total Income</b>	<b>863.41</b>	<b>805.27</b>
<b>Total Expenditure</b>	<b>1,344.72</b>	<b>876.85</b>
Profit/(loss) before tax	(481.31)	(71.59)
Provision for Tax	(16.15)	(9.12)
<b>Net Profit/(Loss) after Tax</b>	<b>(465.16)</b>	<b>(62.46)</b>
<b>EPS- Basic</b>	<b>(4.87)</b>	<b>(0.65)</b>
<b>EPS - Diluted</b>	<b>(4.87)</b>	<b>(0.65)</b>

### **Global Operations:**

Your Company has recorded a consolidated income (as per Indian GAAP) of ₹ 3678.31 Lakhs for the Financial Year under review and loss of ₹ 1800.54 Lakhs.

### **DIVIDENDS:**

Due to losses, no dividend has been recommended by directors for the financial year 2013 - 14

### **PUBLIC DEPOSITS:**

Your Company has not accepted any deposits falling under Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules 1975 during the year under review.

### **DIRECTORS:**

During the year Smt. Velangini Mary Gopu and Shri. Shyam Sunder Reddy Vangala resigned from the directorship of the company w.e.f 03.01.2014 and 21.02.2014 respectively, the Board puts on record its appreciation for services rendered by them as director of the Company.

The Company had, pursuant to the provisions of clause 49 of the Listing Agreement entered into with Stock Exchanges, appointed Smt. Lalitha Gudimetla, Sri Venkata Reddy Nalabolu, Sri Avula Venkata Narayana Reddy as Independent Directors of the Company.

The Board of Directors of your Company, after reviewing the provisions of the Act, are of the opinion that Smt. Lalitha Gudimetla, Sri Venkata Reddy Nalabolu, Sri Avula Venkata Narayana Reddy fulfills the criteria specified in the Act and the Rules made there under to be eligible to be appointed as Independent Director pursuant to the provisions of section 149 of the Act and Clause 49 of the Listing Agreement and recommend for his appointment as Independent Director.

As per section 149(4) of the Companies Act, 2013 (Act), which came into effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as Independent Directors. In accordance with the provisions of section 149 of the Act, these Directors are being appointed as Independent Directors to hold office as per their tenure of appointment mentioned in the Notice of the forthcoming Annual General Meeting (AGM) of the Company.

Further Sri Venkateswara Rao Gudipudi, who shall retire by rotation at this Annual General Meeting and being eligible offer himself for re-appointment.

The Board recommends their re/appointments.

#### **PARTICULARS OF EMPLOYEES:**

There are no employees whose particulars are to be furnished U/s 217 (2A) of the Companies Act, 1956 read with Companies Act (Particulars of employees) Rules 1988, as the remuneration of none of the employees has crossed the limits specified therein.

#### **DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Section 217(2AA) of the Companies Act, 1956 the Directors of your Company hereby confirm that:

- i. that in the preparation of Annual Accounts for the year ended 31<sup>st</sup> March, 2014, 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 31<sup>st</sup> March, 2014 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 clause (e) of Sub-section (1) of Section 217 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 and form part of the Directors Report for the period ended 31<sup>st</sup> March, 2014 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>2013-14</b>	<b>2012-13</b>
Foreign Exchange earnings	₹ 393.92	₹ 66.38
Foreign Exchange outgo	₹ 10.57	₹ 305.30

#### **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 2014-15.

#### **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 31<sup>st</sup> March 2014

- 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 212 of the Companies Act, 1956, 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 8<sup>th</sup> February 2011 has provided an exemption to companies from complying with Section 212, provided such companies publish the audited consolidated financial statements in their annual report. Accordingly, the annual report 2013-14 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.

#### **REPLY TO AUDITORS QUALIFICATIONS / OBSERVATIONS :**

With reference to Auditor qualification vide Para 11 of Annexure to Auditor's Report on Standalone Financial Statements, Board herewith bring to your kind notice that company is undergoing acute financial crisis due to slow down of business in major markets of the company abroad, viz. Australia, Europe, America etc. Consequently revenue of the company is being tremendously effected, leading to shortfall in cash flows. Hence company could not re-pay the loans.

Further Auditors' observation vide point 4 of Auditor's Report on consolidated Financial Statements is self explanatory.

#### **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 appoint 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 28<sup>th</sup> 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 GOPU**  
Chairman & Managing Director

Place : Hyderabad  
Date : 30.08.2014

## STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 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	<i>Softpro Technologies Private Limited</i>	31st March, 2014	93.28% (932820 Equity each fully paid) Shares of Rs. 10	(6,500)	(33,680)
2	CURA Global GRC Solutions Pte Ltd, Singapore	31st March, 2014	100% (subsidiary to CURA, India)	(91,100,533)	6,779,532
3	CURA Risk Management Software (PTY) Limited, South Africa	31st March, 2014	100% (Step down subsidiary to CURA, Singapore)	(14,512,160)	9,922,000
4	CURA Software Solutions UK Limited, UK	31st March, 2014	100% (Step down subsidiary to CURA, South Africa)	(7,049,446)	(1,308,102)
5	CURA Software Solutions Company, USA	31st March, 2014	100% (Step down subsidiary to CURA, South Africa)	9,159,646	1,822,672
6	CURA Risk Management Software (PTY) Limited, Australia	31st March, 2014	100% (Step down subsidiary to CURA, South Africa)	(44,697,951)	(6,972,464)

**INFORMATION ON FINANCIALS OF THE SUBSIDIARIES**

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

S. No.	Name	Capital	Reserves	Other Liabilities	Total Liabilities	Fixed Assets	Total Assets	Investment in the subsidiaries)	Turnover	Profit before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend
1	Softpro Technologies Pvt Limited - Hyderabad, India	10,000,000	168,572	445,124	10,613,696	NIL	10,613,696	NIL	NIL	(6,500)	NIL	(6,500)	NIL
2	Cura Global GRC Solutions Pte Limited - Singapore	141,219,713	(229,181,073)	1,295,787,273	1,229,357,770	1,036,418,789	1,229,357,770	NIL	47,301,684	(91,100,533)	NIL	(91,100,533)	NIL
3	Cura Risk Management Software (Pty) Ltd - South Africa	81,249,152	(21,236,378)	151,330,587	211,343,361	1471765	211,343,361	NIL	129,341,523	(17,512,160)	NIL	(17,512,160)	NIL
4	Cura Software Solutions UK Limited-UK	9,942	(15,261,091)	NIL	42,994,394	0	42,994,394	NIL	26,300,414	7,049,518	NIL	7,049,518	NIL
5	Cura Software Solutions Company-USA	5,976	(71,303,962)	128,675,008	55,377,021	16,911	55,377,021	NIL	27,269,966	9,159,646	NIL	9,159,646	NIL
6	Cura Risk Management Software (Pty) Ltd - Australia	5,526	(71,408,840)	128,355,036	56,951,722	1,452,746	56,951,722	NIL	144,812,823	(44,697,951)	NIL	(44,697,951)	NIL

## **ANNEXURE - I**

### **MANAGEMENT DISCUSSION AND ANALYSIS**

#### **Industry Overview:**

With the global economy showing signs of a gradual recovery, worldwide IT spending is on pace to total USD 3.8 trillion in 2014, a 3.2% increase from 2013 spending, according to the latest forecast by Gartner, Inc.

In the enterprise software market, spending is on pace to total USD 320 billion, a 6.9% increase from 2013. The enterprise software market is the fastest-growing segment in 2014. The Nexus of Forces (the convergence of SMAC - Social, Mobile, Analytics and Cloud) continues to drive growth across key major software markets, such as CRM, database management systems (DBMSs), data integration tools and data quality tools.

#### **Governance Risk and Compliance (GRC) Industry Trends**

Through growing potential for effective enterprise risk management, the requirement for enterprise governance, risk and compliance (GRC) solutions is on the rise. GRC products and services have been renovated to fulfill the increasing demands from enterprises and professionals worldwide.

The significance of governance, risk management and compliance is well acknowledged in enterprise systems and this value has considerably augmented over the previous decade. Tool support for governance, risk and compliance associated program offered software vendors, are deficient to meet business needs. Meanwhile, there is a growing complication in the aid of compliant company procedures, which twigs from a rising number of conventions, recurrent and forceful changes, as well as common processes and services performed in extremely decentralized surroundings.

It is expected that the total enterprise governance, risk and compliance (eGRC) market will grow from \$5.17 billion in 2013 to \$9.93 billion in 2018 at a CAGR of 13.9% during the forecast period.

#### **OUTLOOK OF THE COMPANY:**

CURA Technologies Limited (CURA' or 'the Company') is a global Enterprise Class Software Application provider for organizations to efficiently manage their Governance, Risk and Compliance framework through an automated process. CURA has direct offices in 6 major Countries and about 180+ Customers in scores of Countries across globe.

Since acquisition of Cura Global GRC Solutions Pte Ltd., 2009-10 the promoters have invested substantially in development of R&D and have successfully delivered a complete module (Internal Audit) and couple of big new features (RBN - Rules based Notifications and Work Flow) to its existing Customers. Currently Cura's R&D team is exhaustively working on Mobility and Cloud in its R&D centre in Hyderabad offices in order to provide the best in class support services to its clients at a competitive price.

During the financial year ending March 31, 2014 the promoters have attempted in major cost savings initiatives to ensure a self-sustainable operational set-up. The promoter's efforts have paid off and the company has started to gain from this move at a consolidated level. The initiatives taken in previous years have started yielding the results with decreasing in the costs trends. This R&D team is also working on moving away from the legacy technologies and stepping into the future while working on future technologies which can ultimately enhance the current GRC system capabilities while achieving highly scalable solution to the advantage of Customers and in that accelerated business growth of the company.

