

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ONE TWO THREE GREETINGS (INDIA) PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **ONE TWO THREE GREETINGS (INDIA) PRIVATE LIMITED** ("the Company"), which comprises the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss, the Cash Flow Statement 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 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 provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 auditors' 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 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 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 aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India: of the state of affairs of the Company as at 31st March, 2015 and its Profit 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 paragraphs 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 Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



K. N. GUTGUTIA & CO.

CHARTERED ACCOUNTANTS
KOLKATA • NEW DELHI

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e) On the basis of 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.

f) With respect to the other matters to be included in the Auditors' 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 has no pending litigations and hence it has no impact on its financial position in its 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 required to be transferred to the Investor Education and Protection Fund by the Company.

For K.N. GUTGUTIA & CO.
CHARTERED ACCOUNTANTS
Firm Registration No.304153E



Date: 25th May, 2015
Place : Kolkata


(K.C. SHARMA)
Partner

Membership No. 50819

Annexure to the Independent Auditors' Report to the Members of ONE TWO THREE GREETINGS (INDIA) PRIVATE LIMITED as referred to in paragraph 1 of Report on Other Legal and Regulatory Requirements in our Report of even date

- i) (a). The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.

(b). All the fixed assets have been physically verified by the Management at reasonable intervals. No material discrepancies were noticed on such verification.
- ii) The Company's nature of operations does not require to hold inventories and as such clause 3(ii) (a) to (c) of the Companies (Auditor's Report) Order, 2015 is not applicable.
- iii) The Company has not granted any loan, secured or unsecured to Companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013 and hence clause 3(iii) (a) to (b) of the Companies (Auditor's Report) Order, 2015 is not applicable.
- iv) In our opinion there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- v) The Company has not accepted any public deposits during the year and as such clause 3(v) of the Companies (Auditor's Report) Order, 2015 is not applicable.
- vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013 in respect of services carried out by the Company and as such clause 3(vi) of the Companies (Auditor's Report) Order, 2015 is not applicable.
- vii) (a) .According to the information and explanations given to us and records examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added 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 of Income Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Cess were in arrears as at 31st March, 2015 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Income Tax or Sales Tax or Wealth Tax or Service Tax or Duty of Customs or Duty of



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Excise or Value Added Tax or Cess which have not been deposited on account of any dispute.

(c) According to the information and explanations given to us, no amount was required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.

- viii) The Company has neither accumulated losses at the end of the financial year nor it has incurred any cash losses during the financial year and in the immediately preceding financial year.
- ix) Based on our audit procedures and according to the information and explanations given to us, we observed that the Company has not defaulted in repayment of dues to a Financial institution or Bank or Debenture holders during the current financial year.
- x) According to the information and explanations given to us the Company has not given any guarantee for loans taken by others from bank or financial institutions, the terms and conditions whereof are prejudicial to the interest of the Company.
- xi) According to the information and explanations given to us, the Company has applied the term loans for the purpose for which such loans were obtained.
- xii) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For K.N. GUTGUTIA & CO.
CHARTERED ACCOUNTANTS
Firm Registration No.304153E

Place: Kolkata
Date: 25th May 2015




(K.C.SHARMA)
Partner
Membership No.50819

One Two Three Greetings (India) Private Limited

Balance Sheet as at 31st March, 2015

Particulars	Note No.	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2.1	20,000,000	20,000,000
(b) Reserves and Surplus	2.2	1,115,933	1,046,627
(2) Non-current Liabilities			
(a) Deferred Tax Liabilities (Net)	2.3	-	29,555
(b) Long-term Provisions	2.4	77,648	98,554
(3) Current Liabilities			
(a) Short-term Borrowings	2.5	9,500,000	12,000,000
(b) Trade Payables	2.6	-	-
(c) Other Current Liabilities	2.7	703,702	641,735
(d) Short-term Provisions	2.8	1,277	4,247
TOTAL		31,398,560	33,820,718
II. ASSETS			
(1) Non-current Assets			
Fixed Assets			
(i) Tangible Assets	2.9	201,897	394,208
(ii) Intangible Assets	2.9	46,533	59,766
		248,430	453,974
(2) Current Assets			
(a) Trade Receivables	2.10	1,132,738	2,097,609
(b) Cash and Bank Balances	2.11	1,255,916	1,684,656
(c) Short-term Loans and Advances	2.12	28,739,449	29,584,479
(d) Deferred Tax Asset (Net)	2.3	22,027	-
TOTAL		31,398,560	33,820,718

