



## **Independent Auditor's Report**

### **To The Members of Laser Soft Infosystems Limited**

#### **Report on the Financial Statements:**

We have audited the accompanying Ind AS financial statements of **Laser Soft Infosystems Limited** ('the Company'), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss and including the statement of Other Comprehensive income, the Cash Flow Statement and the statement of changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (the Act), with respect to the preparation of these Ind AS financial statements that gives a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including Indian Accounting standards (Ind AS) specified under section 133 of the Act., read Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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 Ind AS 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 Ind AS 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 of Ind AS financial statements in accordance with the Standards on Auditing issued by the Institute of Chartered accountants of India, as 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 stand alone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 of the Ind AS 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 accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the afore said Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the State of affairs of the Company as at March 31, 2018, its profit including other comprehensive income, its cash flow and the changes in equity for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 it appears from our examination of those books:
  - c) The Balance sheet, Statement of Profit and Loss including the statement of other comprehensive income, the Cash Flow Statement and statement of changes dealt with by this report are in agreement with the books of account:
  - d) In our opinion, the aforesaid standalone Ind AS Financial Statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 Companies (Indian Accounting Standards) Rules 2015, as amended:



- e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the board of directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of Section 164(2) of the Act:
- f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- g) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rule 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 23 to the financial statements
- (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 Investors Education and Protection Fund by the Company.

Place: Chennai

Date: 04/05/18



For Sivasubramanian & Rao

Chartered Accountants

FRN: 003904S

S. Viswanathan

Partner

M. No: 20572

## Annexure A to Independent Auditor Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2018, we report that:

- i. (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;  
  
(b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.  
  
(c) Based on our audit procedures and according to the information and explanations given to us, the Company does not hold any immovable properties, the requirements under paragraph 1(c) of the Order about title deeds of immovable properties are not applicable to the Company.
- ii. The company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- iii. According to the information and explanations given to us, 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, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the company and hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- v. The Company has not accepted any deposits from the public.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- vii. (a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, customs duty, goods and service tax, cess and other material statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect provident fund, employees' state insurance, income-tax, sales-tax, service tax, customs duty, goods and service tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they become payable.





(b) According to the records of the company, there are no material dues of sales-tax, wealth tax, customs duty, cess are outstanding on account of any disputes. However, according to the information and explanations given to us the following dues of income tax & service tax have not been deposited by the Company on account of disputes

Name of the statute	Nature of dues	Amount (Rs in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act 1961	Income tax	328.52*	AY 2013-14	CIT ( Appeals)
Income Tax Act 1961	Income tax	668.17*	AY 2014-15	CIT ( Appeals)
Finance Act	Service Tax	2.16	FY 2010-11	CCE(Appeals)

\*interest penalty was not considered.

- viii. The Company do not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- ix. The Company did not raise any money by way of initial public offer or further public offer (Including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.
- xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid / provided for managerial remuneration. Hence provisions of section 197 read with Schedule V to the Act, paragraph 3 (xi) of the Order is not applicable.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination



of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Place: Chennai

Date : 08/05/18



**For Sivasubramanian & Rao**  
**Chartered Accountants**  
**FRN: 003904S**

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

## **Annexure - B to the Auditors' Report**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Laser Soft Infosystems Limited** ("the Company") as of 31 March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that



transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Place: Chennai**

**Date :** 04/05/18



**For Sivasubramanian & Rao**

**Chartered Accountants**

**FRN: 003904S**

**S. Viswanathan**

**Partner**

**M. No: 20572**



**LASER SOFT INFOSYSTEMS LIMITED****Balance Sheet as at 31st March 2018***(All amounts in INR, unless otherwise stated)*

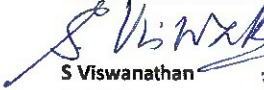
Particulars	Note	March 31, 2018	Mar 31, 2017
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	4	910,715	984,021
Capital work-in-progress	5	109,471,532	100,591,597
Financial assets			
- Investments	6(a)	45,330	45,330
- Loans and deposits	6(b)	4,023,149	3,806,455
Income tax assets (net)	7	273,020,280	237,591,172
Deferred tax assets (net)	8	8,535,720	8,535,720
<b>Total non-current assets</b>		<b>396,006,726</b>	<b>351,554,295</b>
<b>CURRENT ASSETS</b>			
Financial asset			
- Loans and deposits	9	6,625,066	8,174,851
- Trade receivables	10	20,255,691	20,467,571
- Cash and Cash equivalents	11	16,625,631	10,917,986
Other current assets	12	28,466,107	74,855,222
<b>Total current assets</b>		<b>71,972,495</b>	<b>114,415,630</b>
<b>TOTAL</b>		<b>467,979,221</b>	<b>465,969,925</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Equity Share Capital	13	78,313,200	78,313,200
Other Equity	14	194,175,050	185,921,459
		<b>272,488,250</b>	<b>264,234,659</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Financial Liabilities			
- Trade payables	15	47,649,397	33,140,024
- Other financial liabilities	16	92,497,316	123,663,223
Short-term provisions	17	55,344,258	44,932,019
<b>Total current liabilities</b>		<b>195,490,971</b>	<b>201,735,266</b>
<b>TOTAL</b>		<b>467,979,221</b>	<b>465,969,925</b>

As per our attached report of even date

For Sivasubramanian &amp; Rao

Firm Registration No. 0039045

Chartered Accountants

  
 S Viswanathan  
 Partner

Membership No. 20572

Place: Chennai

Date : 04-05-2018



For and on behalf of the Board

  
 Govind Singhal  
 Director

  
 V.V. Naresh  
 Company Secretary

  
 S. Swaminathan  
 Director

## LASER SOFT INFOSYSTEMS LIMITED

## Statement of Profit and Loss for the year ended 31st March 2018

(All amounts in INR, unless otherwise stated)

Particulars	Note	Year Ended March 31, 2018	Year Ended Mar 31, 2017
<b>Revenues</b>			
Revenue from Operations	18	236,484,139	219,075,043
Other Income	19	2,327,801	3,622,759
<b>Total Income</b>		<b>238,811,940</b>	<b>222,697,802</b>
<b>Expenses</b>			
Employee Benefit Expenses	20	217,812,130	204,570,319
Depreciation and amortization expenses	3	79,237	72,763
Impairment of non-current assets		-	-
Finance Cost		-	-
Other Expenses	21	6,761,280	5,268,015
<b>Total Expenses</b>		<b>224,652,647</b>	<b>209,911,097</b>
<b>Profit before tax</b>		<b>14,159,293</b>	<b>12,786,705</b>
Exceptional Items		-	-
<b>Profit/(loss) before tax from continuing operations</b>		<b>14,159,293</b>	<b>12,786,705</b>
Income taxes - Current Year(MAT)		2,900,000	1,647,000
- Less MAT Credit Entitlement		(2,900,000)	(1,647,000)
Income tax Expenses		-	-
<b>Profit for the year from continuing operations</b>		<b>14,159,293</b>	<b>12,786,705</b>
<b>Other comprehensive income</b>		<b>(5,905,702)</b>	<b>(1,059,638)</b>
<b>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</b>			
Exchange differences on translation of foreign operations			
Income tax effect			
<b>Net other comprehensive income to be reclassified to profit or loss in subsequent periods</b>			
<b>Other comprehensive income for the year, net of tax</b>		<b>(5,905,702)</b>	<b>(1,059,638)</b>
<b>Profit/(Loss) for the year</b>		<b>8,253,591</b>	<b>11,727,067</b>
Profit for the year attributable to Equity share holders			
<b>Total comprehensive income for the year attributable to Equity share holders</b>		<b>8,253,591</b>	<b>11,727,067</b>
<b>Earnings per share for continuing and discontinued operations (equity shares par value Rs 10 each)</b>			
Basic		1.05	1.50
Diluted		1.05	1.50
<b>Number of shares used in computing earnings per share</b>			
Basic		7,831,320	7,831,320
Diluted		7,831,320	7,831,320

