

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF FREE LOOK SOFTWARE PRIVATE LIMITED**

**Report on the Standalone Financial Statements:**

We have audited the accompanying standalone financial statements of Free Look Software Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit and loss and Cash flow statement for the year then ended, and summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Standalone Financial Statements:**

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

**Auditor's Responsibility:**

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

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

We conducted our audit in accordance with the Standards on Auditing specified under sub-section 10 of Section 143 of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements



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

### Opinion

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

### Report on Other Legal and Regulatory Matters:

As required by the Companies (Auditor's report) Order, 2015 („the Order“), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the order.

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of written representations received from the directors as on 31st March, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of sub-section (2) of Section 164 of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Company does not have any pending litigation which would impact its financial position.
  - (ii) The Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses.
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: New Delhi  
Date: 26.05.2015

For K.C Malhotra & Co.  
Chartered Accountants  
(Firm Regn. No. 000057N)

( Ramesh Malhotra )  
Partner  
Membership No. 013624



## ANNEXURE TO INDEPENDENT AUDITORS' REPORT

[The Annexure referred to in our Independent Auditors' Report of even date to the members of Free Look Software Private Limited on the standalone financial statements for the year ended 31<sup>st</sup> March, 2015.]

- (i). a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
- b) The Management has certified that it has conducted a physical verification of the fixed assets during the year, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies have been noticed on such verification.
- (ii). The Company does not have any inventory and therefore paragraph 3(ii) of Companies (Auditor's Report) Order, 2015 is not applicable to the Company.
- (iii). The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv). In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets (there being no purchase of inventory and sale of goods and services). In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weakness in internal control system.
- (v). The Company has not accepted any deposits within the meaning of Sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed thereunder.
- (vi). Maintenance of cost records has not been prescribed to the Company Central Government under Section 148 (I) of the Companies Act, 2013
- (vii) (a) According to the information and explanations given to us and records of the company examined by us, in our opinion, no undisputed statutory dues are payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value added tax or Cess and any other statutory dues as applicable with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31<sup>st</sup> March, 2015 for a period of more than six months from the date they became payable.  
  
(b) According to the information and explanations given to us and as per records of the Company, there are no dues of Income tax, Sales tax, Wealth tax, Service tax, Custom duty, Excise duty or value added tax or Cess, which have not been deposited on account of any dispute.  
  
(c) According to the information and explanations given to us, there are no amounts which were required to be transferred to Investor Education and Protection Fund by the Company.
- (viii) The accumulated losses of the Company are not more than fifty percent of its net worth as at 31<sup>st</sup> March, 2015. The Company has incurred cash losses of Rs 30.18 thousands in the financial year ended on that date and Rs 11.05 thousands in the immediately preceding financial year.
- (ix) According to the information and explanations given to us, the Company did not have any outstanding dues to financial Institution, bank or debenture holders during the year.
- (x) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not raised any term loan during the year.



(xii) According to the information and explanations given to us, no instances of material fraud on or by the company, has been noticed and reported during the course of our audit..

Place: New Delhi  
Dated:26.5.2015



**For K.C. MALHOTRA & CO.**  
Chartered Accountants  
(Firm Regn. No. 000057N)

  
(Ramesh Malhotra)  
Partner  
Membership No.013624

**FREE LOOK SOFTWARE PRIVATE LIMITED**

CIN: U72200DL2005PTC133918

Balance Sheet as at 31st March, 2015

(₹ in Thousands)

PARTICULARS	Note No.	As at 31.03.2015	As at 31.03.2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders Funds</b>			
a) Share Capital	2	217.50	217.50
b) Reserves and Surplus	3	62,020.64	62,050.82
		<b>62,238.14</b>	<b>62,268.32</b>
<b>2. Non-current Liabilities</b>			
a) Long-term Borrowings	4	-	18.18
b) Deferred Tax Liabilities		-	-
c) Other Long-term Liabilities		-	-
d) Long-term Provisions		-	-
		-	18.18
<b>3. Current liabilities</b>			
a) Short term Borrowings	5	-	7,950.92
b) Trade Payables		-	-
c) Other Current Liabilities	6	22.80	32.16
d) Short Term Provisions		-	-
		<b>22.80</b>	<b>7,983.08</b>
<b>Total</b>		<b>62,260.94</b>	<b>70,269.58</b>
<b>II. ASSETS</b>			
<b>1. Non-current Assets</b>			
a) Fixed Assets			
Tangible Asset	7	62,213.27	55,216.54
		<b>62,213.27</b>	<b>55,216.54</b>
b) Non-current Investments		-	-
c) Deferred Tax Assets		-	-
d) Long-term loans and advances		-	-
e) Other non-current assets	8	19.80	19.80
		<b>19.80</b>	<b>19.80</b>
<b>2. Current Assets</b>			
a) Current Investments		-	-
b) Inventories		-	-
c) Trade Receivables		-	-
d) Cash and Cash Equivalents	9	27.87	15,033.24
e) Short term Loans & advances		-	-
f) Other Current Assets		-	-
		<b>27.87</b>	<b>15,053.04</b>
<b>Total</b>		<b>62,260.94</b>	<b>70,269.58</b>