Accounting Policies & Notes on Accounts 1 & 2
Notes are an integral part of the Balance Sheet

As per our report of even date attached herewith


For K.N.GUTGUTIA & CO.
Chartered Accountants
Firm Registration No. 304153E



K.C. Sharma
(Partner)
Membership No. : 50819



Place : Kolkata
Date : 25th May, 2015

For and on behalf of the board


Mukesh Goel
Director


Anil Agrawal
Director

Place : Mumbai
Date : 25th May, 2015


One Two Three Greetings (India) Private Limited
Statement of Profit and Loss for the period ended 31st March, 2015

Particulars	Note No.	Year Ended 31st March, 2015 ₹	Year Ended 31st March, 2014 ₹
I. Revenue from operations	2.13	4,219,181	8,332,518
II. Other income	2.14	12,303	65,004
III. Total Revenue (I + II)		4,231,484	8,397,522
IV. Expenses:			
Product & Content Development expense	2.15	600,000	2,250,000
Employee benefit expense	2.16	564,830	537,213
Finance costs	2.17	-	-
Sales and Marketing Expenses	2.18	1,903,494	4,261,190
Depreciation and amortization expenses		203,700	86,209
Other expenses	2.19	883,610	1,204,337
Total expenses		4,155,634	8,338,949
V. Profit before tax (III-IV)		75,850	58,573
VI. Exceptional Item		-	-
Less : Transferred from Profit & Loss		-	-
VII. Tax expense:			
(1) Current tax		57,830	38,527
(2) Deferred tax		(51,582)	(20,427)
(3) Income tax related to earlier years		(1,548)	17,318
		4,700	35,418
VIII. Profit (Loss) for the year from continuing operations(V-VI)		71,150	23,155
IX. Earnings per equity share:			
Basic & Diluted (Par Value of ₹ 10/- each)	2.22	0.04	0.01

Accounting Policies & Notes on Accounts 1 & 2
Notes are an integral part of the Statement of Profit and Loss

As per our report of even date attached herewith

For K.N.GUTGUTIA & CO.
Chartered Accountants
Firm Registration No. 304153E




K.C. Sharma
(Partner)
Membership No. : 50819

Place : Kolkata
Date : 25th May,2015



For and on behalf of the board



Mukesh Goel
Director



Anil Agrawal
Director

Place : Mumbai
Date : 25th May,2015

One Two Three Greetings (India) Private Limited

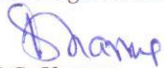
Cash Flow Statement for the period ended 31st March,2015

	Year Ended 31st March, 2015	Year Ended 31st March, 2014
	₹	₹
A) Cash Flow From Operating Activities:		
Net profit before tax	75,850	58,573
Adjustments for:		
Depreciation	203,700	86,209
Interest Expense	-	-
Interest Income	(12,303)	(65,004)
Operating profit before working capital changes	267,247	79,778
(Increase) / Decrease in Trade Receivables	964,871	916,905
Increase / (Decrease) in Trade Payables	-	-
Increase / (Decrease) in Other than Trade Payables	38,091	78,110
(Increase)/ Decrease in Advance & Deposit	767,747	568,416
Cash generated from operations	2,037,956	1,643,209
Income Tax (Paid) / Refunded	21,001	570,690
Net Cash Flow From Operating Activities:	2,058,957	2,213,899
B) Cash Flow From Investing Activities:		
Purchase of Fixed Assets	-	-
Interest Received	12,303	65,004
Net Cash From/ (used in) Investing Activities:	12,303	65,004
C) Cash Flow From Financing Activities:		
Proceeds from Short Term Borrowings	(2,500,000)	(1,000,000)
Interest Paid	-	-
Net Cash From Financing Activities:	(2,500,000)	(1,000,000)
Net Increase / (Decrease) in Cash and Cash Equivalents(A+B+C)	(428,740)	1,278,903
Cash and Cash Equivalents at the Beginning of the Year	1,684,656	405,753
Cash and Cash Equivalents at the End of the Year	1,255,916	1,684,656

The Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard -3 on "Cash Flow Statements" issued under section 211(3C) of The Companies Act, 1956.

This is the Cash Flow Statement referred to in our report of even date.

For K.N.GUTGUTIA & CO.
Chartered Accountants
Firm Registration No. 304153E


K.C. Sharma

(Partner)
Membership No. : 50819

Place : Kolkata
Date : 25th May,2015



For and on behalf of the board


Mukesh Goel
Director


Anil Agrawal
Director

Place : Mumbai
Date : 25th May,2015

One Two Three Greetings (India) Private Limited

Accounting Policies & Notes on Accounts

Note: 1

A. SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements:

The financial statements are prepared under the historical cost convention, on accrual basis of accounting and in accordance with Generally Accepted Accounting Principles and materially comply with the mandatory accounting standards as specified in the Company (Accounting Standards) Rules, 2006 issued by the Central Government.

1.2 Fixed Assets:

Fixed Assets are stated at their original cost including other expenses related to acquisition and installation.

1.3 Depreciation:

Depreciation on fixed assets is provided on straight-line method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II of the Companies Act 2013. The management estimates the useful life for the intangible assets as six (6) years.

1.4 Revenue Recognition:

Items of Income and expenditure are accounted for on accrual basis.

1.5 Foreign Currency Transactions:

- I) Foreign Currency transactions are recorded on the basis of exchange rates prevailing on the date of their occurrence.
- II) Current / Non- current monetary assets and liabilities in foreign currency are restated in the accounts on the basis of exchange rates prevailing at the Balance Sheet date and exchange difference arising there from are charged to the Statement of Profit and Loss.

1.6 Employee Benefits:

- I. Leave pay due to employees in respect of unavailed leave is encashed or provided for at the end of the year on accrual basis.
- II. Gratuity paid during the year is debited to liability account at the time of payment and liability on account of gratuity is provided on the date of Balance Sheet on Actuarial Valuation at the end of the year.

1.7 Taxation:

Provision for Income Tax is made on taxable income for the year at current rates. Current Tax represents the amount of Income Tax payable in respect of taxable income for the year. Deferred Tax represents the effect of timing difference between taxable income and accounting income for the year that originate in one period and are capable of reversal in one or more subsequent years. The deferred tax asset is recognized and carried forward only to the extent if there is a reasonable certainty that the assets will be realized in future. However where there is unabsorbed depreciation or carried forward business loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty with supporting evidences of realization of the assets.

1.8 Use of Estimates:

The preparation of Financial Statements require Management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures related to contingent liabilities and assets as at the balance sheet date and the reported amount of income and expenses during the year. Actual results could differ from those estimates.



One Two Three Greetings (India) Private Limited

1.9 Impairment of Assets:

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If there any indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit which the asset belongs to, is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount subject to a maximum of depreciable historical cost.

1.10 Contingent Liabilities:

Contingent Liabilities are not provided for and are disclosed by way of notes.

1.11 Earnings Per Share:

The earnings considered in ascertaining the Company's EPS comprises the net profit after tax and include the post tax effect of any extra ordinary items. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year.

