



J. A. RAJANI & CO.
CHARTERED ACCOUNTANTS

PRITESH J. RAJANI
B. COM., F.C.A., D.I.S.A.

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Independent Auditor's Report

To the Members of Arrow Secure Technology Private Limited.

Report on the Financial Statements

We have audited the accompanying financial statements of Arrow Secure Technology Private Limited. ("the Company"), which comprise the Balance Sheet as at March 31, 2015 and Statement of Profit and Loss and Cash Flow 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 and presentation 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 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.

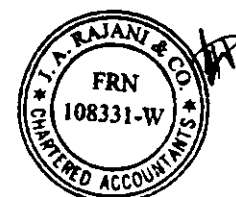
Auditors' Responsibility

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 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 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 31 March 2015 and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

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

(a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) the balance sheet, the statement of profit and loss and 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 the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and


(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:

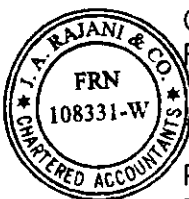
i. The Company does not have any pending litigation which would impact financial position;

ii. The Company did not have any long-term contracts including derivative 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.

For J. A. Rajani & Co.
Chartered Accountants
Firm Reg. No. 108331W


P. J. Rajani
Proprietor
Membership No. 116740
Place: Mumbai
Date: 29th May, 2015.



The Annexure referred to in paragraph 1 of the Our Report of even date to the members of Arrow Secure Technology Private Limited. on the financial statements of the company for the year ended 31st March, 2015.

i) In respect of its Fixed Assets.

Proper records showing full particulars, including quantitative details and situation of fixed assets are maintained.

As explained to us some of the Fixed Assets were physically verified during the year by the management in accordance with a program of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

ii) The Company does not hold any inventories during the year. Thus, paragraph 3(ii) of the Order is not applicable.

iii) According to the information and explanations given to us, the Company has not granted loans to companies, firms or other party covered in the Register maintained under section 189 of the Companies Act, 2013. Accordingly, Para 3(iii) (a) & (b) of the order is not applicable to the Company.

iv) In our opinion and according to the information and explanation given to us the company has internal control system commensurate with the size of the company and the nature of its business with regards to purchase of inventories, fixed assets and with regards to the sale of the goods and services. During the course of our audit, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in internal controls system.

v) According to the information and explanations given to us, the Company has not accepted deposits from the public within the meaning of Section 73 and 76 or any other relevant provisions of the Act and the rules framed there under.

vi) The Central Government has not prescribed the maintenance of Cost records under section 148(1) of the Companies Act 2013 for any of the products of the Company.

vii) According to the record of the company, the company is generally regular in depositing undisputed statutory dues including Income Tax, Wealth Tax, Custom Duty, Service tax and other statutory dues applicable to it with appropriate authorities. There are no undisputed amount payable in respect of above mentioned dues in arrears as at 31st March 2015 for a period of more than six months from the date they became payable. According to the information and explanations given to us, there are no dues of sales tax and income tax, which have not been deposited on account of any dispute.

There has been no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

viii) The company does not have accumulated losses at the end of the year exceeding fifty percent of its networth and have incurred cash loss amounting to Rs. 64.86 ('000) during the financial year covered by our audit and Rs. 52.44 ('000) in immediate preceding financial year.



- ix) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to the financial institution, bank or debenture holders.
- x) According to information and explanation given to us the company has not given guarantees for loan taken by others from banks or financial institutions.
- xi) According to information and explanation given to us the company has not taken term loan during the year.
- xii) According to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For J. A. Rajani & Co.
Chartered Accountants
Firm Reg. No. 108331W



P. J. Rajani
P. J. Rajani
Proprietor
Membership No. 116740
Place: Mumbai
Date: 29th May, 2015.

Arrow Secure Technology Private Limited

(formerly known as Nagra ID Arrow Secure Card Pvt Ltd)