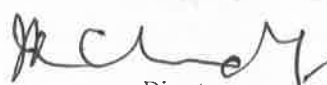
Significant accounting policies  
Notes on Financial Statements

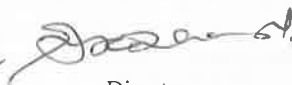
1  
2 to 13

For K.C.Malhotra & Co.  
Chartered Accountants  
(Firm regn.No.000057N)

(Ramesh Malhotra)  
Partner  
Membership No.013624  
Place: New Delhi  
Date: 26.5.2015

For and on behalf of Board of directors

  
 Director  
 DIN: 00087556

  
 Director  
 DIN: 00085300



**FREE LOOK SOFTWARE PRIVATE LIMITED**  
**CIN: U72200DL2005PTC133918**  
**Statement of Profit And Loss for the year ended 31st March, 2015**

(₹ in Thousands)

PARTICULARS	Note No.	Year ended 31.03.2015	Year ended 31.03.2014
<b>I. REVENUE</b>			
Revenue from Operations		-	-
<b>Total Revenue</b>		-	-
<b>II. EXPENSES</b>			
Other Expenses	10	30.18	11.05
<b>Total Expenses</b>		30.18	11.05
<b>III. Profit/(Loss) for the year ( I-II)</b>		(30.18)	(11.05)
<b>IV. Tax Expenses:</b>			
Current Tax		-	-
<b>V. Profit/(Loss) after tax ( III-IV)</b>		(30.18)	(11.05)
<b>Basic and diluted Earnings Per Share of Rs. 10/- each (Rs.)</b>	12	(1.39)	(0.51)

**Significant accounting policies**  
**Notes on Financial Statements**

**1**  
**2 to 13**

**For K.C.Malhotra & Co.**  
**Chartered Accountants**  
**(Firm regn.No.000057M)**



**(Ramesh Malhotra)**  
**Partner**  
**Membership No.013624**  
**Place: New Delhi**  
**Date: 26.5.2015**

**For and on behalf of Board of directors**

  
**Director**  
**DIN: 00087556**

  
**Director**  
**DIN: 00085300**

**FREE LOOK SOFTWARES PRIVATE LIMITED**  
**CIN: U72200DL2005PTC133918**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015**

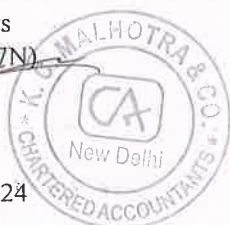
(₹ in Thousands)

	Year ended 31.3.2015	Year ended 31.3.2014
<b>A) CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit/(Loss) Before Tax	(30.18)	(11.05)
Operating profit/(loss) before working capital changes	(30.18)	(11.05)
<b>Changes in working Capital</b>		
Adjustments for (Increase)/Decrease in operating assets:		
Increase/(Decrease) in Other current liabilities	(9.36)	7.30
Cash generated from Operations	(39.54)	(3.75)
Direct Taxes Paid	-	-
Net Cash Flow from Operating Activities	(39.54)	(3.75)
<b>B) CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Capital expenditure on fixed asset	(6,996.73)	-
Net Cash used in Investing Activities	(6,996.73)	-
<b>C) CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from share capital	-	117.50
Proceeds from Securities premium	-	62,157.50
Repayment of long-term borrowings	(18.18)	(48,839.68)
Repayment of Short-term borrowings	(7,950.92)	1,590.18
Net Cash used in financing activities	(7,969.10)	15,025.50
<b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>		
	(15005.37)	15,021.75
<b>Cash and Cash equivalents as at 1st April, 2014</b>	<b>15,033.24</b>	<b>11.49</b>
<b>Cash and Cash equivalents as at 31st March, 2015</b>	<b>27.87</b>	<b>15,033.24</b>
<p>Note;The above Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standards-3 on Cash Flow Statements.</p>		

For K.C.Malhotra & Co.  
Chartered Accountants  
(Firm regn.No.000057N)