In the last fiscal year the company has done some valuable partnerships which enable the company's footprint in the markets like Middle-East, Asia and Sub Saharan Markets. CURA has been able to successfully retain the big brand customers and also have brought back some of the lost customers. Further the company is also expanding in the regions like Middle East and Far East in order to garner the GRC business in these untapped markets.

### **Company's Plans**

The Company is planning to execute all necessary efforts to ensure that it comes out of the impact from global economic meltdown of last couple of years. The current sales budget has been targeted at 5% more than last year and as of date the performance is looking healthy and closer to the target. While the major concentration will be on the advanced GRC markets like US and Europe, company is also looking to grab the opportunity in Middle East and Asia Pacific. With additional business development and marketing efforts, the company shall endeavor to consolidate its brand and leadership position in GRC market that is growing on sustained basis.

In addition to that the Company is also expanding its services portfolio around its product triggering revenue growth and substantial Customer engagement. All these are expected to boost the company growth prospects well.

### **OPPORTUNITIES AND THREATS:**

As the U.S. economy continues to recover, many companies are beginning to shift their focus away from survivability and towards increasing their corporate risk management programs. Some of the problems associated with the financial crisis could have been mitigated if effective risk management solutions had been implemented. In order to hedge against unforeseen future risks, companies are beginning to more comprehensively assess their risk management and compliance needs.

The Governance, Risk Management, and Compliance (GRC) market currently consists of vendors offering fragmented products on different systems. Firms are facing an increasing number of legal and regulatory requirements, resulting in a fragmentation of their reporting services. This can lead to a business process that silos off various risks and data. GRC vendors are working to fix this problem by adding content and combining their package offerings, thereby enabling them to provide a holistic solution for their clients that measures and reports on a wide range of risk factors.

### **Risk and Concerns**

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

- a) The technology upgrade plans have to be accelerated to ensure competitive positioning of CURA
- b) Additional investments have to be raised for investing into sales & marketing efforts for leveraging the market opportunities in US and EMEA regions.
- c) IT Spending in the Current Market is reducing year on year
- d) Company is facing huge competition from the big players like SAP, Archer, Bwise and Metric Stream
- e) It is important to build key strategies around product business and technical architecture & roadmap to meet the constantly changing customer expectations and dynamic business needs.

### **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 statues. The internal audit is conducted to examine and evaluate the adequacy and effectiveness of the internal control systems, appraises periodically about activities and audit findings to the audit committee, statutory auditors and top management.

### **SEGMENTWISE PERFORMANCE**

The necessary details are given 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 2013-14, Five (5) Board Meetings were held on the following dates:**

29.05.2013	13.08.2013	02.09.2013
12.11.2013	12.02.2014	

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 31<sup>st</sup> March, 2014:**

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	4	8	1
2.	Mr. G. Venkateshwara Rao	Executive	Yes	5	5	3	1
3.	Ms. G. Velangini Mary**	Promoter and Non-Executive	Yes	5	4	3	-
4.	Ms. G. Lalitha	Non-Executive Independent	No	5	5	-	-
5.	Mr. N. Venkata Reddy	Non-Executive Independent	No	5	4	3	-
6.	Mr. V. Shyam Sunder Reddy**	Non-Executive Independent	Yes	5	4	4	-
7.	Mr. A. V. N. Reddy	Non-Executive Independent	No	5	3	5	-

\*\* Ms. G. Velangini Mary and Mr. V. Shyam Sunder Reddy resigned from the directorship of the company w.e.f 03.01.2014 and 21.02.2014 respectively and consequently various committees of Board are re-constituted

### 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.

<b>Name</b>	<b>Designation</b>	<b>Qualification</b>
Ms. G. Lalitha	Chairperson	M.A, M. Phil
Mr. N. Venkata Reddy	Member	B E Electricals
Mr. Shyam Sunder Reddy (upto 21.02.2014)	Member	BA, LLB
Mr. A. V. N. Reddy (W.E.F 30.05.2014)	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 2013-14 on

29.05.2013	13.08.2013	12.11.2013	12.02.2014
------------	------------	------------	------------

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. V. Shyam Sunder 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. Shyam Sunder Reddy (upto 21.02.2014)	Member
Mr. A. V. N. Reddy (W.E.F 30.05.2014)	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 31.03.2014 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

★ 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:**

Ms. Jyothi Bung - Company Secretary

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

Nature of Complaints	Year 2013 - 14		
	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
2012-13	The Conference Hall, 5 <sup>th</sup> Floor, Plot No # 12, Software Units Layout, Cyberabad, Hyderabad - 500 081.	Monday 30.09.2013	10.00 AM	1
2011-12	The Conference Hall, 5 <sup>th</sup> Floor, Plot No # 12, Software Units Layout, Cyberabad, Hyderabad - 500 081.	Friday 28.09.2012	10.00 AM	Nil
2010-11	The Conference Hall, 5 <sup>th</sup> Floor, Plot No # 12, Software Units Layout, Cyberabad, Hyderabad - 500 081.	Friday 30.09.2011	10.00 AM	7

One Special Resolution was passed in last Annual General Meeting (AGM) for authorization to divest the shares in subsidiary company.

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:**

**CEO and CMD Certification:**

The Managing Director and Executive Director has 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 23<sup>rd</sup> Annual General Meeting of the Company will be held on **SATURDAY, 27<sup>TH</sup> SEPTEMBER, 2014** at 10.00 A.M. at Registered Office of the Company at 5<sup>th</sup> Floor, Conference Hall, Plot No. 12, Software Units Layout Cyberabad, Hyderabad - 500 081.

**Financial Calendar:**

First Quarter Results	First week of August, 2014
Second Quarter Results	First week of November, 2014
Third Quarter Results	First week of February, 2015
Audited Financial Results	Last week of May, 2015

**Book Closure Date: Saturday, 20<sup>th</sup> September, 2014 to Saturday, 27<sup>th</sup> September, 2014** (both days inclusive)

**E-voting Dates:** Sunday, 21<sup>st</sup> September, 2014 9 A.M to Tuesday, 23<sup>th</sup> September, 2014 6.00 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 2014-15 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 2013	19.20	14.30
May 2013	18.25	14.50
June 2013	17.30	15.00
July 2013	21.50	16.95
August 2013	25.35	21.85
September 2013	24.95	20.65
October 2013	26.20	22.85
November 2013	27.25	24.65
December 2013	27.90	17.35
January 2014	19.10	16.75
February 2014	19.80	17.00
March 2014	20.00	14.80

**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.

**SHAREHOLDING PATTERN AS ON 31<sup>ST</sup> MARCH, 2014:**

S. No	Category	No. of Shares	% of Shareholding
1	Indian Promoters	4041979	42.30
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	1307390	13.68
7	Indian Public	4060215	42.50
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, 2014 :**

S. No	Category From-To ₹ ₹	No. of Holders	% of Holders	No. of Shares	% of Shares
1	Upto-5,000	2535	86.14	2762010	2.89
2	5,001-10,000	116	3.94	941540	0.99
3	10,001-20,000	76	2.58	1152620	1.21
4	20,001-30,000	51	1.73	1289450	1.35
5	30,001-40,000	27	0.92	947170	0.99
6	40,001-50,000	19	0.65	886790	0.93
7	50,001-1,00,000	48	1.63	3583620	3.75
8	Above-1,00,000	71	2.41	83986800	87.9
	<b>TOTAL</b>	<b>2943</b>	<b>100</b>	<b>95550000</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 31.03.2014:

Category	No. of Shares	%
NSDL	8097920	84.75
CDSL	1396032	14.61
PHYSICAL	61048	0.64
<b>TOTAL</b>	<b>95,55,000</b>	<b>100.00</b>

**Outstanding GD/ AD/ 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 31.03.2014**

**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 2013-14.

Sd/-

**BALA REDDY GOPU**

Chairman & Managing Director

**AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

To  
The Members  
**Cura Technologies Limited**

We have examined the compliance of conditions of Corporate Governance by **M/s. Cura Technologies Limited** for the period ended on 31<sup>st</sup> March 2014 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 the management. Our examination was limited to 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 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 abovementioned Listing Agreement.

We state that no investor grievance is pending for a period of exceeding one month against the Company as per the records maintained by the Shareholders'/Investors' Grievance Committee.

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

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

Place: Hyderabad  
Date: 30.08.2014

Sd/-  
**RAVI RAMBABU**  
Partner  
Membership No. 18541



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 GOPU**  
Chairman & Managing Director

## Independent Auditor's Report

To the Members of  
**CURA TECHNOLOGIES LIMITED**

### Report on Financial Statements

We have audited the accompanying financial statements of CURA TECHNOLOGIES LIMITED ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Managements Responsibility for the Financial Statements

Management is responsible for 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control 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 conducted our audit in accordance with the Standards on Auditing 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 misstatement.

