



SIVASUBRAMANIAN & RAO
Chartered Accountants

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Independent Auditor's Report

To The Members of SFL Properties Private Limited

Report on the Financial Statements:

We have audited the accompanying financial statements of SFL Properties Private Limited, which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss and Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements:

The Company's Board of Directors is Responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the Preparation of these financial statements that gives 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 accounting standards specified under section 133 of Act, read with Rule 7 of Companies (Accounts) Rules, 2014. This responsibility also includes Maintenance of Adequate Accounting Records in Accordance with the Provision of the Act for Safeguarding of Assets of the Company and for Preventing and detecting Frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimate 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 Accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the Provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provision of the act and the rules made there under. We conducted our audit in accordance with the Standards on Auditing Specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the 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 financial controls 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 whether the company has in place an adequate internal control systems over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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:

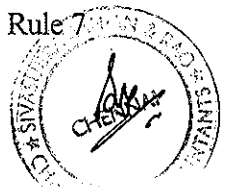
- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- (b) In the case of the Profit and Loss Account, of the Loss for the year ended on that date;
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

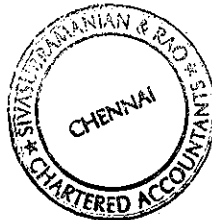
2. As required by section 143(3) of the Act, we report that:

- (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 is 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 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 March 31, 2015, and taken on record by the board of directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of sub-section 2 of section 164 of Companies Act, 2013.
- (f) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rule 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 on its financial position in its financial statements.
- (ii) In our opinion and as per the information and explanations provides to us, the Company has not entered into any long-term contracts including derivative contracts, requiring provision under applicable laws or accounting standards, for material foreseeable losses, and
- (iii) There were no amounts which were required to be transferred to the Investors Education and Protection Fund by the Company.

Place: Chennai
Date: 24th April 2015



For Sivasubramanian & Rao
Chartered Accountants
FRN: 003904S

A handwritten signature in black ink, appearing to read "S. Viswanathan".

S.VISWANATHAN
Partner
M. No: 20572

Annexure to Independent Auditor Report

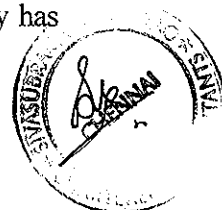
Annexure referred to in Paragraph 1 of the Auditors' Report to the member SFL Properties Private Limited for the year ending March 31, 2015.

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

(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification.
- ii. As the company has no inventory, the question of physical verification does not arise;
- 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 accordingly paragraph 3(iii) of the order is not applicable.
- iv. In our opinion and according to the explanations given to us, there is adequate internal control procedure commensurate with the size of the company and the nature of its business, with regard to purchases, fixed assets and for the sale of goods and services. There is no continuing failure to correct major weaknesses in internal control system.
- v. According to the information and explanation given to us, the Company has not accepted any deposits from the public.
- vi. The Central Government has not prescribed maintenance of Cost Records under Section 148(1) of Companies Act, 2013.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of books of account. The company is generally regular in depositing undisputed statutory dues including Income –tax, Service Tax, Value added tax, Cess and all other statutory dues with the appropriate authorities.

(b) According to the information and explanation provided to us, the company has no disputed dues.

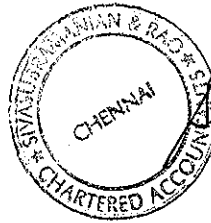
(c) No amount is required to be transferred to Investor Education and Protection Fund in accordance with Section 125 of the Companies Act, 2013.
- viii. The company has incurred loss at the end of the financial year under audit. The Company has incurred cash loss during the current financial year but no cash loss during the immediately preceding financial year.
- ix. In our opinion and according to the information and explanations given to us, the Company has



not defaulted in the repayment of dues to banks or financial institutions.