Balance Sheet as at 31st MARCH 2015

Particulars	Note	AS AT	AS AT
		31.03.2015 (Rs. in '000)	31.03.2014 (Rs. in '000)
I. EQUITY AND LIABILITIES			
1 Shareholders' Fund			
(a) Share Capital	2	4,313	4,313
(b) Reserves & Surplus	3	(4,090)	(4,009)
		223	304
2 Non Current Liabilities			
(a) Long-term borrowings		-	-
		-	-
3 Current Liabilities			
(a) Trade payables (Refer to Note. 13)		28	81
(b) Other current liabilities		-	-
(c) Short-term provisions		-	-
		28	81
TOTAL		251	385
II. ASSETS			
1 Non Current Assets			
(a) Fixed Assets			
(i) Tangible assets	4	3	19
(b) Other non-current assets	5	48	73
		51	92
2 Current assets			
(a) Cash and cash equivalents	6	195	279
(b) Short-term loans and advances	7	1	2
(c) Other current assets	8	4	13
		200	293
TOTAL		251	385
Notes to Accounts & Significant Accounting Policies	1 to 18		

As Per our report of even date.

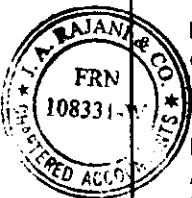
For J. A. Rajani & Co.
Chartered Accountants

P. J. Rajani
Proprietor
Place: Mumbai
Date: 29/05/2015

For and on behalf of the Board of Directors

Director

Director



(Handwritten signatures of two directors)

Arrow Secure Technology Private Limited
(formerly known as Nagra ID Arrow Secure Card Pvt Ltd)

Statement of Profit & Loss Account for the year ended on 31st March 2015

Particulars	Note	Year Ended 31.03.2015 (Rs. in '000)	Year Ended 31.03.2014 (Rs. in '000)
INCOME			
Other Income	9	14.43	20.72
Total		14.43	20.72
EXPENDITURE			
Depreciation and amortisation Expenses	7	5.37	6.53
Other Expenses	10	79.29	73.16
Total		84.66	79.69
Profit/(Loss) Before Exceptional and Tax		(70.23)	(58.97)
Prior period Items		-	-
Profit/(Loss) Before Tax		(70.23)	(58.97)
Current tax		-	-
Profit/(Loss) After Tax		(70.23)	(58.97)
Earning Per Share (Basic) Rs.	16 1 to 18	(0.16)	(0.14)

As Per our report of even date.

For J. A. Rajani & Co.
Chartered Accountants

P. J. Rajani
Proprietor

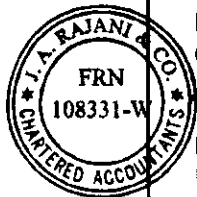
Place: Mumbai

Date: 29/05/2015

For and on behalf of the Board of Directors

Director

Director



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Arrow Secure Technology Private Limited

(formerly known as Nagra ID Arrow Secure Card Pvt Ltd)

Notes to the financial statements for the year ended March 31st, 2015

1 Significant accounting policies

a) Basis of Preparation of Financial Statements:

The financial statement have been prepared on the basis of going concern, under historical cost convention, to comply in all material aspect with applicable accounting principles in India, the Accounting standards under Section 133 of Companies Act ,2013,read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.

The preparation of financial statements in conformity with accounting standards requires management to make estimates and assumptions that affect the reported amounts of the assets and liabilities at the date of financial statement, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

All assets and liabilities have been classified as current or non - current as per the operating cycle criteria set out in the schedule III of the Companies Act,2013.

b) Fixed Assets, Depreciation And Impairment Loss:

Fixed Assets are stated at cost net of accumulated depreciation. Cost includes expenses related to acquisition and financing cost on borrowing during construction period. Assets acquired on Hire purchase are capitalised to the extent of Principal Value.

Depreciation on Fixed Assets has been provided on written down value basis and manner provided in Schedule II to The Companies Act 2013. Leasehold land is shown at cost and no write offs are made in respect thereof.

c) Prior Period Adjustments:

All items of Income/Expenditure pertaining to prior period (except those not exceeding Rupees One Thousand in each case which is accounted through respective revenue accounts) are accounted through Prior Period Adjustment account.

d) Revenue Recognition:

Interest Income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

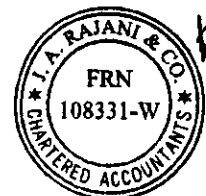
e) Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

f) Deferred Revenue Expenditure:

Preliminary Expenses is amortised over a period of 10 years.