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

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March 2014;
- b) In the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and

- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.
1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
  2. As required by section 227(3) of the Act, we report that:
    - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
    - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
    - c) The Balance Sheet, 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 Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956; read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013,
    - e) On the basis of written representations received from the directors as on 31<sup>st</sup> March 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

Place: Hyderabad  
Date: 30-05-2014

**For RAMBABU & Co.**  
Chartered Accountants  
Firm Reg No: 002976S

Sd/-  
Ravi Rambabu  
Partner  
M No. : 018541

**The Annexure referred to in paragraph 1 of the Our Report of even date to the members of CURA TECHNOLOGIES LIMITED on the accounts of the company for the year ended 31<sup>st</sup> March, 2014.**

1. In respect of Fixed Assets:
  - (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
  - (b) As explained to us, fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such verification.
  - (c) In our opinion, the company has not disposed off a substantial part of its fixed assets during the year and the going concern status of the company is not affected.
2. In respect of its inventories
  - (a) As explained to us, the company does not hold any inventories and, hence, the question of physical verification, procedures followed for verification and discrepancies thereof does not arise.
3. In respect of the loans, secured or unsecured granted or taken by the company to/ from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956:
  - a) Company has granted loan of Rs. 49,22,97,452/- (including loan given an amount of Rs.2,11,63,186/- during the year) to parties covered in the Register maintained under Section 301 of the Companies Act, 1956.
  - b) *According to the information and explanations given to us, we are of the opinion, the terms and conditions on which loans granted by the company to such parties listed in the register maintained under section 301 of the companies act, 1956 are not, Prima facie, prejudicial to the interest of the company.*
  - c) There is no overdue amount in-respect of loan granted to parties listed in the register maintained under section 301 of the Companies Act, 1956, the question of statement on the steps taken for recovery of the Principal, and overdue amount of more than one lakh does not arise.
  - d) The Company has taken a loan aggregating to Rs. 10,25,000/- (including loan taken during the year Rs. Nil) from parties listed in the register maintained under section 301 of the Companies Act, 1956.
  - e) *According to the information and explanations given to us, we are of the opinion, the terms and conditions on which loan taken by the company from such parties listed in the register maintained under section 301 of the companies act, 1956 are not, prima facie, prejudicial to the interest of the company.*
  - f) There is no overdue amount in-respect of loan taken from parties listed in the register maintained under section 301 of the Companies Act, 1956, the question of statement on the steps taken for payment of the Principal, and overdue amount of more than one lakh does not arise.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of fixed assets, office equipment and for

rendering of services. During the course of our audit, based on our procedures applied, we have not observed any continuing failure to correct major weaknesses in the internal control system.

5. In respect of contracts or arrangements preferred to in Section 301 of the Companies Act, 1956:
  - (a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that needed to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
  - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of Rs.5,00,000/- in respect of each party covered above during the year have been made at prices which appear reasonable as per information available with the Company.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of Sections 58A and 58AA of the Companies Act, 1956 and the Companies ( Acceptance of Deposits) Rules, 1975 framed there under apply.
7. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
8. We are informed and according to the information and explanations given to us, that the Central Government has not prescribed maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956, for the activities of the Company.
9. In respect of statutory dues:
  - (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31<sup>st</sup> March, 2014 for a period of more than six months from the date they became payable except service tax Rs.44,46,943/-.
  - (b) *According to the information and explanations given to us, there are no dues of income tax, Customs duty, Wealth tax, Excise duty and Cess, which have not been deposited on account of any dispute, except taxes mentioned below, have not been deposited by the company on account of dispute.*

Name of the Statute	Nature of the Dues	Amount Rs.	year to which the amount relates	Forum where dispute is pending
APVAT, 2005	Value Added Tax	10,58,047	2005-06	High Court of A.P.
APVAT, 2005	Value Added Tax	13,58,171	2006-07	High Court of A.P.
APVAT, 2005	Value Added Tax	17,60,163	2007-08	High Court of A.P.

10. The Company has no accumulated losses at the end of the financial year but has incurred cash loss during the financial year covered by the audit and has not incurred any cash loss in the immediately preceding financial year.
11. Based on our audit procedures and according to the information and explanations given by the management, we are of the opinion that, the Company has defaulted in repayment of dues to financial institutions and banks as follows:

S. No	Name of the Bank	Principal	Interest
1	Andhra Bank, Sultan Bazar, Koti	2,74,91,940	4,99,18,916
2	Andhra Bank, Sultan Bazar, Koti	26,86,10,248	11,06,43,188

12. The Company has received demand notice from Andhra Bank under Section 13(2) of SECURITISATION AND RECONSTRUCTION OF FINANCIAL ASSETS AND ENFORCEMENT OF SECURITY INTEREST ACT 2002.
13. In our opinion and according to the explanations given to us and based on the information available, no loans and advances have been granted by the company on the basis of security by way of pledge of shares, debentures and other securities.
14. In our opinion, the Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
15. In our opinion, the Company is not dealing in or trading in Shares, securities, debentures, mutual funds & other Investments. Accordingly, the provisions of clause 4(xiii) of the companies (Auditor's Report) order, 2003 are not applicable to the company.
16. In our opinion and according to the information and explanations given to us, the Company has not given guarantee for loans taken by others from a bank or financial institutions.
17. Based on the information given by the management, we report that the company has not raised any fresh term loans during the year.
18. In our opinion, according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31<sup>st</sup> March 2014, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
19. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
20. According to the information and explanations given to us, the Company has not issued debentures during the year covered by our report. Hence, the Company is not required to create or register or modify any security or charge.
21. The Company has not raised any money by public issue during the year.
22. Based on the audit procedures performed and the information and explanations given to us, we report that no material fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

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

Ravi Rambabu  
Partner  
M.No. : 018541

Place: Hyderabad  
Date: 30-05-2014

<b>CURA TECHNOLOGIES LIMITED, HYDERABAD</b>			
<b>Balance Sheet as at 31st March, 2014</b>			
<b>Particulars</b>	<b>Notes</b>	<b>As at 31 March,2014</b>	<b>As at 31 March,2013</b>
<b>I EQUITY &amp; LIABILITIES</b>			
<b>1 SHARE HOLDERS' FUND</b>			
Share Capital	3	95,550,000	95,550,000
Reserves & Surplus	4	660,924,386	708,497,587
		<b>756,474,386</b>	<b>804,047,587</b>
2 Share Application money pending allotment	5	350,000	350,000
<b>3 NON-CURRENT LIABILITIES</b>			
(a) Long Term Borrowings	6	205,002,573	332,957,879
(b) Deferred Tax Liabilities	7	4,697,515	6,312,666
(c) Other Long Term Liabilities	8	19,222,920	22,132,108
(d) Long Term Provisions	9	1,120,817	752,396
		<b>230,043,825</b>	<b>362,155,050</b>
<b>4 CURRENT LIABILITIES</b>			
(a) Trade Payables	10	29,585,617	36,351,652
(b) Other Current Liabilities	11	259,931,169	15,410,486
		<b>289,516,786</b>	<b>51,762,138</b>
		<b>1,276,384,997</b>	<b>1,218,314,774</b>
<b>II ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
<b>1 (a) Fixed Assets</b>			
Tangible Assets	12	119,942,078	127,804,798
Intangible Assets		6,786,254	6,661,959
Capital Work-in-progress		79,413,770	78,507,411
		<b>206,142,102</b>	<b>212,974,168</b>
(b) Non Current Investments	13	137,162,896	137,162,896
(c) Long Term Loans & Advances	14	694,193,709	666,820,168
		<b>831,356,605</b>	<b>803,983,064</b>
<b>2 CURRENT ASSETS</b>			
(a) Trade Receivables	15	216,737,109	179,098,383
(b) Cash and Bank Balances	16	1,887,480	1,553,955
(c) Short Term Loans and Advances	17	16,488,402	18,669,021
(d) Other Current Assets		3,773,300	2,036,182
		<b>238,886,290</b>	<b>201,357,541</b>
		<b>1,276,384,997</b>	<b>1,218,314,774</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 **RAMBABU&Co**

for and on behalf of Board

Chartered Accountants

Firm Registration No.: 002976S

RAVI RAMBABU

G. Bala Reddy

G.Venkateswara Rao

Jyothi Bung

Partner No: 018541

Chairman & Managing Director

Executive Director

Company Secretary

Place: Hyderabad

Date: 30 May 2014

<b>CURA TECHNOLOGIES LIMITED, HYDERABAD</b>			
<b>Statement of Profit and Loss for the year ended 31st March, 2014</b>			
<b>Particulars</b>	<b>Note</b>	<b>for the year ended 31 March 2014</b>	<b>for the year ended 31 March 2013</b>
Revenue from operations	18	54,207,745	52,903,175
Other Income	19	32,132,468	27,623,611
<b>Total Revenue</b>		<b>86,340,213</b>	<b>80,526,786</b>
<b>Expenses</b>			
Employee Benefit Expenses	20	37,172,844	36,137,535
Finance Costs	21	12,387,945	15,202,734
Depreciation & Amortisation expenses	12	9,447,608	7,508,300
Other expenses	22	75,463,317	28,846,876
<b>Total Expenses</b>		<b>134,471,713</b>	<b>87,695,445</b>
<b>PROFIT BEFORE TAX &amp; EXCEPTIONAL ITEMS</b>		<b>(48,131,499)</b>	<b>(7,168,659)</b>
Tax Expenses			
Current Tax		-	-
Deferred Tax	7	(1,615,151)	(912,033)
<b>PROFIT AFTER TAX BEFORE EXCEPTIONAL ITEMS</b>		<b>(46,516,348)</b>	<b>(6,256,626)</b>
Exceptional items		-	-
<b>PROFIT AFTER TAX AND EXCEPTIONAL ITEMS</b>		<b>(46,516,348)</b>	<b>(6,256,626)</b>
<b>EARNINGS PER EQUITY SHARE</b>			
Equity share of par value Rs.10/- each			
<b>Earnings per share</b>			
Basic - Par value		(4.87)	(0.65)
Diluted - Par value		(4.87)	(0.65)
<b>Number of shares used in computing earning per share</b>			
Basic - Par value		9,555,000	9,555,000
Diluted - Par value		9,555,000	9,555,000