(Ramesh Malhotra)  
Partner

Membership No.013624



For and on behalf of the Board of Directors

Director

DIN: 00087556

Director

DIN: 00085300

Place: New Delhi  
Date:26.5.2015

# FREE LOOK SOFTWARES PRIVATE LIMITED

## Notes on Financial Statements

### 1 Significant Accounting Policies

#### 1.1 Basis of Preparation of Financial Statements

These financial statements are prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) under the historical cost convention on the accrual basis. GAAP comprises of Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 '(the Act)', read with Rule 7 of the Companies (Accounts), Rules, 2014, the provisions of the Act (to the extent notified). Accounting policies have been consistently applied.

#### 1.2 Use of estimates:

The preparation of financial statements is in conformity with Indian generally accepted accounting principles requiring management to make estimates and assumptions that may affect the reported amount of the assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognised in the period in which the results are known.

#### 1.3 Fixed Assets

Tangible asset

Fixed Asset being Lease-hold land, the lease of which is for 90 Years, is stated at cost. Leasehold Land is not amortised over the period of lease as the same is not put to use.

#### 1.4 Impairment of Assets

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

#### 1.5 Deferred Tax

Deferred tax asset/liability has not been recognised since there were no timing differences between the taxable income and accounting income.

#### 1.6 Borrowing Costs

Borrowing costs include other costs and are recognised as an expense in the period in which they are incurred.





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

Provisions are created when there is a present obligation as a result of a past event that probably requires an outflow of resources and reliable estimate can be made of the amount of the obligation. Contingent liabilities are not recognised but are disclosed in the notes to the accounts. Contingent assets are neither recognised nor disclosed in the financial statements.

## **1.8 Employee Benefits**

There are no long-term Employees benefits which require assessment of future liability of the company as per AS-15

## **1.9 Earnings Per Share**

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

## **1.10 Cash and Cash Equivalents**

Cash and cash equivalents comprise cash in hand and deposit with banks. Cash equivalents are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of change in value.



**FREE LOOK SOFTWARES PRIVATE LIMITED**  
**Notes on Financial Statements**

**Note 2 Share Capital**

	As at 31.03.2015		As at 31.03.2014	
	Number of shares	(₹ in Thousands)	Number of shares	(₹ in Thousands)
<b>Authorised</b>				
Equity shares of Rs.10/-each with voting rights	22,500	225.00	22,500	225.00
<b>Issued</b>				
Equity shares of Rs.10/-each with voting rights	21,750	217.50	21,750	217.50
<b>Subscribed and Fully Paid-up</b>				
Equity shares of Rs.10/-each with voting rights	21,750	217.50	21,750	217.50
	21,750	217.50	21,750	217.50

**Notes:**

- (a) **The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital are as under:**

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each share holder is entitled to one vote per share. The dividend proposed by the board of directors is subject to the approval of the share holders in the ensuing Annual General Meeting. In the event of the liquidation of the company, the holders of the equity shares will be entitled to receive the remaining assets of the company, after distribution of all the preferential amounts. The distribution will be in proportion to number of equity shares held by each of the equity share holders.

- (b) **Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting Period :**

	As at 31.03.2015		As at 31.03.2014	
	Number of shares	(₹ in Thousands)	Number of shares	(₹ in Thousands)
Equity shares outstanding at the beginning of the Year	21,750	217.50	10,000	100.00
Add: Issued during the Year	-	-	11,750	117.50
Less: Shares bought back	-	-	-	-
<b>Equity shares outstanding at the close of the Year</b>	<b>21,750</b>	<b>217.50</b>	<b>21,750</b>	<b>217.50</b>

- (c) **Detail of Shares held by holding Company**

There is no holding or Subsidiary of the Company

Class of shares/Name of the shareholders:	As at 31.03.2015		As at 31.03.2014	
	Number of shares held	% Holding in that class of shares	Number of shares held	% Holding in that class of shares
Equity shares with voting rights				
(i) Isgec Heavy Engineering Ltd. *	21,750	100%	-	-
(ii) Amrish Gupta	-	-	11,250	51.72%
(iii) Seema Gupta	-	-	3,240	14.90%
(iv) Sunil Chopra	-	-	5,260	24.18%
(v) Rita Chopra	-	-	2,000	9.20%

\* Out of 21750 shares (previous year Nil) held by Isgec Heavy Engineering Ltd, 400 shares are held by 4 individuals holding 100 share each as nominee of Isgec Heavy Engineering Ltd.