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Arrow Secure Technology Private Limited
(formerly known as Nagra ID Arrow Secure Card Pvt Ltd)

Notes to the financial statements for the year ended March 31st, 2015

Particulars	AS AT 31.03.2015 (Rs. in '000)	AS AT 31.03.2014 (Rs. in '000)
Note 2		
Share Capital		
Authorised Capital :		
9,00,000 Equity Shares of Rs. 10/- each	9,000.00	9,000.00
1,00,000 Redeemable Pref. Shares of Rs.10/- each	1,000.00	1,000.00
Issued,Subscribed and Paid Capital		
4,31,275 (P. Y. 4,31,275 Equity Shares) of Rs. 10/- each Fully paid up	4,312.75	4,312.75
	4,312.75	4,312.75

Notes:

a) All of the above 431,175 equity shares held by Arrow Coated Products Limited the Holding Company (100% holding)

b) Share holder Holding more than 5%

Name of Shareholder	As at 31st March 2015		As at 31st March 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Arrow Coated Products Limited	431,175	100.00%	431,175	100.00%
Total	431,175	100.00%	431,175	100.00%

Particulars	AS AT 31.03.2015 (Rs. in '000)	AS AT 31.03.2014 (Rs. in '000)
Note 3		
Reserves and Surplus		
Opening Profit & Loss	(4,008.87)	(3,920.57)
Add: Net Profit/(Loss) for current year	(70.23)	(58.97)
Less : Tax Adjustment earlier years	-	(29.33)
Less : Depreciation Adjusted (Refer note 4)	(10.95)	-
Closing Profit & Loss	(4,090.06)	(4,008.87)
	(4,090.06)	(4,008.87)



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Notes to the financial statements for the year ended March 31st, 2015

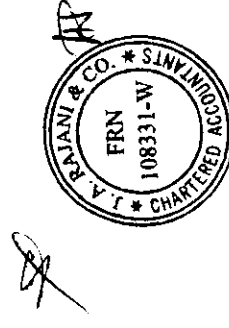
Note 4

FIXED ASSETS

(Rs. in '000)

Particulars	Gross Block			Depreciation/Amortisation			Net Block		
	As At 01.04.2014	Additions	Sale/Transfer	As At 31.03.2015	As At 01.04.2014	For the period	Deduction	As At 31.03.2015	As At 31.03.2014
Tangible Assets									
Office Equipment	26.28	-	-	26.28	14.02	-	10.95	24.97	12.26
Computers	29.00	-	-	29.00	22.17	5.37	-	27.54	6.83
Total	55.28	-	-	55.28	36.19	5.37	10.95	52.51	19.09
Previous Year	55.28	-	-	55.28	29.66	6.53	-	36.19	19.09

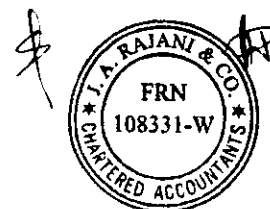
Note. 1) Pursuant to enactment of Companies Act, 2013, the Company has applied the WDV depreciation rates as specified in Schedule II. As a result the charge for depreciation is higher/(lower) by Rs 0.42 ('000). Based on the transitional provisions the written down value of assets whose life has expired as at 1st April, 2014 has been adjusted net of tax 10('000) against Retained earnings, reflected in Deduction/Adjustment Column.