**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

Jyothi Bung  
Company Secretary

Place: Hyderabad  
Date: 30 May 2014



<b>CURA TECHNOLOGIES LIMITED, HYDERABAD</b>		
<b>Cash Flow Statement for the year ended 31st March, 2014</b>		
<b>Particulars</b>	<b>for the year ended 31 March 2014</b>	<b>for the year ended 31 March 2013</b>
<b>Cash flow from operating activities</b>		
Net Profit / (Loss) before extraordinary items and tax	(48,131,499)	<b>(7,168,659)</b>
<u>Adjustments for:</u>		
Depreciation and amortisation	9,447,608	7,508,300
ESOP Expenses	-	15,472
Foreign exchange loss/ (gain)	40,449,204	6,637,868
Interest received	307,619	89,712.00
Interest expenses	12,387,945	15,202,734
Operating profit / (loss) before working capital changes	<b>14,460,876</b>	<b>22,285,427</b>
<u>Changes in working capital :</u>		
<b>Adjustments for (increase)/decrease in operating assets:</b>		
Inventories	-	-
Trade receivables	(21,931,866)	27,941,519
Short-term loans and advances	2,180,619	(95,585,494)
long-term loans and advances	(250,215,260)	62,482,746
<b>Adjustments for increase/(decrease) in operating liabilities:</b>		
Trade payables	6,766,035	(4,819,756)
Other current liabilities	249,631,052	(15,271,839)
Long-term provisions	(368,421)	(1,544,231)
	<b>(13,937,840)</b>	<b>(26,797,055)</b>
Cash generated from operations	523,036	(4,511,628)
Net income tax (paid) / refunds	-	-
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>523,036</b>	<b>(4,511,628)</b>
<b>Cash flow from investing activities</b>		
Capital expenditure on fixed assets, including capital advances	(63,688)	450,172
Sale of fixed asset	-	-
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(63,688)</b>	<b>450,172</b>
<b>Cash flow from financing activities</b>		
Proceeds from long-term borrowings	-	(5,587,126)
Repayment of long term borrowing	-	25,391,277
Net increase / (decrease) in working capital borrowings	(307,619)	-
Interest Income	-	-
Interest expenses	-	(15,202,734)
Dividends paid	-	-
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>(307,619)</b>	<b>4,601,417</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	151,729	539,961
Cash and cash equivalents at the beginning of the year	1,553,955	1,013,995
<b>Cash and cash equivalents at the end of the year</b>	<b>1,705,684</b>	<b>1,553,956</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

Jyothi Bung  
Company Secretary

Place: Hyderabad

Date: 30 May 2014

<b>CURA TECHNOLOGIES LIMITED, HYDERABAD</b>		
<b>Schedules forming part of Balance sheet</b>		
<b>Particulars</b>	<b>As at 31 March, 2014</b>	<b>As at 31 March, 2013</b>
<b>Note 3 :</b>		
<b>Share Capital</b>		
<b>Authorised Share Capital</b>		
10,000,000 Equity shares of Rs.10 each	100,000,000	100,000,000
	<b>100,000,000</b>	<b>100,000,000</b>
<b>Issued, Subscribed &amp; Paid up Capital</b>		
95,55,000 Equity Shares of Rs.10/- each fully paid up (Previous year 95,55,000 Equity Shares of Rs.10/- each fully paid-up)	95,550,000	95,550,000
	<b>95,550,000</b>	<b>95,550,000</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	9,555,000	9,520,000
<b>Share issued during the year:</b>		
on exercise of employee stock options	-	35,000
Number of shares outstanding at the end of the year	<b>9,555,000</b>	<b>9,555,000</b>
<b>Details of shareholders holding more than 5% shares in the company</b>		
<b>Particulars</b>		
SAHASRA INVESTMENTS ( P) LTD	3,617,726	3,617,726
Share holding %	37.86	37.86
<b>Note 4 :</b>		
<b>Reserves &amp; Surplus</b>		
4.1 Capital reserve	1,565,900	1,565,900
4.2 Securities premium		
Opening balance	613,287,556	613,287,556
Closing balance	613,287,556	613,287,556
4.3 <b>General reserve</b>		
Opening balance	32,328,123	32,328,123
Closing balance	32,328,123	32,328,123
4.4 <b>Profit and Loss Statement</b>		
Opening balance	60,259,155	66,505,781
Add: Profit for the year	(46,516,348)	(6,246,626)
Closing balance	13,742,807	60,259,155
4.5 Foreign Currency translation reserve*	-	1,056,853
*The foreign currency translation reserve comprises exchange difference on monetary items that in substance form part of the net investment in CURA Global GRC Solutions Pte Limited, Singapore. The reserve is utilised against the foreign exchange fluctuation.		
	<b>660,924,386</b>	<b>708,497,587</b>
<b>Note 5 :</b>		
<b>Share Application Money</b>		
Share application money received	<b>350,000</b>	<b>350,000</b>
Note: As at 31 March 2014, the Company has received an amount of 350,000 towards share application money towards 35,000 equity shares (As at 31 March, 2013 350,000 towards 35,000 equity shares). The share application money was received pursuant to the Employee Stock Option scheme 2008. The Company has sufficient authorised capital to cover the allotment of these shares.		

Particulars	As at 31 March, 2014	As at 31 March, 2013
<b>Note 6 :</b>		
<b>Long Term Borrowing</b>		
<b>From Banks - Secured</b>		
(a) Andhra Bank Term Loan (refer note 11.1)	-	64,347,632
(b) Andhra Bank Term Loan (refer note 6.1)	205,002,573	239,790,247
<b>Unsecured</b>		
Sahasra Investments Pvt. Ltd. (refer note:6.2)	1,025,000	1,025,000
	<b>206,027,573</b>	<b>305,162,879</b>
<b>Note 6.1</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 the under the head Loan and advances to Subsidiaries.		
<b>Note 6.2</b>		
The Company has taken an interest free unsecured loan of Rs. 10.25 Lakhs from Sahasra Investments Pvt Ltd - a related Party		
<b>Note 7 :</b>		
<b>Deferred Tax Liabilities</b>		
<i>Opening Deferred tax liability</i>	6,312,666	7,223,947
<b>Tax effect of items constituting deferred tax liability</b>		
On difference between book balance and tax balance of fixed assets	(1,615,151)	(911,281)
<i>Net deferred tax liability</i>	<b>4,697,515</b>	<b>6,312,666</b>
<b>Note 8 :</b>		
<b>Other Long Term Liabilities</b>		
Rental deposits	19,222,920	22,132,108
	<b>19,222,920</b>	<b>22,132,108</b>
<b>Note 9 :</b>		
<b>Long Term Provision</b>		
(a) Leave Encashment Payable	481,444	345,011
(b) Provision for Gratuity	639,373	407,385
	<b>1,120,817</b>	<b>752,396</b>
<b>Note 10 :</b>		
<b>Trade Payables</b>		
(a) Creditors for Materials	-	854,405
(b) Creditors for Services	29,585,617	35,497,247
	<b>29,585,617</b>	<b>36,351,652</b>

Particulars	As at 31 March, 2014	As at 31 March, 2013
<b>Note 11:</b>		
<b>Other Current Liabilities</b>		
(a) Current maturities of long-term debt, Secured (refer note 11.1 & 6.1)		
(i) Andhra Bank Term Loan (refer note 11.1)	77,410,856	-
(ii) Andhra Bank Term Loan (refer note 6.1)	174,250,863	28,820,000
(b) Creditors for capital goods	-	385,570
(c) Unclaimed dividends	182,337	243,760
(d) Provision for expenses	884,724	2,396,419
(e) Due to statutory authorities	7,143,038	8,583,706
(f) Other Liabilities	59,352	4,186,600
Note 11.1		
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 7.74 crores including interest is currently due.		
	<b>259,931,169</b>	<b>44,230,486</b>
<b>Note 13:</b>		
<b>Non Current Investments (Unquoted)</b>		
Cura Global GRC Solutions Pte Ltd.	132,498,796	132,498,796
(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	4,664,100	9,328,200
(932,820 Equity Shares with face value of Rs.10/- each fully paid up)		
Less: Provision for diminution in value of investments	-	(4,664,100)
	<b>137,162,896</b>	<b>137,162,896</b>
<b>Note 14:</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 6.1)	492,297,452	471,134,266
b) Advances for capital goods	17,945,000	17,945,000
c) Other advances	172,128,421	91,998,093
d) Deposits with Government authorities (refer note 14.1)	2,892,088	2,016,092
e) Prepaid Taxes	8,930,748	6,349,106
	<b>694,193,709</b>	<b>589,442,556</b>
Note 14.1: Deposits with Government Authorities include an amount of Rs. 19,24,700 (previous year: Rs.15,67,600) towards Security Deposit with APCPDCL Hyderabad and other deposits Rs. 967,388 (previous year : Rs. 461,992)		
<b>Note 15:</b>		
<b>Trade Receivables</b>		
<b>(Unsecured and considered good)</b>		
a) Outstanding for more than 6 months	223,549,859	115,140,436
Less: Provision for Doubtful Debts	(15,706,860)	-
	<b>207,842,999</b>	<b>115,140,436</b>
b) Others	8,894,110	149,720,846
	<b>216,737,109</b>	<b>264,861,282</b>
Note 15.1:		
Trade receivables for more than six months includes an amount of Rs. 192,136,141 (previous year: Rs. 137,928,396) receivable from wholly owned subsidiary CURA Global GRC solutions Pte Limited.		