**FREE LOOK SOFTWARE PRIVATE LIMITED****Notes on Financial Statements****Note 3 Reserves and Surplus**

(₹ in Thousands)

	As at 31.03.2015	As at 31.03.2014
<b>(a) Securities Premium Account</b>		
Balance outstanding at the beginning of the year (11,750 Equity Shares @ ₹ 5290)	62,157.50	62,157.50
Add: Addition during the year	-	-
Less: Utilised during the year	-	-
Balance outstanding at the close of the year	62,157.50	62,157.50
<b>(a) Loss in Statement of Profit and Loss</b>		
Balance outstanding at the beginning of the year	(106.68)	(95.63)
Add: Loss for the year transferred after tax	(30.18)	(11.05)
Balance outstanding at the close of the year	(136.86)	(106.68)
<b>Total</b>	<b>62,020.64</b>	<b>62,050.82</b>

**Note 4 Long term Borrowings**

From directors	-	18.18
<b>Total</b>	<b>-</b>	<b>18.18</b>

**Note 5 Short-term Borrowings**

Amount Payable to Noida against allotment of Land	-	7,950.92
<b>Total</b>	<b>-</b>	<b>7,950.92</b>

**Note 6 Other Current Liabilities**

Others Payable	22.80	32.16
<b>Total</b>	<b>22.80</b>	<b>32.16</b>



**FREE LOOK SOFTWARE PRIVATE LIMITED**  
**Notes on Financial Statements**

**Note 7 Fixed Assets**

(₹ in Thousands)

	As at 31.03.2015	As at 31.03.2014
Tangible Asset-Leasehold Land	62,213.27	55,216.54
<b>Total</b>	<u>62,213.27</u>	<u>55,216.54</u>

**Note 8 Other non current Assets**

Preliminary Expenses	19.80	19.80
<b>Total</b>	<u>19.80</u>	<u>19.80</u>

**Note 9 Cash and Cash Equivalents**

Cash in Hand	19.25	7.74
With scheduled Banks in Current Account	8.62	15,025.50
<b>Total</b>	<u>27.87</u>	<u>15,033.24</u>

**Note 10 Other Expenses**

Conveyance	-	0.23
Filing Fee	6.00	2.00
Bank Charges	1.38	-
Misc Expenses	-	0.24
Printing & Stationary	-	0.28
Audit and Legal Expenses(a)	22.80	8.30
<b>Total</b>	<u>30.18</u>	<u>11.05</u>

(a) Include:

Audit fee	20.00	6.50
Service tax	2.80	0.80



## FREE LOOK SOFTWARE PRIVATE LIMITED

### Note 11 Additional information to the financial statements

Note 11.1 The Company is the wholly owned subsidiary company of Isgec Heavy Engineering Limited holding the entire share capital alongwith its nominees since 21<sup>st</sup>.June,2014 ,

11.2 No provision for taxation has been made in the accounts as the company expects no such Liability in view of losses.

### Note 12 Disclosures under accounting standards

#### 12.1 Related party transactions

In accordance with the Accounting Standard on "Related Party disclosures"(AS-18) the disclosures in respect of related parties and transactions with them, as identified and certified by the management, are as follows:

#### 12.1.a Description and name of related parties

Description of relationship:

a) Directors : Mr S .K .Khorana, Mr V .D .Verma and Mr J .K .Chowdhery

b) Holding Company: Isgec Heavy Engineering Limited

c) Individuals Holding Substantial Interest : Mr Amrish Gupta, Chairman and Mr Sunil Chopra, Director and their relatives who were also directors ceased to be directors w.e.f 30th ,June,2014 on acquisition of 100% Shareholdings by the above Company referred to in 11.1

d) Key Management personnel : None

#### 12.1.b Details related party transactions and outstanding balance as at 31<sup>st</sup> march,2015

There are no transactions during the year except balance outstanding at the end of the year Rs NIL (Previous Year ₹ 18,175/-)

12.2 In accordance with Accounting standards (AS-20) "Earning Per Share" is calculated by dividing the profit/(Loss) attributable to the equity shareholders by the weighted average number of shares outstanding during the year .The number used in calculating basic and diluted earnings per equity share are as stated below:

Description	(₹ in Thousands)	
	31.3.2015	31.3.2014
a) Net profit after tax as per statement of profit and loss	(30.18)	(11.05)
b) Weighted average number of equity shares used as denominator for calculating of earning per share	21,750	21,750
C )Face value of equity shares (in ₹)	10	10
c) Basic and diluted earnings per share (in ₹)	(1.39)	(0.51)

Note 13 Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