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

S Viswanathan  
Partner  
Membership No. 20572



Place: Chennai  
Date : 04-05-2018

For and on behalf of the Board

Govind Singhal  
Director

S. Swaminathan  
Director

V.V. Naresh  
Company Secretary

**LASER SOFT INFOSYSTEMS LIMITED**
**Statement of cash flows as on Mar 31, 2018**
**(All amounts in INR, unless otherwise stated)**

Particulars	Year Ended March 31, 2018	Year Ended Mar 31, 2017
<b>Cash flows from operating activities</b>		
Profit before taxation	14,159,293	12,786,705
Other comprehensive income	(5,905,702)	(1,059,638)
Adjustments for:		
Depreciation and amortisation	79,238	72,763
Provision for Doubtful Debts	-	-
Interest income	(726,898)	(1,233,518)
<b>Changes in assets and liabilities</b>		
Decrease in Trade receivable	211,878	10,797,183
(Increase) / Decrease in loans and advances and other assets	47,722,207	(43,371,882)
Increase in liabilities and provisions	(6,244,295)	74,023,756
Net Taxes (paid)	(35,429,108)	1,777,352
<b>Net cash from operating activities</b>	<b>13,866,613</b>	<b>53,792,721</b>
<b>Cash flows from Investing activities</b>		
Purchase of fixed assets, changes in capital work in progress and Capital advance	(8,885,867)	(75,381,407)
Proceeds from sale of fixed assets	-	-
Interest received	726,898	1,233,518
<b>Net cash used in investing activities</b>	<b>(8,158,969)</b>	<b>(74,147,889)</b>
<b>Cash flows from financing activities</b>		
<b>Net cash used in financing activities</b>	<b>-</b>	<b>-</b>
Exchange differences on translation of foreign currency cash and cash equivalents	-	-
<b>Net Increase / (decrease) in cash and equivalents during the year</b>	<b>5,707,645</b>	<b>(20,355,168)</b>
Cash and cash equivalents at the beginning of the year	10,917,986	31,273,154
<b>Cash and cash equivalents at the end of the year</b>	<b>16,625,631</b>	<b>10,917,986</b>
<b>Components of Cash and cash equivalents</b>		
(a) Cash on hand	-	-
(a) Balance with banks		
- On current account	7,014,378	1,351,622
- On deposit account	9,611,253	9,566,364
- On unpaid dividend account		
	<b>16,625,631</b>	<b>10,917,986</b>

As per our attached report of even date

For Sivasubramanian &amp; Rao

Firm Registration No. 003904S

Chartered Accountants

S Viswanathan

Partner

Membership No. 20572

Place: Chennai

Date : 04-05-2018

For and on behalf of the Board

 Govind Singhal  
Director

 S.Swaminathan  
Director

 V.V.Naresh  
Company Secretary

**LASER SOFT INFOSYSTEMS LIMITED**  
**Notes Financial Statements for the year ended March 31, 2018**  
*(All amounts in INR, unless otherwise stated)*

**4) Plant, property and equipment**

Particulars	Land	Leasehold d Land	Buildings	Leasehold improvement	Plant & Machinery	Electrical Equipment	Furniture and Fittings	Office Equipment	Vehicles	Total
<b>Gross Block</b>										
As at April 1, 2016	-	-	-	-	38,062,952	781,663	-	8,501	-	38,853,116
Additions	-	-	-	-	-	-	-	-	-	-
Deletions	-	-	-	-	-	-	-	-	-	-
As at March 31, 2017	-	-	-	-	38,062,952	781,663	-	8,501	-	38,853,116
Additions	-	-	-	-	-	-	-	5,932	-	5,932
Deletions	-	-	-	-	-	-	-	-	-	-
As at March 31, 2018	-	-	-	-	38,062,952	781,663	-	14,433	-	38,859,048
<b>Accumulated Depreciation</b>										
As at April 1, 2016	-	-	-	-	37,010,316	781,663	-	425	-	37,792,404
Depreciation charge for the year	-	-	-	-	76,692	-	-	-	-	76,692
Disposals	-	-	-	-	-	-	-	-	-	-
As at March 31, 2017	-	-	-	-	37,087,008	781,663	-	425	-	37,869,096
Depreciation charge for the year	-	-	-	-	76,691	-	-	2,546	-	79,237
Disposals	-	-	-	-	-	-	-	-	-	-
As at March 31, 2018	-	-	-	-	37,163,699	781,663	-	2,971	-	37,948,333
<b>Net Book Value</b>										
As at April 1, 2016	-	-	-	-	1,052,636	-	-	8,076	-	1,060,712
As at March 31, 2017	-	-	-	-	975,944	-	-	8,076	-	984,020
As at March 31, 2018	-	-	-	-	899,253	-	-	11,462	-	910,715