Particulars	As at 31 March, 2014	As at 31 March, 2013
<b>Note 16:</b>		
<b>Cash and Bank Balances</b>		
<b>I) Cash and Cash Equivalents</b>		
a) Cash in Hand	6,302	5,430
b) Balances with scheduled banks		
i) In current accounts	1,699,381	1,304,765
<b>II) Other Bank Balances</b>		
a) Unclaimed Dividends	181,797	243,760
<i>Cash and cash equivalents for cash flow statements</i>	<b>1,887,480</b>	<b>1,553,955</b>
<i>Out of the above Cash and Cash equivalents which meet the definition of Cash flow statements is Rs.1,705,683. (previous year Rs. 1,310,794)</i>		
<b>Note 17:</b>		
<b>Short-term Loans and Advances</b>		
<b>Considered good</b>		
Advances to vendors	15,201,500	17,235,636
Staff loans and advances	55,545	65,122
Prepaid expenses	1,231,357	1,354,763
	<b>16,488,402</b>	<b>18,655,521</b>
<b>Note 18:</b>		
<b>Revenue from Operations</b>		
Software development on Domestic Projects	-	1,000,000
Software development on Exports Projects	54,207,745	51,903,175
	<b>54,207,745</b>	<b>52,903,175</b>
<b>Note 19:</b>		
<b>Other Income</b>		
Rent Receipts for Space	26,527,586	22,513,256
Maintenance Charges Receipts	4,394,338	2,605,265
Interest Received	307,619	89,712
Miscellaneous Income	902,926	2,415,378
	<b>32,132,468</b>	<b>27,623,611</b>
<b>Note 20:</b>		
<b>Employee Benefit</b>		
Salaries, wages and bonus	34,443,506	33,303,958
Contribution to provident and other funds	1,795,793	1,765,785
Staff welfare expenses	933,545	1,067,792
	<b>37,172,844</b>	<b>36,137,535</b>
<b>Note 21:</b>		
<b>Finance Cost</b>		
Interest on term loans	11,766,924	11,520,995
Interest on Statutory Payments	307,419	285,754
Bank Charges & Commission	621,021	3,395,985
	<b>12,695,364</b>	<b>15,202,734</b>

Particulars	As at 31 March, 2014	As at 31 March, 2013
<b>Note 22:</b>		
<b>Other Expenses</b>		
Advertisements	54,242	325,214
Other selling expenses	-	766,057
<b>Repairs and maintenance</b>		
Buildings	-	1,894,160
Plant and machinery	52,000	549,163
Power and fuel	3,815,267	2,056,188
Legal and professional	903,821	167,167
Travelling and conveyance	1,028,477	1,172,532
Foreign exchange loss	40,449,204	6,637,868
Communication	1,068,425	1,331,311
Rent	2,323,291	1,824,332
Security expenses	1,780,804	1,399,139
Rates and taxes	1,978,392	2,161,848
Printing and stationery	71,005	204,855
Insurance	652,451	291,561
Payment to auditors	650,000	550,000
Provision for Doubtful Debts	15,554,243	-
Miscellaneous	4,774,276	7,515,482
	<b>75,155,898</b>	<b>28,846,876</b>
<b>Note 22.1:</b>		
Payments to the auditors comprises (Excluding Service Tax)		
Audit Fee	450,000	350,000
Tax Audit Fee	100,000	100,000
Certification and others	100,000	100,000
	<b>650,000</b>	<b>550,000</b>

Schedule 12 : FIXED ASSETS SCHEDULE

S. No.	Name of the Asset	GROSS BLOCK			DEPRECIATION			NET BLOCK		
		Balance as on 01-04-2013	Additions during the period	Sale or adjts for the period	Balance as on 31-03-2014	During the period	Sale or Adjts for the period	Total as on 31-03-2014	As on 31-03-2014	As on 31-03-2013
<b>a) Tangible Assets</b>										
	Land at Hyderabad	9,174,326	-	-	9,174,326	-	-	-	9,174,326	9,174,326
	Building	85,936,779	-	-	85,936,779	1,400,769	-	15,137,356	70,799,423	72,200,192
	Air Conditioning System	18,020,934	46,000	-	18,066,934	856,419	-	9,338,175	8,728,759	9,539,178
	Plant & Machinery	3,170,162	-	-	3,170,162	150,583	-	1,778,250	1,391,912	1,542,495
	Electrical Equipments	6,313,884	24,990	-	6,338,874	2,914,841	-	300,345	3,123,688	3,399,043
	Electrical Fittings	9,478,245	-	-	9,478,245	4,436,046	-	4,886,263	4,591,982	5,042,199
	Interiors, Furniture & Fixtures	36,360,938	70,700	-	36,431,638	2,305,938	-	24,866,292	11,565,346	13,800,584
	Lift System	2,817,500	-	-	2,817,500	133,831	-	1,508,617	1,308,884	1,442,715
	Fire Safety Equipment	2,439,423	-	-	2,439,423	115,873	-	1,255,207	1,184,216	1,300,089
	Computers	15,775,718	700,981	-	16,476,699	12,831,978	-	15,439,193	1,037,506	2,943,740
	Office Equipment	3,939,512	-	-	3,939,512	1,071,515	-	1,258,642	2,680,870	2,867,997
	Library Books	63,389	-	-	63,389	-	-	63,389	-	-
	Motor Cars	2,074,460	-	-	2,074,460	1,389,816	-	1,586,890	487,570	684,645
	Land at Vizag (under development)	3,867,596	-	-	3,867,596	-	-	-	3,867,596	3,867,596
	<b>TOTAL (a)</b>	<b>199,432,866</b>	<b>842,671</b>	-	<b>200,275,537</b>	<b>8,705,391</b>	-	<b>80,333,459</b>	<b>119,942,078</b>	<b>127,804,798</b>
<b>b) Intangible Assets</b>										
	Software Tools & Packages	14,889,575	866,512	-	15,756,087	8,227,616	-	8,969,833	6,786,254	6,661,959
	<b>TOTAL (b)</b>	<b>14,889,575</b>	<b>866,512</b>	-	<b>15,756,087</b>	<b>8,227,616</b>	-	<b>8,969,833</b>	<b>6,786,254</b>	<b>6,661,959</b>
	<b>TOTAL (a+b)</b>	<b>214,322,441</b>	<b>1,709,183</b>	-	<b>216,031,624</b>	<b>9,447,608</b>	-	<b>89,303,292</b>	<b>126,728,331</b>	<b>134,466,757</b>

## **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, 1956 as 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 at the rates specified in the Schedule XIV to the Companies Act, 1956.

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** 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. Notes on Accounts:**

2.17 The company has the following Contingent liabilities as on :

Particulars	31 March, 2014	31 March, 2013
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, 2014	31 March, 2013
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 2014	As at 31 March 2013
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	54,207,745	-	-	-
	<i>51,903,175</i>	-	-	-
Rendering of Services	-	-	-	-
	-	-	-	-
Rental Income	-	-	-	-
	-	<i>25,118,521</i>	-	-
Loans and Advances given	49,22,97,452	8,804,790	-	-
	<i>47,11,34,266</i>	<i>8,804,790</i>	-	-
Balances Receivable/(Payable)	19,21,36,141	(11,418,732)	-	-
	<i>60,90,62,662</i>	<i>(11,025,000)</i>	-	-

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 2014	As at 31 March 2013
<b><u>Change in present value of obligations:</u></b>		
Present Value of Obligation at the beginning of the Year	417,687	524,506
Current Service Cost	234,504	184,107
Interest Cost	33,415	45,370
Actuarial (Gains) / Losses	(46,233)	(346,598)
Benefits paid		-
Present Value of Obligation at the end of the year	639,373	407,385
<b><u>Amounts Recognised in the Balance Sheet</u></b>		
Present Value of Obligation at the end of the year	639,373	407,385
Fair Value of Plan Assets as at the end of the year	-	-
Funded Status	(639,373)	(407,385)
<b>Net Asset (Liability recognized in the Balance Sheet)</b>	<b>(639,373)</b>	<b>(407,687)</b>
<b><u>Expense recognized in the Statement of Profit and Loss</u></b>		
Current Service Cost	234,504	184,107
Interest Cost	33,415	45,370
Expected Return on Plan Assets	-	-
Net Actuarial (Gains) / Losses Recognised in the year	(46,233)	(346,598)
Net Cost Recognized in the Profit & Loss Account	221,686	(117,121)
<b><u>Assumptions</u></b>		
Discount Rate	8.00%	8.00%
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 31.03.2014
<b>Assumptions</b>	
<b>Change in present value of obligations:</b>	
Present Value of Obligation at the beginning of the Year	-
Current Service Cost	531,670
Interest Cost	23,136
Actuarial (Gains) / Losses	(306,757)
Benefits paid	-
Present Value of Obligation at the end of the year	481,444
<b>Amounts Recognised in the Balance Sheet</b>	
Present Value of Obligation at the end of the year	481,444
Fair Value of Plan Assets as at the end of the year	-
Funded Status	(481,444)
<b>Net Asset (Liability recognized in the Balance Sheet)</b>	(481,444)
<b>Expense recognized in the Statement of Profit and Loss</b>	
Current Service Cost	531,670
Interest Cost	23,136
Expected Return on Plan Assets	-
Net Actuarial (Gains) / Losses Recognized in the year	(306,757)
Net Cost Recognized in the Statement of Profit and Loss	248,049
<b>Assumptions</b>	
Discount Rate	8.00%
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 31<sup>st</sup> March 2014:  
(Amounts in Lakhs)

Particulars	31-03-2014 Audited	31-03-2013 Audited
<b>Segment wise revenue, results and capital employed</b>		
<b>Segment wise revenue</b>		
a) Software Development	542.08	529.03
b) Lease/Rental Income	309.22	251.19
<b>Total</b>	<b>851.30</b>	<b>780.22</b>
Less:- Inter segment Revenue	-	-
<b>Net Sales/Income from Operations</b>	<b>851.30</b>	<b>780.22</b>
<b>Segment Results - Profit / (Loss) before tax and interest</b>		
a) Software Development	(389.70)	(120.81)
b) Lease/Rental Income	20.10	176.10
<b>Total</b>	<b>(369.50)</b>	<b>55.29</b>
c) other Income	12.11	25.05
Less:- Interest	123.88	152.03
<b>Total Profit/(Loss) Before Tax</b>	<b>(481.31)</b>	<b>(71.68)</b>
<b>Capital Employed</b>		
a) Software Development	4,751.60	5,284.54
b) Rental Income & Others	2,816.60	2,759.34
<b>Total</b>	<b>7,568.24</b>	<b>8,043.88</b>

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



## Independent Auditor's Report

To the Board of Directors of  
**CURA TECHNOLOGIES LIMITED**

### Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of **M/s CURA TECHNOLOGIES LIMITED** (the Company) which comprise the consolidated Balance Sheet as at 31st March 2014, the consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended, and a summary of significant Accounting policies and other explanatory information.

