

# ANNUAL REPORT 2014-2015

## PCS INTERNATIONAL LIMITED, MAURITIUS



### MANAGEMENT & ADMINISTRATION

**DIRECTORS** : Gajendra Kumar Patni Ashok Kumar Patni  
Amit Kumar Patni, Aveenash Ramtohol  
Gyaneshwarnath Gowrea

**REGISTERED OFFICE** : C/o. Multiconsult Limited Rogers House, 5 President John Kennedy Street, Port Louis, MAURITIUS

### DIRECTORS' REPORT

The Members,

#### PCS International Limited

Your Directors have the pleasure in presenting the Annual Report of your company together with Audited Balance Sheet for the year ended on 31st March 2015.

The Company has closed down its sole branch located at Jabel Ali in Dubai and surrendered the Trade Licence to the authorities on 24th December, 2012.

During the financial year under review, the Company has not done any business transaction (Previous year- Nil). The operations have resulted in a Net loss of Rs. 278.95 lakhs (Previous year- Rs. 18.89 lakhs). This has resulted in due to write off the unrealizable assets and other sundry expenses.

#### SCHEME OF AMALGAMATION AND ARRANGEMENT

The Directors of the Company has approved the Scheme of amalgamation for the purpose of merger of PCS International Limited, Mauritius with its parent company PCS Technology Limited, India. The Scheme has been approved by the Hon'ble High Court of Bombay, India. Considering the Appointed Date of merger is 1<sup>st</sup> April 2014 and pendency of receipt of authorised Order from Hon'ble High Court Bombay and the striking off the name of the Company from the Registrar of Companies, Mauritius. The effect of the Scheme will be given respectively on receipt of the said Order.

#### EXTRACTS OF ANNUAL RETURN

As the Company is Foreign Subsidiary Company of PCS Technology Limited, The extracts of the Annual return i.e Form MGT-9 is not applicable.

#### DIVIDEND

In view of losses incurred by the Company, your Directors express their inability to recommend any dividend for the financial year ended 31st March 2015.

#### RESERVES

Since the Company do not recommend any dividend, it is not required to transfer any amount to the General Reserve of the Company for the year under review.

#### MATERIAL CHANGES & COMMITMENTS AFFECTING THE FINANCIAL POSITIONS OF THE COMPANY

No, material changes & Commitments have occurred between the end of Financial year of the Company to which the Financial statement relates and the date of this report which affects the financial position of the Company.

#### CORPORATE SOCIAL RESPONSIBILITY:

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility

#### DECLARATION BY INDEPENDENT DIRECTORS

The Company was not required to appoint Independent Directors under Section 149(4) and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 hence no declaration has been obtained.

#### DIRECTORS

During the year under review, the Directors of the Company have circulated the written resolution and approved them from time to time.

### Statutory Auditors

The Company's Auditors, Mr. S. C Bandi of Messrs S.C Bandi & Co., Chartered Accountants, Mumbai who retire at the ensuing Annual General Meeting of the Company are eligible for reappointment. He has confirmed his eligibility under Section 141 of the Companies Act, 2013 and the Rules framed thereunder for reappointment as Statutory Auditors of the Company.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to sub-section (3C) of Section 134 of the Companies Act, 2013, the Board of Directors of the Company hereby confirms that:

1. In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
2. Appropriate accounting policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the company as at 31st March, 2015 and of the profit of the company for the said year;
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
4. Annual Accounts have been prepared on a going concern basis.
5. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Company has not given any loans and guarantees or made any investment under section 186 of the Companies Act, 2013.

### RELATED PARTY TRANSACTIONS

The Company has not entered into any Contract/ arrangement with related parties under section 188 of the Companies Act, 2013. Thus provisions of Section 188 of the Companies Act, 2013 are not applicable.

### DEPOSITS

Your Company has neither invited nor accepted any deposits from the public so far.

### PARTICULARS OF EMPLOYEES

During the financial year, there were no employees drawing remuneration in excess of the monetary ceiling prescribed under Section 197 read with Rule, 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/OUTGO

During the Financial year under review, the Company has not carried out any business activities. Hence information required pursuant to section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Company (Accounts) Rules 2014 are not applicable

### ACKNOWLEDGEMENTS

The Board of Directors takes this opportunity to thank every stakeholder including customers of the Company for their co-operation extended to the Company.

By Order of the Board of Directors

Place : Mumbai  
Date: 29<sup>th</sup> May, 2015

**A K Patni**                      **Amit Kumar Patni**  
Director                              Director

# PCS INTERNATIONAL LIMITED, MAURITIUS

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PCS INTERNATIONAL LIMITED

### 1. Report on the Standalone Financial Statements

I have audited the accompanying standalone financial statements of PCS International Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2015 and the Statement of Profit and Loss for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### 2. Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

### 3. Auditor's Responsibility

- i. My responsibility is to express an opinion on these standalone financial statements based on my audit.
- ii. I 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.
- iii. I conducted my audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
- iv. 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.
- v. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the standalone financial statements.