Particulars	Buildings	Plant & Machinery (including Computer Equipment, software and accessories)	Electrical fittings	Office Equipments	Furniture and fixtures	Product development	Vehicles	Total
5) Opening balance of CWIP as at March 2017	-	-	-	-	-	100,591,597	-	100,591,597
Add:	-	-	-	-	-	-	-	-
Additions to CWIP	-	-	-	-	-	64,122,630	-	64,122,630
Less	-	-	-	-	-	(55,242,695)	-	-55,242,695
Moved to Intelled Design Arena Ltd	-	-	-	-	-	-	-	-
Closing balance of CWIP as at March 31, 2018	-	-	-	-	-	109,471,532	-	109,471,532

**LASER SOFT INFOSYSTEMS LIMITED**
**Statement of Changes in Equity for the year ended March 31, 2018**
*(All amounts in INR, unless otherwise stated)*
**Statement of Changes in Equity for the year ended 31 March 2018**
**a. Equity Share Capital:**

Equity shares of INR 10 each issued, subscribed and fully paid

As at 1 April 2016

At 31 March 2017

Issue of share capital

At 31 March 2018

No. of shares	Amount (INR)
78,31,320	78,313,200
78,31,320	78,313,200
-	-
<b>78,31,320</b>	<b>78,313,200</b>

**b. Other equity**
**For the year ended 31 March 2018**

Particulars	Reserves & Surplus				Items of OCI		Total Equity
	Securities premium	Share based payment reserves	General reserve	Retained earnings	Cash flow hedge reserve	Other items of other comprehensive income	
As at 1st April 2017	-	-	100,000,000	86,981,097	-	(1,059,638)	185,921,459
Exercise of share options	-	-	-	-	-	-	-
Share-based payments	-	-	-	-	-	-	-
Profit for the year	-	-	-	14,159,293	-	-	14,159,293
Re-measurement of the net defined benefit liability/asset, net of tax effect	-	-	-	-	-	(5,905,702)	(5,905,702)
<b>Total Comprehensive Income</b>	-	-	-	-	-	-	-
<b>As at 31st March 2018</b>	-	-	100,000,000	101,140,390	-	(6,965,340)	194,175,050

**For the year ended 31 March 2017**

Particulars	Reserves & Surplus				Items of OCI		Total Equity
	Securities premium	Share Based Payment Reserves	General Reserve	Retained earnings	Cash flow hedge reserve	Other items of other comprehensive income	
As at 1st April 2016	-	-	100,000,000	74,194,392	-	-	174,194,392
Exercise of share options	-	-	-	-	-	-	-
Share-based payments	-	-	-	-	-	-	-
Profit for the year	-	-	-	12,786,705	-	-	12,786,705
Re-measurement of the net defined benefit liability/asset, net of tax effect	-	-	-	-	-	(1,059,638)	(1,059,638)
Movement in cash flow hedge	-	-	-	-	-	-	-
<b>Total Comprehensive Income</b>	-	-	-	-	-	-	-
<b>As at 31st March 2017</b>	-	-	100,000,000	86,981,097	-	(1,059,638)	185,921,459

As per our attached report of even date

For Sivasubramanian &amp; Rao

Firm Registration No. 003904S

Chartered Accountants

 S Viswanathan  
Partner  
Membership No. 20572

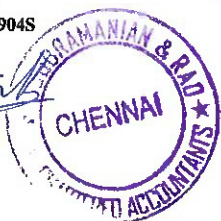
Place: Chennai

Date : 04-05-2018

For and on behalf of the Board

 Govind Singhal  
Director

 S Swaminathan  
Director

 V.V.Naresh  
Company Secretary




**LASER SOFT INFOSYSTEMS LIMITED**  
**Notes to the financial statements as on Mar 31, 2018**  
**(All amounts are in Rs., unless otherwise stated)**

**1 Corporate Information**

Laser Soft Infosystems Limited was incorporated on 16th February, 2000 and was acquired by Polaris Financial Technology Limited (now called Polaris Consulting & Services Limited) on 16th November 2009.