### Management's Responsibility for the Consolidated Financial Statements

2. Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing 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 consolidated financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Basis for Qualified Opinion

#### a) Impairment of subsidiaries

As at 31 March 2014, the immediate subsidiary company **M/s.CURA Global GRC Solutions (Pte) Limited** had investments in its subsidiaries amounting to US\$15,735,395. Based on the reports provided by the auditors of the immediate subsidiary company, they were unable to obtain further evidence which are necessary to satisfy themselves as to whether any impairment loss would need to be recognized and accordingly we are unable to assess the appropriateness of the carrying amount of these investments.

### b) Default on term loans repayment

Based on the reports provided by the auditors of the subsidiary company, they were unable to obtain sufficient appropriate audit evidence on term loans balances of US\$ 4,633,982(2013:US\$4,633,982) given the Company had defaulted its instalment payments. In connection with these defaulted term loans, they were also unable to obtain sufficient appropriate audit evidence on loan interest expense amounting to US\$1,748,216. Management is in the process of negotiating with the bank for the resolution of these defaulted term loans. We are unable to assess the impact on the financial statements in relation to this matter.

### Qualified Opinion

5. In our opinion and to the best of our information and according to the explanations given to us, except the mater described in the basis for qualifying opinion paragraph, the consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
  - (a) In the case of the consolidated Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2014
  - (b) In the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
  - (c) In the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

### Emphasis of Matter

Attention is invited in respect of financial statements of subsidiary namely **M/s.CURA Global GRC Solutions (Pte) Limited**, whose financial statements reflects total current liabilities exceeded its total current assets by US\$ 16,669,259 and has capital deficiency of US\$ 1,111,642. The financial statements of subsidiary have been prepared on a going concern basis, notwithstanding a deficiency in shareholder's funds, on the assumption that the immediate holding company will continue to provide necessary financial support to enable the company to meet its liabilities as and when they fall due. If the immediate holding company is unable to provide the necessary financial support, the company would not be able to operate as a going concern. Adjustments may have to be made to reflect the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might result if the going concern basis is found to be in appropriate. No adjustments have been made in the financial statements.

### Other Matters

6. We have audited the Financial statements of the subsidiary namely **M/s. Softpro Technologies Private Limited** which reflects total assets (net) of Rs. 106.14 lakhs as at March 31, 2014, total revenue (net) of Rs."Nil" and net cash flows amounting to Rs. "Nil" for the year ended March 31, 2014.
7. We did not audit the financial statements of Subsidiary namely, **M/s. Cura Global GRC Solutions (Pte) Limited**, Singapore whose financial statements reflect total assets (net) of Rs. 12,293.57 lakhs as at March 31, 2014, total revenues (net) of Rs.473.01 lakhs for the year ended March 31, 2014. These financial statements have been audited by other auditors and have been furnished to us and our opinion is based solely on the reports of the other auditors.

For RAMBABU & Co.  
Chartered Accountants  
Firm's Reg.No.002976S  
RAVI RAMBABU  
Partner  
M.No.018541

Place: Hyderabad  
Date: 30 May 2014

<b>CURA TECHNOLOGIES LIMITED, HYDERABAD</b>			
<b>Consolidated Balance Sheet as at 31st March 2014</b>			
<b>Particulars</b>	<b>Note</b>	<b>for the year ended 31 March, 2014</b>	<b>for the year ended 31 March, 2013</b>
<b>I EQUITY &amp; LIABILITIES</b>			
<b>1 SHARE HOLDERS' FUND</b>			
Share Capital	3	95,550,000	95,550,000
Reserves & Surplus	4	628,887,753	421,278,642
		<b>724,437,753</b>	<b>516,828,642</b>
2 Share Application money pending allotment	5	350,000	350,000
<b>3 NON-CURRENT LIABILITIES</b>			
(a) Long Term Borrowings	6	481,920,046	582,162,866
(b) Deferred Tax Liabilities	7	1,089,618	6,312,666
(c) Other Long Term Liabilities	8	185,648,499	604,526,223
(d) Long Term Provisions	9	1,120,817	752,396
		<b>669,778,980</b>	<b>1,193,754,151</b>
<b>4 CURRENT LIABILITIES</b>			
(a) Trade Payables	10	236,774,927	69,493,881
(b) Other Current Liabilities	11	349,156,602	176,958,117
(c) Short Term Provisions		27,568,708	22,922,696
		<b>613,500,237</b>	<b>269,374,694</b>
		<b>2,008,066,969</b>	<b>1,980,307,487</b>
<b>II ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
<b>1(a) Fixed Assets</b>	12		
Tangible Assets		122,886,239	128,048,410
Intangible Assets		6,786,254	8,322,979
Capital Work-in-progress		175,516,826	207,094,817
		<b>305,189,319</b>	<b>343,466,206</b>
(b) Goodwill		629,686,805	629,686,805
(c) Long Term Loans & Advances	13	790,624,896	507,925,428
		<b>1,420,311,701</b>	<b>1,137,612,233</b>
<b>2 CURRENT ASSETS</b>			
(a) Inventories		-	3,456,100
(b) Trade Receivables	14	227,171,402	282,663,094
(c) Cash and Cash equivalents	15	29,471,160	24,054,402
(d) Short Terms Loans and Advances	16	25,923,388	189,065,453
		<b>282,565,950</b>	<b>499,239,049</b>
		<b>2,008,066,969</b>	<b>1,980,317,488</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: 30 June, 2014

<b>CURA TECHNOLOGIES LIMITED, HYDERABAD</b>			
<b>Consolidated Profit and Loss for the year ended 31st March 2014</b>			
<b>Particulars</b>	<b>Note</b>	<b>for the year ended 31 March, 2014</b>	<b>for the year ended 31 March, 2013</b>
Revenue from operations	17	333,548,311	385,107,671
Other Income	18	34,282,561	32,809,323
<b>Total Revenue</b>		<b>367,830,872</b>	<b>417,916,994</b>
<b>Expenses</b>			
Employee Benefit Expenses	19	139,492,882	229,890,277
Finance Costs	20	117,134,884	27,912,153
Depreciation & Amortisation expenses	12	11,738,682	11,340,816
Other expenses	21	284,741,646	148,479,506
<b>Total Expenses</b>		<b>553,108,094</b>	<b>417,622,752</b>
<b>PROFIT BEFORE TAX &amp; EXCEPTIONAL ITEMS</b>		<b>(185,277,222)</b>	<b>294,242</b>
Tax Expenses			
Current Tax			
Deferred Tax	7	(5,223,048)	(912,033)
<b>PROFIT AFTER TAX BEFORE EXCEPTIONAL ITEMS</b>		<b>(180,054,174)</b>	<b>1,206,275</b>
Exceptional items			
<b>PROFIT AFTER TAX AND EXCEPTIONAL ITEMS</b>		<b>(180,054,174)</b>	<b>1,206,275</b>
<b>EARNINGS PER EQUITY SHARE</b>			
Equity share of par value Rs.10/- each			
<b>Earnings per share</b>			
Basic - Par value		(18.84)	0.13
Diluted - Par value			
<b>Number of shares used in computing earning per share</b>			
Basic - Par value		9,555,000	9,555,000
Diluted - Par value		9,555,000	9,555,000