Arrow Secure Technology Private Limited
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Notes to the financial statements for the year ended March 31st, 2015

Particulars	AS AT 31.03.2015 (Rs. in '000)	AS AT 31.03.2014 (Rs. in '000)
Note 5		
Other Non Current Assets		
Preliminary Expenditure	48.36	72.53
	48.36	72.53
Note 6		
Cash & Cash Equivalents		
Balances with Banks		
Fixed Deposit with Bank	175.00	257.79
Current Account	9.11	0.29
Cash on Hand	10.46	20.75
	194.57	278.83
Note 7		
Short Term Loans and Advances		
(Unsecured considered good)		
Advance payment of Income Tax	1.43	1.79
	1.43	1.79
Note 8		
Other Current Assets		
Interest Accrued on Fixed Deposit	3.66	12.53
	3.66	12.53



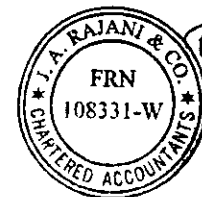
Arrow Secure Technology Private Limited

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Notes to the financial statements for the year ended March 31st, 2015

Particulars	Year Ended 31.03.2015 (Rs. in '000)	Year Ended 31.03.2014 (Rs. in '000)
Note 9		
Other Income		
Sundry Balance Written Off	-	2.47
Interest Income	14.43	18.25
	14.43	20.72
Note 10		
Other Expenses		
Administrative expense		
Legal & Professional Charges (Refer Note 17)	51.14	48.72
Miscellaneous Expenses	(2.08)	0.27
Preliminary exp W/off	24.18	24.18
Bank Charges	0.06	-
General Office Expenses	6.00	-
	79.29	73.16

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Arrow Secure Technology Private Limited
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Notes to the financial statements for the year ended March 31st, 2015

- 11 Balances of Sundry Debtors, Sundry Creditors, Deposits, Loans and Advances are subjected to reconciliation and confirmation, necessary adjustment if required, will be made after reconciliation. The management does not expect any material difference affecting the current year's financial statements.
- 12 In the opinion of the Board and to the best of their knowledge and belief all the Current Assets, Loans and Advances have value on realisation at least of an amount at which they are stated in Balance Sheet.
- 13 The Company does not possess information as to which of its suppliers are covered under micro, small and medium Enterprise Development Act, 2006. However, the company is regular in making payment to its suppliers and has not received any claim in respect of interest for delayed payment.
- 14 As the company's business activity, in the opinion of the management, falls within single primary segment patented display cards, which are subject to the same risks and returns, the disclosure requirement of Accounting Standard (AS)-17 "Segment Reporting" issued by the Institute Of Chartered Accountant of India are, in the opinion of the management, not applicable
- 15 Related Party Disclosure as required by Accounting Standard 18 of the Institute of Chartered Accountants of India. Related parties as defined under clause 3 of the Accounting standard have been identified on the basis of representation made by management.

i) List of Related Parties with whom transaction entered.

Name of Related Party	Relationship
1 Arrow Coated Products Ltd	Holding Company

ii) Transaction with Related Parties & Outstanding Balance as on 31st March, 2015

TRANSACTION DURING THE YEAR	Rs. In 000
	Holding Company
Loan Received During the Year	-
	(1.50)
Loan Repaid During the year	-
	(279.90)
BALANCE—PAYABLE	-
	(-)

(Previous year figures are shown in bracket)

- 16 As required by Accounting Standard 20 on Earning per Share issued by the Institute of Chartered Accountant of India (ICAI), basic earning per share has been calculated by dividing net profit after tax by the weighted average number of equity shares outstanding during the year as per detail given below:

Particulars	Rs. In 000	
	2014-15	2013-14
Profit as per profit & loss Account (After tax & extraordinary items)	(70.23)	(58.97)
Weighted average number of shares used in computing earning per equity share		
For Basic EPS	431,275	431,275
Basic earning per share (Rs.) (on nominal value of Rs.10/- per share)	(0.16)	(0.14)

17 Auditors Remuneration:

Particulars	Rs. In 000	
	2014-15	2013-14
Audit Fees	18.85	16.85
Taxation Matters	11.24	11.24
Total	28.09	28.09

- 18 Previous Year figures have been regrouped, rearranged wherever necessary to confirm current year classification.

As Per our report of even date.

For J. A. Rajani & Co.
Chartered Accountants

P. J. Rajani
Proprietor
Place : Mumbai
Date : 27/05/2015

For and on behalf of the Board of Directors

Director

Director



Director