Subsequently, pursuant to the Scheme of Arrangement-cum-Demerger approved by the honourable 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, Laser Soft Infosystems Limited became 100% subsidiary of Intellect Design Arena Limited effective from 1st April 2014. The company is engaged in the development, sale and maintenance of software.

**2 Basis of preparation of financial statements**

These financial statements are prepared in accordance with Indian Accounting Standards (IndAS) under the historical cost convention on the accrual basis. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS101 First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or are vision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**3 Significant Accounting Policies**

**A. Use of estimates**

The preparation of the financial statements in conformity with IndAS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

**B. Tangible fixed assets and capital work in progress**

Fixed assets are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Capital work in progress comprises cost of tangible fixed assets not ready for intended use as at the balance sheet date.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

**C) Depreciation on tangible fixed assets**

Depreciation on fixed assets is provided using the straight line method.

Depreciation on plant, property and equipment is calculated on a straight-line basis using the rates arrived at, based on the useful lives estimated by the management. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset. The company has used the following rates to provide depreciation on its plant, property and

The useful lives considered for depreciation of fixed assets are as follows:

Assets Category	Estimated useful life (in years)
Buildings	29
Plant and Machinery	15
Computer Equipments	3
Servers and Computer accessories	6
Electrical fittings, furniture and fixtures	10
Office equipments	5
Vehicles	4-8
Leasehold improvements	Over the lease period or 10 years whichever is lower
Leasehold Land	Over the lease period (99 years)

**D. Investments**

Long Term Investments are stated at cost and provision for diminution is made if the decline in value is other than temporary in nature.

## **E. Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

**Research and Development Cost:**

Research costs are expensed as incurred. Development expenditure incurred on an individual new project is recognized as an intangible asset when the company can demonstrate all the following:

1. The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
2. Its intention to complete and its ability and intention to use or sell the asset
3. How the asset will generate future economic benefits
4. The availability of resources to complete the asset

## **F. Impairment of Assets**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Company.

## **G. Revenue accrued but not billed**

Revenue in excess of billings represents earnings on ongoing fixed price over amounts invoiced to customers.

## **H. Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably

**Software development and support services:** Revenue from software development and support services comprises income from time-and-material and fixed price contracts. Revenue with respect to time-and-material contracts is recognized as related services are performed. Revenue from fixed-price contracts is recognized in accordance with the proportionate completion method. Provision for estimated losses on incomplete contract is recorded in the year in which such losses become probable based on the current contract estimates.

**Revenue accrued and not billed** represents earnings on ongoing fixed price and time and material contracts over amounts invoiced to customers. Revenue in excess of billing represents earnings on ongoing fixed price & time and material contracts over amounts invoiced to customers.

**Billings in excess of revenue** represent amounts billed in case of ongoing fixed price and time and material contracts wherein amounts have been billed in accordance with the billing cycle and efforts would be incurred subsequent to the balance sheet date.

**Other Income:** Interest is recognized using the time-proportion method.

## **I) Retirement and other employee benefits**

### ***Provident Fund***

Employees receive benefits from a provident fund, which is a defined contribution plan. Both the employee and the Company make monthly contributions to the Regional Provident Fund equal to a specified percentage of the covered employee's salary. The company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. The Company has no further obligations under the plan beyond its monthly contributions.

### **Gratuity**

The Company provides for gratuity in accordance with the Payment of Gratuity Act, 1972, a defined benefit retirement plan (the Plan) covering all employees. The plan, subject to the provisions of the above Act, provides a lump sum payment to eligible employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. A trust has been constituted to administer the gratuity fund. Gratuity liability is accrued and provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial period. Actuarial gains/losses are immediately taken to Statement of Profit and Loss and are not deferred.