1.12 Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments. The cash flow from operating, investing and financing activities of the Company are segregated



One Two Three Greetings (India) Private Limited

Note: 2 Notes on Accounts

Particulars	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
2.1 <u>Share Capital</u>		
<u>Authorised Capital</u>		
20,00,000 (20,00,000) Equity Shares of Par Value of ₹ 10/-	20,00,000	20,00,000
<u>Issued, Subscribed and Paid Up</u>		
20,00,000 (20,00,000) Equity Shares of Par Value of ₹ 10/- fully paid up	20,00,000	20,00,000
	20,00,000	20,00,000

Notes to 2.1:

- 1) The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/-. Each holder of equity shares is entitled to one vote per share.
- 2) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

3)	The reconciliation of the number of shares outstanding are as below:		
	Number of shares at the beginning	2,00,000	2,00,000
	Number of shares at the closing	2,00,000	2,00,000

4)	The details of shareholder holding more than 5% shares are set out below :				
	Name of Shareholders	No of Shares	% held	No of Shares	% held
	IntraSoft Technologies Limited (Holding Company and its Nominee)	20,00,000	100	20,00,000	100

2.2 **Reserves and Surplus**

Surplus

As per last Balance Sheet	1,046,627	1,023,472
Add : Net profit after tax transferred from Statement of Profit and Loss	71,150	23,155
Less : Additional Depreciation as per new Companies Act	(1,844)	-
	1,115,933	1,046,627

2.3 **Deferred Tax (Asset)/Liabilities (Net)**

a) Deferred Tax Liability

Timing difference for depreciation on Fixed Assets	18,980	68,997
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b) Deferred Tax Asset

Expenses allowable under the Income Tax Act on actual payment basis	(41,007)	(39,442)
Deferred Tax (Net)	(22,027)	29,555



One Two Three Greetings (India) Private Limited

Particulars	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
2.4 Long-term provisions		
Provision for Employee Benefits		
Gratuity	51,069	98,554
Leave Encashment	26,579	-
	<u>77,648</u>	<u>98,554</u>

2.5 Short-term borrowings

Loan from Related Party		
From Holding Company (Non bearing interest) (Unsecured)	9,500,000	12,000,000
	<u>9,500,000</u>	<u>12,000,000</u>

Note to 2.5:

The company has taken unsecured loan from Holding Company for ₹ 95,00,000 (₹ 1,20,00,000)

2.6 Trade payables

Micro, Small and Medium Enterprises	-	-
Others	-	-
	<u>-</u>	<u>-</u>

Note to 2.6 :

The Company has not received information from its vendors / service providers regarding their status under Micro, Small & Medium Enterprises Development Act, 2006 and hence disclosures relating to their outstanding amount and interest has not been made.

2.7 Other current liabilities

Other Payables		
Payable to Employees and Sales Agents	288,114	293,173
Advance from Customers	251,452	22,933
TDS & Other Govt dues	7,600	120,577
Liabilities for Expenses	156,535	205,052
	<u>703,701</u>	<u>641,735</u>

2.8 Short-term Provisions

Provision for Employee Benefits		
Gratuity	1,277	375
Leave Encashment	-	3,872
	<u>1,277</u>	<u>4,247</u>



One Two Three Greetings (India) Private Limited

2.9 Fixed Assets

(Amount in ₹)

ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 1.4.2014	Additions	Disposals	As on 31.03.2015	As on 1.4.2014	From 1.4.2014 31.03.2015	Amount adjusted through reserves [As per New Companies Act]	Deduction Sale/ Disposal /Adjustment	As on 31.03.2015	As on 31.03.2015 31.03.2014
<u>Tangible Assets</u>										
Computers & Accessories	364,628	-	-	364,628	205,740	138,814	1,844	-	346,398	18,230
Furniture & Fixtures	213,038	-	-	213,038	44,762	23,930	-	-	68,692	144,346
Office Equipments	77,000	-	-	77,000	9,956	27,723	-	-	37,679	39,321
Total	654,666	-	-	654,666	260,458	190,467	1,844	-	452,769	201,897
Previous Year	654,666			654,666	187,945	72,513	-	-	260,458	394,208
<u>Intangible Assets</u>										
Software	84,494	-	-	84,494	24,728	13,233	-	-	37,961	46,533
Total	84,494	-	-	84,494	24,728	13,233	-	-	37,961	46,533
Previous Year	84,494	-	-	84,494	11,032	13,696	-	-	24,728	59,766
Grand Total	739,160	-	-	739,160	285,186	203,700	1,844	-	490,730	248,430
Previous Year	739,160	-	-	739,160	198,977	86,209	-	-	285,186	453,974