- x. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by other from banks or financial institutions.
- xi. The Company has not raised any term loan during the financial year.
- xii. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

Place: Chennai
Date : 24th April 2015



For Sivasubramanian & Rao
Chartered Accountants
FRN: 003904S

S. Viswanathan
S.VISWANATHAN
Partner
M. No: 20572

SFL PROPERTIES PRIVATE LIMITED

Balance Sheet as at

Amt in Rupees

Particulars	Notes	31-Mar-15	31-Mar-14
I. EQUITY AND LIABILITIES			
(1) SHAREHOLDERS' FUNDS			
(a) Share Capital	3	15,600,000	10,000,000
(b) Reserves and Surplus	4	49,821,376	2,041,733
		65,421,376	12,041,733
(2) CURRENT LIABILITIES			
(a) Trade payables	5	10,000	52,882,332
(b) Other current liabilities		3,170	-
TOTAL		65,434,546	64,924,065
II. ASSETS			
(1) NON-CURRENT ASSETS			
(a) Fixed assets			
- (i) Tangible assets	6	63,363,200	63,363,200
		63,363,200	63,363,200
(2) CURRENT ASSETS			
(a) Cash and bank balance	7	2,071,346	359,781
(b) Other current assets	8	-	1,201,084
TOTAL		65,434,546	64,924,065
Summary of Significant accounting policies & Notes	1 & 2		

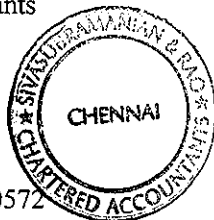
The accompanying notes are an integral part of the financial statements

For Sivasubramanian & Rao
Firm Registration No. 003904S
Chartered Accountants

S. Viswanathan
S Viswanathan

Partner

Membership No. 20572



For and on behalf of the Board

[Signature]
Director

[Signature]
Director

Place: Chennai

Dated: 24.04.2015

Place: Chennai

Dated: 24.04.2015

SFL PROPERTIES PRIVATE LIMITED

Profit and Loss Account for the year ended

Amt in Rupees

Particulars		Note	31 Mar 15
I.	Revenue from Operations		-
II.	Other Income		-
III.	Total Revenue (I + II)		-
IV.	Expenses		
	Other Expenses	9	239,090
	Finance Cost	10	1,176,850
	Total Expenses		1,415,940
V.	Profit before exceptional and extraordinary items and tax (III - IV)		(1,415,940)
VI.	Exceptional Items - Preliminary expenses written off	8	1,204,417
VII.	Profit before extraordinary items and tax (V - VI)		(2,620,357)
VIII.	Extraordinary Items		
IX.	Profit/(Loss) before tax (VII - VIII)		(2,620,357)
X.	TAX EXPENSES		
	Income taxes - Current tax		-
XI.	Profit/(Loss) for the period from Continuing Operations (IX - X)		(2,620,357)
XII.	Profit/(Loss) for the year (XI)		(2,620,357)
XIII.	Earnings per share (equity shares par value Rs 10 each)		
	Basic		(1.68)
	Diluted		
	Number of shares used in computing earnings per share		
	Basic		1,560,000
	Diluted		

For Sivasubramanian & Rao

Firm Registration No. 0039048

Chartered Accountants

S. Viswanathan

S Viswanathan

Partner

Membership No. 20572



For and on behalf of the Board

[Signature] *[Signature]*

Director

Director

Place: Chennai

Dated: 24.04.2015

Place: Chennai

Dated: 24.04.2015

SFL PROPERTIES PRIVATE LIMITED
Statement of cash flow for the year ended March 31, 2015
(Amounts in Rupees unless otherwise stated)