### **Leave Benefits**

Provision for long-term compensated absences is accrued and provided for on the basis of actuarial valuation made at the end of each financial period. The actuarial valuation is done as per projected unit credit method. Actuarial gains/losses are immediately taken to Statement of Profit and Loss and are not deferred.

## **I) Current and Deferred Taxes**

Tax expense comprises of current and deferred tax. The current charge for income taxes is calculated in accordance with the relevant tax regulations applicable to the Company. The current tax provision and advance income tax as at balance sheet date have been arrived at after setting off advance tax and current tax provision where the Company has legally enforceable right to set off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax assets and liabilities are recognised for the future tax consequences attributable to timing differences between the taxable income and accounting income. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment date. Deferred tax assets and deferred tax liabilities across various countries of operation are not set off against each other as the company does not have legal right to do so.

Deferred tax assets are recognised only if there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised and are reassessed for the appropriateness of their respective carrying values at each balance sheet date. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits. Unrecognised deferred tax assets of earlier years are re-assessed and recognised to the extent that it has become reasonably certain or virtually certain as the case maybe, that future taxable income will be available against which such deferred tax assets can be realized. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain as the case maybe, that sufficient future taxable income will be available against which deferred tax asset can be realised.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

## **J. Earning per Share**

Basic earnings per share, is calculated by dividing the net profit/(loss) after tax for the period attributable to the equity shareholders by the weighted average number of shares outstanding during the year.

## **K. Foreign currency transactions**

Transactions in foreign currency are recorded at exchange rates prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are converted at the exchange rate as on the Balance Sheet date. The exchange differences arising on such conversions are recognized as income or expense in the Profit & Loss account.

## **L. Provisions, Contingent Liabilities & 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

## 6(a) Non-current investments

Particulars	31-Mar-18	31-Mar-17
<b>NON-CURRENT INVESTMENTS</b>		
<b>Investments in Equity Instruments (At cost)</b>		
<b>Equity Shares - Quoted</b>		
237 equity shares in Andhra Bank of Rs.10/- each	21,330	21,330
<b>Equity Shares - Unquoted</b>		
200 equity shares in Catholic Syrian Bank of Rs.10/- each	24,000	24,000
<b>TOTAL</b>	<b>45,330</b>	<b>45,330</b>

## 6(b) Non-Current Assets- Loans and Advance income Tax

Particulars	31-Mar-18	31-Mar-17
<b>Financial Assets- Loans and Deposits</b>		
Unsecured, considered good	4,023,149	3,806,455
<b>Total</b>	<b>4,023,149</b>	<b>3,806,455</b>
<b>7 Income tax assets (net)</b>		
Advance income tax Net Off Provision for Tax	267,796,276	235,267,168
MAT credit entitlement	5,224,004	2,324,004
<b>6.b. Total</b>	<b>273,020,280</b>	<b>237,591,172</b>
<b>TOTAL</b>	<b>277,043,429</b>	<b>241,397,627</b>

## 8 Deferred tax assets

Particulars	31-Mar-18	31-Mar-17
Deferred Tax Asset	8,535,720	8,535,720
<b>TOTAL</b>	<b>8,535,720</b>	<b>8,535,720</b>

## 9 Current Financial Assets- Loans and deposits

Particulars	31-Mar-18	31-Mar-17
Loans to Employees	5,866,097	6,181,301
Salary advance	758,969	821,545
Input tax credit receivable	-	1,172,005
<b>TOTAL</b>	<b>6,625,066</b>	<b>8,174,851</b>

## 10 Current Financial Assets- Trade Receivables

Particulars	31-Mar-18	31-Mar-17
<b>Trade receivables outstanding for a period exceeding six months from the date they are due for payment</b>		
- Unsecured considered good	2,725,881	17,162,969
- Doubtful	38,910,915	38,910,915
Less: Allowance for bad and doubtful debts	(38,910,915)	(38,910,915)
<b>Other debts</b>		
- Unsecured considered good	17,529,810	3,304,603
<b>TOTAL</b>	<b>20,255,691</b>	<b>20,467,572</b>