**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: 30 June, 2014

<b>CURA TECHNOLOGIES LIMITED, HYDERABAD</b>		
<b>Consolidated Cash Flow Statement for the year ended 31st March 2014</b>		
<b>Particulars</b>	<b>for the year ended 31 March, 2014</b>	<b>for the year ended 31 March, 2013</b>
<b>Cash flow from operating activities</b>		
Net Profit / (Loss) before extraordinary items and tax	(185,277,222)	294,241
<i>Adjustments for:</i>		
Depreciation and amortisation	11,738,682	11,340,816
ESOP Expenses	-	15,472
Foreign exchange loss/ (gain)	31,167,545	6,637,868
Interest (income)/expenses	117,134,884	27,912,153
Operating profit / (loss) before working capital changes	<b>(25,236,111)</b>	<b>46,200,550</b>
<i>Changes in working capital:</i>		
<b>Adjustments for (increase)/decrease in operating assets:</b>		
Inventories	3,456,100	6,746,509
Trade receivables	55,491,692	(32,506,672)
Short-term loans and advances	163,142,065	(126,240,107)
long-term loans and advances	(409,514,043)	392,339,991
<i>Adjustments for increase/(decrease) in operating liabilities:</i>		
Trade payables	167,281,046	16,637,944
Other current liabilities	172,198,485	(87,481,824)
Long-term provisions	(4,277,591)	(1,544,231)
	<b>147,777,754</b>	<b>167,951,611</b>
Cash generated from operations	122,541,644	214,152,161
Net income tax (paid) / refunds	-	-
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>122,541,644</b>	<b>214,152,161</b>
<b>Cash flow from investing activities</b>		
Capital expenditure on fixed assets, including capital advances-		(84,718,412)
Sale of fixed asset	-	631,398
<b>Net cash flow from / (used in) investing activities (B)</b>	-	<b>(84,087,015)</b>
<b>Cash flow from financing activities</b>		
Proceeds from long-term borrowings	-	(5,587,126)
Repayment of long term borrowing	-	55,720,900
Finance Costs	(117,134,884)	(27,912,153)
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>(117,134,884)</b>	<b>22,221,621</b>
<b>Net increase/(decrease) in Cash and cash equivalents (A+B+C)</b>	5,406,760	(33,285,781)
Cash and cash equivalents at the beginning of the year	24,064,401	57,340,182
<b>Cash and cash equivalents at the end of the year</b>	<b>29,471,161</b>	<b>24,054,402</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: 30 June, 2014

G. Bala Reddy

Chairman & Managing Director

G.Venkateswara Rao

Executive Director

<b>CURA TECHNOLOGIES LIMITED, HYDERABAD</b>		
<b>Schedules forming part of Balance sheet</b>		
<b>Particulars</b>	<b>As at 31 March, 2014</b>	<b>As at 31 March, 2013</b>
<b>Note 3 : Share Capital</b>		
<b>Authorised Share Capital</b>		
100,00,000 Equity shares of Rs.10 each	100,000,000	100,000,000
	<b>100,000,000</b>	<b>100,000,000</b>
<b>Issued, Subscribed &amp; Paid up Capital</b>		
95,55,000 Equity Shares of Rs.10/- each fully paid up <i>(Previous year 95,50,000 Equity Shares of Rs.10/- each fully paid-up)</i>	95,550,000	95,550,000
<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	9,555,000	9,550,000
Number of shares outstanding at the end of the year	<b>9,555,000</b>	<b>9,555,000</b>
<b>Details of shareholders holding more than 5% shares in the company</b>		
<b>Particulars</b>		
SAHASRA INVESTMENTS ( P ) LTD	3,617,726	3,617,726
Share holding %	37.86%	37.86%
<b>Note 4 : Reserves &amp; Surplus</b>		
4.1 Capital reserve	1,565,900	1,565,900
Securities premium	702,219,850	603,730,737
	<b>703,785,750</b>	<b>605,296,637</b>
4.3 <b>General reserve</b>		
<i>Opening balance</i>	37,832,595	37,832,595
<i>Closing balance</i>	<b>37,832,595</b>	<b>37,832,595</b>
4.4 <b>Profit and Loss Statement</b>		
<i>Opening balance</i>	(222,907,443)	(224,113,717)
Add: Profit for the year	(180,054,174)	1,206,274
<i>Closing balance</i>	<b>(402,961,617)</b>	<b>(222,907,443)</b>
4.5 Employee stock options outstanding	-	7,152,250
4.6 Deffered Stock Compensation cost	-	(7,152,250)
4.7 Foreign Currency translation reserve	289,559,224	1,056,853
4.8 Minority Interest	671,800	671,800
	290,231,024	1,728,653
	<b>628,887,752</b>	<b>421,950,442</b>
<b>Note 5 : Share Application Money</b>		
Share application money received	350,000	350,000
Note: As at 31 March 2014, the Company has received an amount of 350,000 towards share application money towards 35,000 equity shares (As at 31 March, 2013 350,000 towards 35,000 equity shares). The share application money was received pursuant to the Employee Stock Option scheme 2008. The Company has sufficient authorised capital to cover the allotment of these shares.		

Particulars	As at 31 March, 2014	As at 31 March, 2013
<b>Note 6 : Long Term Borrowing</b>		
<b>From Banks - Secured</b>		
(a) Andhra Bank Term Loan (refer note 11.1)		
(b) Andhra Bank Term Loan (refer note 6.1)	205,002,573	332,957,879
(c) Bank of India Term Loan	276,917,473	249,204,987
	<b>481,920,046</b>	<b>582,162,866</b>
<b>Note 6.1</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. 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 7 : Deferred Tax Liabilities</b>		
<i>Opening Deferred tax liability</i>		
<b>Tax effect of items constituting deferred tax liability</b>	6,312,666	7,224,699
On difference between book balance and tax balance of fixed assets	(5,223,048)	(912,033)
<i>Net deferred tax liability</i>	<b>1,089,618</b>	<b>6,312,666</b>
<b>Note 8 : Other Long Term Liabilities</b>		
(a) Rental Deposits	19,222,920	15,242,323
(b) Loans - Unsecured	166,425,579	589,283,900
	<b>185,648,499</b>	<b>604,526,223</b>
<b>Note 9 : Long Term Provision</b>		
Leave Encashment Payable	481,444	345,011
Provision for Gratuity	639,373	407,385
	<b>1,120,817</b>	<b>752,396</b>
<b>Note 10 : Trade Payables</b>		
Creditors for Materials	-	854,405
Creditors for Services	236,774,927	68,639,476
	<b>236,774,927</b>	<b>69,493,881</b>

Particulars	As at 31 March, 2014	As at 31 March, 2013
<b>Note 11: Other Current Liabilities</b>		
(a) Current maturities of long-term debt, Secured (refer note 11.1 & 6.1)		
(i) Andhra Bank Term Loan (refer note 11.1)	77,410,856	-
(ii) Andhra Bank Term Loan (refer note 6.1)	174,250,863	28,820,000
(b) Creditors for capital goods	-	385,570
Provision for expenses	28,712,725	25,319,115
Due to statutory authorities	7,143,038	8,583,706
Deferred Income	89,207,828	136,772,422
	<b>376,725,310</b>	<b>199,880,813</b>
<b>Note 11.1</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 7.74 crores including interest is currently due.		
<b>Note 13: Long-term Loans and Advances</b> (Advances recoverable in cash or in kind or for the value to be received)		
a) Advances to Subsidiaries	492,297,452	479,260,734
b) Advances for capital goods	-	24,255,339
c) Other advances	286,504,608	1,025,000
d) Deposits with Government authorities (refer note 14.1)	2,892,088	2,029,592
e) Prepaid Taxes	8,930,748	1,354,763
Note 13: Deposits with Government Authorities include an amount of Rs. 19,24,700 (previous year: Rs. 15,67,600) towards Security Deposit with APCPDCL Hyderabad and other deposits Rs. 967,388 (previous year: 461,992)		
	<b>790,624,896</b>	<b>507,925,428</b>
<b>Note 14: Trade Receivables</b> (Unsecured and considered good)		
a) Outstanding for more than 6 months Less: Provision for Doubtful Debts	223,549,859 (15,706,860)	132,430,641 -
	<b>207,842,999</b>	<b>132,430,641</b>
b) Others	19,328,403	150,232,452
	<b>227,171,402</b>	<b>282,663,093</b>
<b>Note 15: Cash &amp; Cash Equivalents</b>		
a) Cash in Hand	9,448	5,430
b) Balances with scheduled banks	-	-
i) in current accounts	29,461,712	23,805,211
iii) Unclaimed dividend accounts	181,797	243,761
Cash and cash equivalents for cash flow statements	<b>29,652,957</b>	<b>24,054,402</b>
Out of the above Cash and Cash equivalents which meet the definition of Cash flow statements is Rs.29,468,014. (previous year Rs. 23,810,641)		
<b>Note 16: Short-term Loans and Advances</b> <b>Considered good</b>		
Advances to vendors	-	101,337,576
Staff loans and advances	50,263	65,122
Other Advances	20,261,702	85,785,945
Balances with statutory/ government authorities	-	522,047
Prepaid expenses	5,611,423	1,354,763
	<b>25,923,388</b>	<b>189,065,453</b>



<b>Particulars</b>	<b>As at 31 March, 2014</b>	<b>As at 31 March, 2013</b>
<b>Note 17: Revenue from Operations</b>		
Licence Sale	49,869,071	56,527,646
Maintenance and Support Charges	180,699,483	187,818,462
Software Services	102,979,757	140,761,563
	<b>333,548,311</b>	<b>385,107,671</b>
<b>Note 18: Other Income</b>		
Rent Receipts for Space	28,677,679	22,669,256
Maintenance Charges Receipts	4,394,338	2,449,265
Interest Received	307,619	-
Miscellaneous Income	902,926	7,690,802
	<b>34,282,561</b>	<b>32,809,323</b>
<b>Note 19: Employee Benefit</b>		
Salaries, wages and bonus	137,271,306	227,074,701
Contribution to provident and other funds	1,795,793	2,025,700
Staff welfare expenses	425,783	774,405
Expense on Employee Stock Option Scheme (ESOP)	-	15,472
	<b>139,492,882</b>	<b>229,890,278</b>
<b>Note 20: Finance Cost</b>		
Interest on term loans	116,206,444	24,230,414
Interest on Statutory Payments	307,419	285,754
Bank Charges & Commission	621,021	3,395,985
	<b>117,134,884</b>	<b>27,912,153</b>
<b>Note 21: Other Expenses</b>		
Advertisements	54,242	325,214
Other selling expenses	6,427,921	6,002,228
<b>Repairs and maintenance</b>		
Buildings	-	1,894,160
Plant and machinery	-	549,163
Power and fuel	3,815,267	2,056,188
Legal and professional	17,357,847	167,167
Travelling and conveyance	17,724,298	16,851,233
Foreign exchange loss	31,167,545	6,637,868
Communication	6,695,302	7,570,987
Rent	12,054,251	19,223,366
Security expenses	1,780,804	1,399,139
Rates and taxes	1,978,392	2,106,728
Printing and stationery	71,005	225,659
Insurance	652,451	291,561
Payment to auditors	4,724,181	3,208,420
Provision for Doubtfull Debts	36,894,841	-
Miscellaneous	143,343,300	79,970,425
	<b>284,741,646</b>	<b>148,479,506</b>
<b>Note 22.1: Payments to the auditors comprises (Excluding Service Tax)</b>		
Audit Fee	3,150,000	2,467,500
Tax Audit Fee	965,000	645,300
Certification and others	609,181	95,620
	<b>4,724,181</b>	<b>3,208,420</b>