One Two Three Greetings (India) Private Limited

Particulars	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
2.10 Trade Receivables		
Unsecured, Considered good		
More than six months from the due date	329,647	440,159
Others	803,091	1,657,450
	1,132,738	2,097,609
2.11 Cash and Bank Balances		
Cash and Cash Equivalents		
Balances with banks		
In Current Account	1,249,112	1,677,505
Cash on hand	6,804	7,151
	1,255,916	1,684,656
2.12 Short term loans and advances		
Advance to Related Party	27,781,597	28,381,597
Service Tax Receivable (Net)	289,676	457,423
Advance Income Tax & TDS (Net of Provisions)	668,176	745,459
	28,739,449	29,584,479

Notes to 2.12

- 1) Advance Income Tax & TDS is net of Provisions of ₹ 96,357 (P.Y. ₹ 1,22,284)



One Two Three Greetings (India) Private Limited

Particulars	Year Ended 31st March, 2015 ₹	Year Ended 31st March, 2014 ₹
2.13 Revenue From Operations		
IT enabled services	4,219,181	8,332,518
	4,219,181	8,332,518
2.14 Other Income		
a Interest from Income Tax Department	12,303	65,004
b Other Income	-	-
c Dividend Income	-	-
	12,303	65,004
2.15 Product & Content Development Expense		
a Content Purchases	600,000	2,250,000
	600,000	2,250,000
2.16 Employees Benefit Expense		
Salaries and Wages	564,830	537,213
	564,830	537,213
Note to 2.16		
Salaries and Wages includes Gratuity ₹ (-)46,583 (₹ 47,539)		
2.17 Finance Costs		
Interest Expenses	-	-
Others	-	-
	-	-
2.18 Sales and Marketing Expenses		
a EBE Sales	1,414,857	3,152,714
b Travelling-Sales	217,783	353,111
c Commission on sale	218,059	703,265
d Advertising	-	5,000
e Delivery Discount	3,408	6,915
f Sales Return	-	304
g Other SME Expenses	49,387	39,881
	1,903,494	4,261,190
2.19 Other Expenses		
a Power and Fuel	7,148	133,935
b Rent	768,912	840,000
c Rates and Taxes excluding taxes on Income	7,420	7,210
d Travelling & Conveyance	7,710	13,100
e Legal and Professional Charges	33,533	108,500
f Auditors Remuneration		
Statutory Audit Fee	12,500	10,000
Tax Audit Fee	-	4,000
Other Services	1,124	1,000
g Miscellaneous Expenses	21,464	11,222
h Sundry balances written off	27,799	54,888
i Prior Period expenses	(4,000)	20,482
	883,610	1,204,337



One Two Three Greetings (India) Private Limited

2.20 Disclosure of Related Party Transactions

- a) Names of related parties and nature of relationship where control exists:

Category of related parties

Holding Company

Names

IntraSoft Technologies Limited

- b) Transactions and balances with related parties:

Nature of Transaction	As at	As at
	31st March, 2015	31st March, 2014
	₹	₹
Purchases of Services from Holding Company (inclusive of Service Tax & Net of TDS)	600,000	2,250,000
Amounts paid to Holding Company	-	1,561,800
Current Account (Sundry Creditors)	-	-
Advance to Holding Company	27,781,596	28,381,596
Unsecured Loan (Taken)	9,500,000	12,000,000

2.21 Disclosure as per AS-15" Employees Benefits"

The followings tables set out the funded status and amount recognised in the companies' financial statement as at March 31, 2015 for the defined benefit plans:

GRATUITY	As at	As at
	31st March, 2015	31st March, 2014
	₹	₹
I. Change of Benefit Organization		
Liability at the beginning of the year	98,929	51,390
Interest cost	8,904	4,625
Current Service Cost	17,083	34,675
Past Service Cost (Non Vested Funds)	-	-
Past Service Cost (Vested Funds)	-	-
Benefit Paid	-	-
Actuarial (Gain)/Loss on obligation	(72,570)	8,239
Curtailments and Settlements	-	-
Liability at the end of the year	52,346	98,929
II. Fair Value of Plan Assets		
Fair Value of Plan Assets at the beginning of the year	-	-
Expected Return on Plan Assets	-	-
Contributions	-	-
Benefit Paid	-	-
Actuarial (Gain)/Loss on Plan Assets	-	-
Fair Value of Plan Assets at the end of the year	-	-
Total Actuarial Gain / (Loss) to be Recognised	-	-
III. Actual Return on Plan Assets		
Expected Return on Plan Assets	-	-
Actuarial (Gain)/Loss on Plan Assets	-	-
Actual Return on Plan Assets	-	-
IV. Amount Recognised in the Balance Sheet		
Liability at the end of the year	52,346	98,929
Fair Value of Plan Assets at the end of the year	-	-
Difference	(52,346)	(98,929)
Unrecognized Past Service Cost	-	-
Amount Recognised in the Balance Sheet	(52,346)	(98,929)



One Two Three Greetings (India) Private Limited

GRATUITY	Year ended 31st March, 2015	Year ended 31st March, 2014
	₹	₹
V. Expenses Recognised in the Statement of Profit and Loss		
Current Service Cost	17,083	34,675
Interest cost	8,904	4,625
Expected Return on Plan assets	-	-
Net Actuarial (Gain) / Loss to be Recognised	(72,570)	8,239
Past Service Cost (Non Vested Benefit) Recognised	-	-
Past Service Cost (Vested Benefit) Recognised	-	-
Effect of Curtailment or settlement	-	-
Expenses Recognised in the Statement of Profit and Loss	(46,583)	47,539
VI. Balance Sheet Reconciliation		
Opening Net Liability	(98,929)	(51,390)
Expense as above	46,583	(47,539)
Employers Contribution	-	-
Effect of Curtailment or settlement	-	-
Current Defined Benefit Obligation at the end of the period	(1,277)	(375)
NON- Current Defined Benefit Obligation at the end of the period	(51,069)	(98,554)
Amount Recognised in the Balance Sheet	(52,346)	(98,929)
VII. Actuarial Assumption		
Discount Rate Current	7.85%	9.00%
Rate of Return on Plan Assets Current	-	-
Salary Escalation Current	5.00%	5.00%

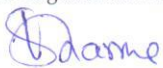
2.22 Earning Per Equity Share

(a) Net Income available to Equity Shareholders (₹)	71,150	23,155
(Numerator)		
(b) Weighted average no. of Equity Shares outstanding	2,000,000	2,000,000
(Denominator)		
(c) Earning per Share (₹)		
Basic & Diluted	0.04	0.01

2.23 The Company has transactions with related parties. For the financial year ended March 31, 2014 the Company has obtained the Accountant's Report from a Chartered Accountant as required by the relevant provisions of the Income-tax Act, 1961 and has filed the same with the tax authorities. For the year ended March 31, 2015, Management confirms that it maintains documents as prescribed by the Income Tax Act, 1961 to prove that these transactions are at arm's length and 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.

Signature to Note 1 & 2

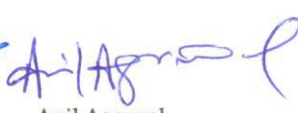
For K.N.GUTGUTIA & CO.
Chartered Accountants
Firm Registration No. 304153E


K.C. Sharma
(Partner)
Membership No. : 50819

Place : Kolkata
Date : 25th May, 2015



For and on behalf of the board

 
Mukesh Goel **Anil Agrawal**
Director Director

Place : Mumbai
Date : 25th May, 2015