**11 Cash and cash equivalents**

Particulars	31-Mar-18	31-Mar-17
Cash and cash equivalents		
(b) Balance with banks		
- On current account	7,014,378	1,351,622
- On deposit account	9,611,253	9,566,364
<b>TOTAL</b>	<b>16,625,631</b>	<b>10,917,986</b>

**12 Other current assets**

Particulars	31-Mar-18	31-Mar-17
Revenues accrued and not billed	28,028,916	74,810,333
Interest Receivable on Deposits	437,191	44,889
<b>TOTAL</b>	<b>28,466,107</b>	<b>74,855,222</b>

**13 Share Capital**

Particulars	31-Mar-18	31-Mar-17
(a) Authorised		
120,00,000 equity shares of Rs 10 each.	120,000,000	120,000,000
<b>Total authorised share capital</b>	<b>120,000,000</b>	<b>120,000,000</b>
(b) Issued, Subscribed and Paid up		
78,31,320 equity shares of Rs 10 each	78,313,200	78,313,200
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>78,313,200</b>	<b>78,313,200</b>

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	31-Mar-18	31-Mar-17
7,828,838 Shares (March 31, 2017: 7,828,838 Shares) held by Intellect Design Arena Ltd., the Holding Company	78,288,380	78,288,380

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

Particulars	31-Mar-18	31-Mar-17
Intellect Design Arena Ltd., the Holding Company	78,288,380	78,288,380
(Percentage Holding in the class)	99.00%	99.00%

**14 Other Equity**

Particulars	31-Mar-18	31-Mar-17
<b>General Reserve</b>		
Opening balance	100,000,000	100,000,000
Adjustments made during the year	-	-
Closing Balance	100,000,000	100,000,000
<b>Retained Earnings</b>		
Opening balance	85,921,459	74,194,392
Net Profit/(Net Loss) For the current year	8,253,591	11,727,067
Amount available for appropriation	94,175,050	85,921,459
Less: Appropriations	-	-
<b>TOTAL</b>	<b>194,175,050</b>	<b>185,921,459</b>

**15 Current Financial liabilities-Trade payables**

Particulars	31-Mar-18	31-Mar-17
Creditors	47,649,397	33,140,024
<b>TOTAL</b>	<b>47,649,397</b>	<b>33,140,024</b>

**16 Other current Financial liabilities**

Particulars	31-Mar-18	31-Mar-17
Billings in excess of revenues	40,486,850	38,708,181
Payable to Related parties	44,668,365	89,528,617
Statutory payable	7,248,986	(4,573,576)
<b>TOTAL</b>	<b>92,404,202</b>	<b>123,663,223</b>



**17 Current Liabilities- Short Term Provisions**

Particulars	31-Mar-18	31-Mar-17
Provision for employee benefits		
- Provision for gratuity	42,208,576	32,421,961
- Provision for leave benefits	13,135,682	12,510,058
<b>TOTAL</b>	<b>55,344,258</b>	<b>44,932,019</b>

**18 Revenue from operations**

Particulars	31-Mar-18	31-Mar-17
Sale of Customized Software Products and related Services	236,484,139	219,075,043
<b>TOTAL</b>	<b>236,484,139</b>	<b>219,075,043</b>

**19 Other Income**

Particulars	31-Mar-18	31-Mar-17
Provisions no longer required written back	-	-
Net Gain on foreign currency transaction and translation (other than considered as finance cost)	1,599,603	2,389,241
Miscellaneous Income, Net	1,300	-
Interest received on deposits with banks	494,596	297,723
Interest on others	232,302	935,795
<b>TOTAL</b>	<b>2,327,801</b>	<b>3,622,759</b>

**20 Employee Benefit Expenses**

Particulars	31-Mar-18	31-Mar-17
Salaries and incentive		
Salaries and bonus	208,479,161	192,652,430
Contribution to		
(i) Provident fund	6,785,736	6,393,142
Gratuity contribution scheme	2,377,439	4,937,440
Staff welfare expenses	169,794	587,307
<b>TOTAL</b>	<b>217,812,130</b>	<b>204,570,319</b>