### 4. Opinion

In my opinion and to the best of my information and according to the explanations given to me, 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<sup>st</sup> March, 2015, and its loss for the year ended on that date.

### 5. Report on Other Legal and Regulatory Requirements

As required by 'the Companies (Auditor's Report) Order, 2015' issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as I considered appropriate and according to the information and explanations given to me, I give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

### 6. As required by Section 143 (3) of the Act, I report that:

- i. I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit.
- ii. In my opinion, proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books.
- iii. The Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
- iv. In my 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.
- v. On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- vi. 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 my opinion and to the best of my information and according to the explanations given to me:
  - a. There were no pending litigations on Company's financial position in its financial statements;
  - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S.C. Bandi & Co.**  
Chartered Accountants  
Firm Reg. No.130850W

**S.C. BANDI**  
(Proprietor)  
M.No.16932

Place: Mumbai

Date: 29<sup>th</sup> May 2015

# ANNUAL REPORT 2014-2015

## PCS INTERNATIONAL LIMITED, MAURITIUS



### BALANCE SHEET AS AT 31ST MARCH 2015

(Amount in Rs.)

Particulars	Note	As at 31-Mar-15	As at 31-Mar-14
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
Share capital	4	47,088,450	47,088,450
Reserves and surplus	5	(57,003,957)	(29,257,606)
<b>2 Current liabilities</b>			
Trade payables	6	9,714,661	9,172,015
Other current liabilities	7	285,762	448,005
<b>TOTAL</b>		<b>84,916</b>	<b>27,450,864</b>
<b>II. ASSETS</b>			
<b>1 Non-current assets</b>			
Other non-current assets	8	-	-
<b>2 Current assets</b>			
Trade receivables	9	-	26,984,874
Cash and bank balances	10	-	361,563
Short term loans and advances	11	84,916	104,427
<b>TOTAL</b>		<b>84,916</b>	<b>27,450,864</b>

The accompanying notes are an integral part of the financial statements

As per my report of even date attached

For S.C.Bandi & Co.  
Chartered Accountants

For and on behalf of Board of Directors

S.C.Bandi  
(Proprietor)  
Membership No. 16932

A. K. Patni  
(Director)

Amit Kumar Patni  
(Director)

Place : Mumbai  
Date: 29th May, 2015

### STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2015

(Amount in Rs.)

Particulars	Note	Year ended 31-Mar-15	Year ended 31-Mar-14
<b>I. Revenue from Operations (net)</b>			
	12	-	-
<b>II. Other Income</b>			
	13	-	-
<b>Total Revenue</b>		<b>-</b>	<b>-</b>
<b>III. Expenses</b>			
Changes in inventories of stock in trade	14	-	-
Other expenses	15	27,894,941	1,888,878
<b>Total expenses</b>		<b>27,894,941</b>	<b>1,888,878</b>
<b>IV. Earning before Interest, Tax, Depreciation and Amortisation (EBITDA)</b>			
		(27,894,941)	(1,888,878)
<b>Less: Finance costs</b>			
		-	-
<b>Less: Depreciation and amortisation expense</b>			
		-	-
<b>V. Loss before tax</b>			
		(27,894,941)	(1,888,878)
<b>VI. Tax expense</b>			
		-	-
<b>VII. Loss for the year</b>			
		(27,894,941)	(1,888,878)
<b>Basic and Diluted Earnings per share</b>			
		(251.31)	(17.02)

The accompanying notes are an integral part of the financial statements

As per my report of even date attached

For S.C.Bandi & Co.  
Chartered Accountants

For and on behalf of Board of Directors

S.C.Bandi  
(Proprietor)  
Membership No. 16932

A. K. Patni  
(Director)

Amit Kumar Patni  
(Director)

Place : Mumbai  
Date: 29th May, 2015

# PCS INTERNATIONAL LIMITED, MAURITIUS

## Notes to Financial Statements for the year ended 31<sup>st</sup> March 2015

### 1 BACKGROUND

PCS International Limited was incorporated in Port Louis on 3rd September 1999 as a wholly owned subsidiary of PCS Technology Ltd. The Financial statements are for year ended 31st March 2015. PCS International Limited is engaged in the business of providing Consultancy services.

### 2 PRINCIPAL ACCOUNTING POLICIES

#### Basis of Preparation

- a) These financial statements have been prepared under the historical cost convention on the accrual basis of accounting and in accordance with the accounting standards and provisions of the Companies Act, 2013 as applicable to bodies corporate.
- b) These financial statements have been prepared for the purpose of compliance with the provisions of Section 129 of Indian Companies Act, 2013 by the holding company PCS Technology Ltd. Accordingly these financial statements will be attached to the financial statements of PCS Technology Ltd. as prescribed under Section 129 of the Indian Companies Act, 2013. The Balance Sheet and Statement of Profit and Loss of the Company have been drawn up in terms of US dollars representing the functional currency of the Company. However, for purposes of Compliance with the requirements of section 129 of the Indian Companies Act 2013, these financial statements have been translated into Indian Rupees in accordance with the methodology prescribed for conversion of financial statements of a non-integral operation in the revised Accounting Standard 11 on Accounting for the effects of changes in foreign exchange rates.
- c) The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities at the date of financial statements and the results of operations during the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statement. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements
- d) The Fixed assets are stated at cost less accumulated depreciation. The rate of depreciation is based on the estimated useful lives of the fixed assets.