Schedule 12 : CONSOLIDATED FIXED ASSETS SCHEDULE

S. No.	Name of the Asset	GROSS BLOCK			DEPRECIATION			NET BLOCK		
		Balance as on 01-04-2013	Additions during the period	Sale or adjts for the period	Balance as on 31-03-2014	During the period	Sale or Adjts for the period	Total as on 31-03-2014	As on 31-03-2014	As on 31-03-2013
<b>a) Tangible Assets</b>										
	Land at Hyderabad	11,740,056	-	-	11,740,056	2,028,280	-	2,028,280	9,711,776	9,711,776
	Building	85,936,779	-	-	85,936,779	14,236,586	1,513,872	15,750,458	70,186,321	71,700,193
	Air Conditioning System	18,020,934	46,000	-	18,066,934	8,561,756	856,419	9,418,175	8,648,759	9,459,178
	Plant & Machinery	3,170,162	-	-	3,170,162	1,628,449	150,583	1,779,032	1,391,130	1,541,713
	Electrical Equipments	6,313,884	24,990	-	6,338,874	2,964,842	300,345	3,265,187	3,073,687	3,349,042
	Electrical Fittings	9,478,245	-	-	9,478,245	4,511,046	450,217	4,961,263	4,516,982	4,967,199
	Interiors, Furniture & Fixtures	40,901,643	70,700	-	40,972,343	25,815,535	3,125,622	28,941,157	10,040,780	8,286,309
	Lift System	2,817,500	-	-	2,817,500	1,374,786	133,831	1,508,617	1,308,884	1,442,715
	Fire Safety Equipment	2,439,423	-	-	2,439,423	1,139,334	115,873	1,255,207	1,184,216	1,300,089
	Computers	39,593,811	700,981	-	40,294,792	32,490,327	3,783,272	36,273,599	4,021,193	7,103,484
	Office Equipment	10,325,844	-	-	10,325,844	5,734,469	187,127	5,921,596	4,404,248	4,591,375
	Library Books	63,389	-	-	63,389	-	-	63,389	-	-
	Motor Cars	2,511,777	-	-	2,511,777	1,784,035	197,074	1,981,109	530,668	727,742
	Land at Vizag (under development)	3,867,596	-	-	3,867,596	-	-	-	3,867,596	3,867,596
	<b>TOTAL (a)</b>	<b>237,181,043</b>	<b>842,671</b>	<b>-</b>	<b>238,023,714</b>	<b>102,332,834</b>	<b>10,814,235</b>	<b>113,147,069</b>	<b>122,886,239</b>	<b>128,048,410</b>
<b>b) Intangible Assets</b>										
	Software Tools & Packages	20,354,471	866,512	-	21,220,983	13,510,282	924,447	14,434,728	6,786,254	8,322,979
	Customer Relationships	-	-	-	-	-	-	-	-	-
	Research & Development at cost	-	-	-	-	-	-	-	-	-
	<b>TOTAL (b)</b>	<b>20,354,471</b>	<b>866,512</b>	<b>-</b>	<b>21,220,983</b>	<b>13,510,282</b>	<b>924,447</b>	<b>14,434,728</b>	<b>6,786,254</b>	<b>8,322,979</b>
	<b>TOTAL (a+b)</b>	<b>257,535,514</b>	<b>1,709,183</b>	<b>-</b>	<b>259,244,697</b>	<b>115,843,116</b>	<b>11,738,682</b>	<b>127,581,797</b>	<b>129,672,493</b>	<b>136,371,389</b>

## 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, 1956 as 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 at the rates specified in the Schedule XIV to the Companies Act, 1956.

Depreciation on the additional value due to revaluation has been charged to the Revaluation Reserve account.

Intangible assets are amortized over the estimated useful life as follows:

License fee - 6 years (3 years remaining as on Balance Sheet Date)

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.

## 2.6 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.

#### 2.7 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 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. Notes on Accounts:**

2.17 The company has the following Contingent liabilities as on :

Particulars	31 March, 2014	31 March, 2013
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, 2014	31 March, 2013
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 2014	As at 31 March 2013
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	54,207,745	-	-	-
	<i>51,903,175</i>	-	-	-
Rendering of Services	-	-	-	-
	-	-	-	-
Rental Income	-	-	-	-
	-	<i>25,118,521</i>	-	-
Loans and Advances given	49,22,97,452	8,804,790	-	-
	<i>47,11,34,266</i>	<i>8,804,790</i>	-	-
Balances Receivable/(Payable)	19,21,36,141	(11,418,732)	-	-
	<i>60,90,62,662</i>	<i>(11,025,000)</i>	-	-

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 2014	As at 31 March 2013
<b>Change in present value of obligations:</b>		
Present Value of Obligation at the beginning of the Year	417,687	524,506
Current Service Cost	234,504	184,107
Interest Cost	33,415	45,370
Actuarial (Gains) / Losses	(46,233)	(346,598)
Benefits paid		-
Present Value of Obligation at the end of the year	639,373	407,385
<b>Amounts Recognised in the Balance Sheet</b>		
Present Value of Obligation at the end of the year	639,373	407,385
Fair Value of Plan Assets as at the end of the year	-	-
Funded Status	(639,373)	(407,385)
<b>Net Asset (Liability recognized in the Balance Sheet)</b>	<b>(639,373)</b>	<b>(407,687)</b>
<b>Expense recognized in the Statement of Profit and Loss</b>		
Current Service Cost	234,504	184,107
Interest Cost	33,415	45,370
Expected Return on Plan Assets	-	-
Net Actuarial (Gains) / Losses Recognised in the year	(46,233)	(346,598)
Net Cost Recognized in the Profit & Loss Account	221,686	(117,121)
<b>Assumptions</b>		
Discount Rate	8.00%	8.00%
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%

- 2.24. 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 31<sup>st</sup> March 2014:  
(Amounts in Lakhs)

Particulars	31-03-2014 Audited	31-03-2013 Audited
<b>Segment wise revenue, results and capital employed</b>		
<b>Segment wise revenue</b>		
a) Software Development	3,335.48	3,851.08
b) Lease/Rental Income	309.22	251.19
<b>Total</b>	<b>3,644.70</b>	<b>4,102.26</b>
Less:- Inter segment Revenue	-	-
<b>Net Sales/Income from Operations</b>	<b>3,644.70</b>	<b>4,102.26</b>
<b>Segment Results - Profit / (Loss) before tax and interest</b>		
a) Software Development	(2,078.21)	67.39
b) Lease/Rental Income	191.83	137.78
<b>Total</b>	<b>(1,886.38)</b>	<b>205.16</b>
c) other Income	12.11	76.91
Less:- Interest	123.88	279.12
<b>Total Profit/(Loss) Before Tax</b>	<b>(481.31)</b>	<b>2.95</b>
<b>Capital Employed</b>		
a) Software Development	4,751.60	4,765.77
b) Rental Income & Others	2,816.60	406.02
<b>Total</b>	<b>7,568.24</b>	<b>5,171.79</b>

- 2.27. 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, 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 23<sup>rd</sup> Annual General Meeting of the Company, to be held on **Saturday, 27<sup>th</sup> September, 2014 at 10.00 A.M** at The Conference Hall, 5<sup>th</sup> 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, 2014.	
2	Re-election of Sri Venkateswara Rao Gudipudi as Director	
3	Appointment of M/s. Rambabu & Co., as Statutory Auditors of the Company and to fix their remuneration for the financial year ending 31st March, 2015.	
4	Appointment of Smt. Lalitha Gudimetla, as an Independent Director of the Company for a term of upto five years.	
5	Appointment of Sri Venkata Reddy Nalabolu, as an Independent Director of the Company for a term of upto five years.	
6	Appointment of Sri Avula Venkata Narayana Reddy, as an Independent Director of the Company for a term of upto five years.	
7	To authorise the Board to Mortgage and/or create charge	

Signed this day of September, 2014.

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 authorized to vote.

Affix

Rs. 1/-  
Revenue  
Stamp



## 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, www.curatechnologies.co.in

### ATTENDANCE SLIP

23<sup>rd</sup> ANNUAL GENERAL MEETING

**Saturday, 27<sup>th</sup> September, 2014 at 10.00 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 23<sup>rd</sup> Annual General Meeting of the company at The Conference Hall, 5<sup>th</sup> 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.

**This page is intentionally left black**



**Book Post**



**To,**

**If undelivered please, return to :**



**Cura Technologies Limited**

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