**21 Other Expenses**

Particulars	31-Mar-18	31-Mar-17
Payment to the auditors		
- auditor	400,000	400,000
- for taxation matters	-	-
Travelling expenses	9,060	-
Communication expenses	78,839	114,114
Professional and Legal charges	2,690,967	1,566,788
Power and fuel	704,517	744,006
Rent	2,317,027	2,259,580
Repairs - Others	115,946	55,750
Business promotion	77,270	-
Office maintenance	239,870	92,564
Provision for doubtful debts	-	-
Printing and stationery	11,750	-
Rates and taxes excluding Taxes on Income	18,706	9,527
Bank charges & commission	4,399	25,686
Miscellaneous expenses	92,929	-
<b>TOTAL</b>	<b>6,761,280</b>	<b>5,268,015</b>

**22 Earnings per share**

Particulars	31-Mar-18	31-Mar-17
<b>Numerator:</b>		
Net Profit/(Loss) as disclosed in Statement of Profit & Loss which is attributable to the Equity Shareholders.	8,253,591	11,727,067
<b>Denominator:</b>		
Weighted Average Equity Shares	7,831,320	7,831,320
<b>Basic and Diluted Earnings Per Share (Face Value of Rs. 10 each)</b>	<b>1.05</b>	<b>1.50</b>

**23 Contingent Liabilities**

<b>i) Disputed Income Tax Demands:</b>		
<b>Forum where the dispute is pending</b>	<b>Period to which the amount relates</b>	<b>Amount in Rs. *(in Lakhs)</b>
Commissioner of Income Tax Appeals	Assessment year 2013-14	328.52
Commissioner of Income Tax Appeals	Assessment year 2014-15	668.17
Customs Excise & Service Tax Appeals	Assessment year 2011-12	2.16
<b>Total</b>		<b>998.85</b>
*Does Not include Interest		

## 24 Related Party Transactions

Particulars	31-Mar-18	31-Mar-17
<b>Transactions during the year</b>		
<u>Intellect Design Arena Limited</u>		
Sale of Software/ Services including UBD	201,450,000	114,000,000
Reimbursement of expenses to the co	79,920,363	207,557,284
Reimbursement of expenses by the co	20,377,404	137,505,690
Funds received (net)	14,684,000	94,932,491
<u>Indigo Tx Software Private Limited,</u>		
Reimbursement of expenses by the co		
Funds received	-	491,840
<u>Intellect Commerce Limited</u>		
Reimbursement of expenses by the co		
Funds received	-	65,535
<u>Seec Technologies Asia Private Limited</u>		
Reimbursement of expenses by the co		
Funds received	-	147,843
<b>Balance outstanding</b>		
<u>Advances to related parties</u>		
Indigo Tx Software Private Limited,	-	-
Intellect Commerce Limited,	-	-
Seec Technologies Asia Private Limited	-	-
<u>Receivables</u>		
Intellect Design Arena Ltd.,	-	36,000,000
<u>Other Current Liabilities</u>		
Intellect Design Arena Ltd.,	44,668,366	89,528,617

## 25 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

As at Mar 31, 2018, the Company had no outstanding dues to Micro and Small enterprises (for March 31, 2017: Rs Nil). The list of Micro and Small enterprises was determined by the Company on the basis of information available with the Company. The Company also had no outstanding dues that require to be furnished under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006.

## 26 Transactions with related parties - Transfer Pricing

The Company has entered into international transactions with related parties(Group Companies). The Company has a policy of maintaining documents as prescribed by the Income-tax Act, 1961 to prove that these international transactions are at arm's length and believes that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

27 Previous year's figures have been regrouped wherever necessary to confirm to this year's Classification.

As per our report even date

For Sivasubramanian & Rao  
Chartered Accountants  
Firm Regn No.0039045

  
S VISWANATHAN  
PARTNER  
Membership no : 20572



Place: Chennai  
Date : 04-05-2018

For and on behalf of the Board

  
Govind Singhal  
Director

  
S.Swaminathan  
Director

  
V.V.Naresh  
Company Secretary