- 3 Income and expenditure incurred in foreign exchange have been translated at the average conversion rate of the accounting year. Current assets and current liabilities have been translated at the conversion rate as at 31st March 2015.

(Amount in ₹)

Particulars	As at 31-Mar-15	As at 31-Mar-14
<b>4 SHARE CAPITAL</b>		
<b>Authorised</b>		
1,11,000 Equity shares of par value of USD 10 each	<u>47,088,450</u>	<u>47,088,450</u>
<b>Issued Subscribed and Paid up</b>		
1,11,000 Equity shares of par value of USD 10 each	<u>47,088,450</u>	<u>47,088,450</u>
	<u>47,088,450</u>	<u>47,088,450</u>

- a) Terms /Rights attached to equity shares

The Company has only one class of equity shares having a par value of USD 10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

- b) Details of shareholders holding more than 5% shares in the company

Name of the shareholder	No.	%	No.	%
PCS Technology Limited	111000	100	111000	100

(Amount in ₹)

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>5 RESERVES AND SURPLUS</b>		
<b>Deficit in the Statement of Profit and Loss</b>		
Opening balance	(42,003,669)	(40,114,791)
Loss for The Year	<u>(27,894,941)</u>	<u>(1,888,878)</u>
Closing balance	<u>(69,898,610)</u>	<u>(42,003,669)</u>
<b>Currency Fluctuation Reserve</b>	<u>12,894,653</u>	<u>12,746,063</u>
<b>Total Reserves and Surplus</b>	<u>(57,003,957)</u>	<u>(29,257,606)</u>
<b>6 TRADE PAYABLES</b>		
Trade Payables	<u>9,714,661</u>	<u>9,172,015</u>
	<u>9,714,661</u>	<u>9,172,015</u>
<b>7 OTHER CURRENT LIABILITIES</b>		
Trade Advances	-	172,820
Other Payables	<u>285,762</u>	<u>275,185</u>
	<u>285,762</u>	<u>448,005</u>
<b>8 OTHER NON-CURRENT ASSETS</b>		
Non-current Bank Balances	-	-
	-	-
<b>9 TRADE RECEIVABLES</b>		
<b>Unsecured, Considered good</b>		
Over Six months	-	26,984,874
Other Debts	-	-
	-	<u>26,984,874</u>

# ANNUAL REPORT 2014-2015

## PCS INTERNATIONAL LIMITED, MAURITIUS



### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2015

Particulars	(Amount in ₹)	
	As at 31st March, 2015	As at 31st March, 2014
<b>10 CASH AND BANK BALANCES</b>		
<b>Cash and Cash Equivalents</b>		
Cash in hand	-	-
Balances with Banks		
In Current account	-	361,563
<b>Total Cash &amp; Cash Equivalents</b>	<u>-</u>	<u>361,563</u>
<b>Other Bank Balances</b>		
Deposits with original maturity of more than 12 months	-	-
	<u>-</u>	<u>-</u>
<b>Total Cash &amp; Bank Balances</b>	-	361,563
Less : Non-current portion included in the other Non-current assets	-	-
	<u>-</u>	<u>361,563</u>
<b>11 SHORT TERM LOANS AND ADVANCES</b>		
Advances recoverable in cash or kind	<u>84,916</u>	<u>104,427</u>
	<u>84,916</u>	<u>104,427</u>
<b>12 REVENUE FROM OPERATIONS</b>		
Sales of Services	-	-
	<u>-</u>	<u>-</u>
<b>13 OTHER INCOME</b>		
Miscellaneous Income	-	-
	<u>-</u>	<u>-</u>

Particulars	(Amount in ₹)	
	As at 31st March, 2015	As at 31st March, 2014
<b>14 CHANGES IN INVENTORIES</b>		
Opening Stock	-	-
Purchases	-	-
Closing Stock	-	-
	<u>-</u>	<u>-</u>
<b>15 OTHER EXPENSES</b>		
Rates & Taxes	109,879	150,710
Rent	-	-
Communication Expenses	-	-
Subcontracting charges paid	-	-
Sundry balances written off	27,412,997	1,153,735
Legal Professional & Consultancy	-	179,274
Audit fees	124,225	127,882
Director Fees	91,566	89,637
Foreign Exchange Difference	-	-
Misc. Expenses	156,274	187,640
	<u>27,894,941</u>	<u>1,888,878</u>

16 Figures for the previous year have been regrouped/ rearranged wherever necessary.

As per my report of even date attached

For S.C.Bandi & Co.  
Chartered Accountants

For and on behalf of Board of Directors

S.C.Bandi  
(Proprietor)  
Membership No. 16932

A. K. Patni  
(Director)

Amit Kumar Patni  
(Director)

Place : Mumbai  
Date: 29th May, 2015