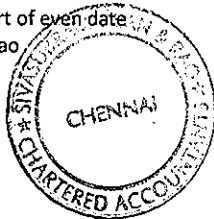
Particulars	March 31, 2015
Cash flows from operating activities	
Profit before taxation	(2,620,357)
Adjustments for:	
Depreciation / amortisation	-
Interest Income	-
Rental & Other Income	-
Exchange differences on translation of foreign currency cash and cash equivalents	-
Unrealised exchange (gains) / losses	-
(Profit) / Loss on sale of fixed assets	-
Working capital changes:	
Decrease / (Increase) in trade receivables	-
Decrease/(Increase) in short term loans and advances	-
Decrease / (Increase) in other current assets	1,201,084
Increase/(Decrease) in Trade payable	(52,872,332)
Increase/(Decrease) in other current liabilities	3,170
Increase/(Decrease) in short term provisions	-
Increase/(Decrease) in Long term Loans and advances	-
Taxes paid	-
Net cash from operating activities	(54,288,435)
Cash flows from investing activities	
Interest received	-
Decrease/(Increase) in long term loans and advances	-
Decrease / (Increase) in other non current assets	-
Rent & other income received	-
Net cash used in investing activities	-
Cash flows from financing activities	
Proceeds from share capital issued	5,600,000
Proceeds from securities premium on share capital issued	50,400,000
Increase/(Decrease) in long term provisions	-
Repayment of Secured Loans	-
Net cash used in financing activities	56,000,000
Net increase / (decrease) in cash and cash equivalents during the year	1,711,565
Cash and cash equivalents at the beginning of the year	359,781
Cash and cash equivalents at the end of the year/period	2,071,346

Notes:

- The above Cash Flow Statement has been prepared by using the "Indirect Method" set out in Accounting Standards
- Previous year's figures are not available for comparison since no operations reported during the previous year.

As per our attached report of even date
For Sivasubramanian & Rao


S VISWANATHAN
PARTNER
Membership no : 20572



For and on behalf of the Board


Director


Director

Place: Chennai
Date: 24.04.2015

Place: Chennai
Date: 24.04.2015

SFL PROPERTIES PRIVATE LIMITED

Notes to the financial statements

SFL Properties Private Limited is a company domiciled in India and incorporated under the provisions of the Companies Act. The company was acquired by Polaris Financial Technology Limited (now called Polaris Consulting & Services Limited) on 1st December 2010.

Subsequently pursuant to the Scheme of Arrangement-cum-Demerger approved by the honorable High Court of Judicature, Madras dt. 15th September 2014 between Polaris Consulting & Services Limited (formerly known as Polaris Financial Technology Limited) and Intellect Design Arena Limited (formerly known as Fin Tech Grid Limited) for the demerger of Products Business Undertaking, SFL Properties Private Limited became 100% subsidiary of Intellect Design Arena Limited effective 1st April 2014.

1. Significant Accounting Policies

A. Basis of preparation of financial statements

The financial statements have been prepared on the historical cost basis in accordance with the Generally Accepted Accounting Principles (GAAP) in India and comply with the mandatory accounting standards as specified in the Companies Act & Rules. The financial statements are prepared under the historical cost convention on an accrual basis.

B. Borrowing Cost

All borrowing cost are recognised as an expenses in the period in which they are incurred and included in respective project work-in-progress

2. Preliminary expenses written off

During the year the preliminary expenses are written off to the extent of Rs.12,04,417

SFL PROPERTIES PRIVATE LIMITED**Notes to the financial statements****3. Share capital**

Particulars	31-Mar-15	31-Mar-14
Share Capital		
(a) Authorised		
20,00,000 equity shares of Rs.10 each. (March 31, 2014: 10,00,000 equity shares of Rs 10 each)	20,000,000	10,000,000
	20,000,000	10,000,000
(b) Issued, Subscribed and Paid up		
15,60,000 equity shares of Rs.10 each fully paid up (March 31, 2014: 10,00,000 equity shares of Rs.10 each)	15,600,000	10,000,000
Total issued, subscribed and fully paid-up share capital	15,600,000	10,000,000

Of the total authorized capital of the company referred above, the company has issued only one class of equity shares having a face value of Rs.10 per share. Each holder of such equity share is entitled to one vote per share.

a) Shares held by Holding Company

Particulars	March 31, 2015 Rs.	March 31, 2014 Rs.
15,59,994 Shares (March 31, 2014: 999,994 Shares) held by Intellect Design Arena Limited, the Holding Company	15,599,940	9,999,940

b) Details of shareholders holding more than 5% shares in the Company:

Particulars	March 31, 2015	March 31, 2014
Intellect Design Arena Limited, the Holding Company (Percentage Holding in the class)	1,559,994 (99.99%)	999,994 (99.99%)

SFL PROPERTIES PRIVATE LIMITED
Notes to the financial statements

4. Reserves and surplus

Particulars	31-Mar-15	31-Mar-14
(a) Securities premium account		
Opening balance		
Add: Premium received on issue of shares	50,400,000	-
Closing balance	50,400,000	-
(b) Surplus/(deficit)		
Profit and Loss Account balance	2,041,733	2,041,733
Net Profit/(Net Loss) For the current year	(2,620,357)	-
Amount available for appropriation	(578,624)	2,041,733
Total reserve and surplus	49,821,376	2,041,733

5. Trade Payables

Particulars	31-Mar-15	31-Mar-14
CURRENT LIABILITIES		
(a) Trade payables		
Sundry creditors - Trade - Holding Company	-	52,871,714
Sundry creditors - Expenses	10,000	10,618
	10,000	52,882,332

6. Other Current Liabilities

Particulars	31-Mar-15	31-Mar-14
Statutory payable	3,170	-
TOTAL	3,170	-

7. Fixed Assets

Particulars	31-Mar-15	31-Mar-14
Tangible Assets		
Land	63,363,200	63,363,200
	63,363,200	63,363,200

SFL PROPERTIES PRIVATE LIMITED**Notes to the financial statements****8. Cash and Bank Balances**

Particulars	31-Mar-15	31-Mar-14
Cash and cash equivalent		
(a) Balance with banks		
- On current account	2,071,346	359,781
	2,071,346	359,781

9. Other Current Assets

PARTICULARS	31-Mar-15	31-Mar-14
Preliminary Expenses to the extent not written off	1,201,084	152,493
Preliminary Expenses for the year	3,333	1,048,591
Total Preliminary expenses	1,204,417	1,201,084
Less: Written off during the year	1,204,417	-
Total	-	1,201,084

10. Other Expenses

Particulars	31-Mar-15	31-Mar-14
Payment to the auditors	10,000	-
Professional and Legal charges	74,944	-
Repairs - Others	67,000	-
Rates and taxes excluding Taxes on Income	84,686	-
Bank charges & commission	2,460	-
TOTAL	239,090	-

11. Finance Cost

Particulars	31-Mar-15	31-Mar-14
Interest Expenses	1,176,849	-
Total	1,176,849	-

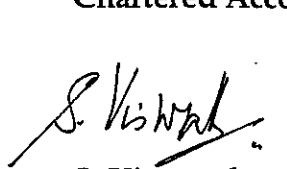
SFL PROPERTIES PRIVATE LIMITED
Notes to the financial statements

12. Operating Leases --- Not applicable

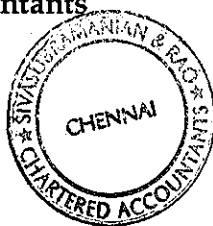
13. Related Party Transactions

	SEEC TECH ASIA		INTELLECT, INDIA		PCS, INDIA	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Balance Due to/ From the Company						
Payables - trade debts						
Receivables - trade debts						
Investment by the Parent Company (including share premium)			56,000,000	-		
Transactions						
Loans received	55,000,000	-				
Loans repaid	55,000,000	-				
Other advances repaid					52,885,047	
Interest paid	1,176,849	-				
Reimbursements to the Company			6,614	-	13,333	1,010,260
Reimbursements by the Company						
Maximum Balance Outstanding during the year						
Payable - Loan & advances / Exp Reimbursements	56,176,849	-				
Payables - trade debts			6,614	-	52,885,047	52,871,714
Receivables - trade debts						

For Sivasubramanian & Rao
Firm Registration No. 003904S
Chartered Accountants



S. Viswanthan
Partner
Membership No. 20572





Director



Director

Date: 24.4.2015
Place: Chennai

Date: 24.4.2015
Place: Chennai