

Bodhtree Consulting Limited
6th Floor, A Block, wing-2, Cyber Gateway, Madhapur, Hyderabad - 500 081
AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st March, 2016

Rs. in Lakhs

Particulars	Standalone					Consolidated	
	Quarter Ended			Year Ended		Quarter ended	Year Ended
	31 Mar' 2016 Audited	31 Mar' 2015 Audited	31 Dec' 2015 Unaudited	31 Mar' 2016 Audited	31 Mar' 2015 Audited	31 Mar' 2016 Audited	31 Mar' 2016 Audited
1. (a) Net Sales / Income from Operations	1,145.74	1,502.51	1,094.32	4,621.37	4,282.14	1,145.74	4,621.37
Total Income from Operations	1,145.74	1,502.51	1,094.32	4,621.37	4,282.14	1,145.74	4,621.37
2. Expenditure							
a. Employees cost	393.50	555.53	430.01	1,773.36	2,241.62	393.50	1,773.36
b. Work Execution Expenses	250.73	517.65	400.09	1,479.52	610.15	250.73	1,479.52
c. Software Expenses	131.11	38.18	27.86	302.74	295.83	131.11	302.74
d. Other Expenses	291.76	290.94	163.34	812.20	891.10	292.27	812.71
e. Depreciation	32.35	67.93	32.12	127.10	153.13	32.35	127.10
Total Expenses	1,099.45	1,470.24	1,053.42	4,494.91	4,191.82	1,099.96	4,495.42
3. Profit from Operations before Other Income, Finance Costs and Exceptional Items (1-2)	46.29	32.27	40.89	126.46	90.32	45.78	125.95
4. Other Income	2.68	15.58	20.94	150.72	57.24	2.68	150.72
5. Profit / (Loss) before Finance Costs & Exceptional Items	48.97	47.86	61.83	277.18	147.56	48.45	276.66
6. Finance Costs	35.35	24.17	43.98	148.96	86.02	35.35	148.96
7. Profit after Finance Costs but before Exceptional Items	13.62	23.68	17.86	128.21	61.54	13.10	127.70
8. Exceptional Items	-	-	-	-	-	-	-
9. Profit (+) / Loss (-) from Ordinary Activities before tax	13.62	23.68	17.86	128.21	61.54	13.10	127.70
10. Tax Expense	(86.06)	(11.03)	7.29	(48.88)	5.49	(86.06)	(48.88)
11. Net Profit (+) / Loss (-) from Ordinary Activities after tax	99.68	34.72	10.57	177.09	56.05	99.16	176.58
12. Extraordinary Items (net of tax expense)	-	-	-	-	-	-	-
13. Net Profit (+) / Loss (-) for the period	99.68	34.72	10.57	177.09	56.05	99.16	176.58
14. Share of profit / (loss) of associates	-	-	-	-	-	-	-
15. Minority Interest	-	-	-	-	-	-	-
16. Net Profit(Loss) after taxes, minority interest and share of associates							
17. Paid-up Equity Share Capital (Rs 10/-)	1,754.62	1,754.62	1,754.62	1,754.62	1,754.62	1,754.62	1,754.62
18. Reserves excl Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	-	-
19. Earnings Per Share (EPS)							
(a) Basic EPS before Extraordinary Items	0.57	0.20	0.06	1.01	0.32	0.57	1.01
(a) Basic EPS after Extraordinary Items	0.57	0.20	0.06	1.01	0.32	0.57	1.01
(c) Diluted EPS before Extraordinary Items	0.48	0.20	0.05	0.94	0.32	0.48	0.94
(d) Diluted EPS after Extraordinary Items	0.48	0.20	0.05	0.94	0.32	0.48	0.94

Notes:

- The above audited results have been reviewed and recommended by the Audit Committee at its meeting held on 30th May 2016 and were approved by the Board of Directors at its meeting held on the same day.
- The company has only one reportable segment of operations i.e. software development services.
- Previous period / year figures have been regrouped / re-arranged wherever necessary.
- Since the consolidation is applicable for the first time, comparable previous year figures are not applicable for the consolidated results.

Date: May 30, 2016
Place: Hyderabad

For and on behalf of the Board

A. N. Ramakrishna
Managing Director



CONSOLIDATED ASSETS AND LIABILITIES AS AT 31ST MARCH 2016

Particulars	Note No.	Amount in Rs.
		AS AT 31st March, 2016
I. EQUITY AND LIABILITIES:-		
(1) Shareholder's Funds		
(a) Share Capital	2	205,971,050
(b) Reserves and Surplus	3	175,198,512
		381,169,562
(2) Non-Current Liabilities		
(a) Long-Term Borrowings	4	23,638,665
(c) Long Term Provisions	5	3,589,696
		27,228,361
(3) Current Liabilities		
(a) Short-Term Borrowings	6	82,583,573
(b) Trade Payables	7	42,708,625
(c) Other Current Liabilities	8	117,879,856
(d) Short-Term Provisions	9	2,803,150
		245,975,204
Total Equity & Liabilities		654,373,127
II. ASSETS		
(1) Non-Current Assets		
(a) Fixed Assets	10	
(i) Tangible Assets		45,006,242
(ii) Intangible Assets		948,880
(ii) Intangible Asset Under Development		97,274,988
		143,230,110
(b) Non-Current investments	11	72,287,409
(b) Deferred Tax Asset	12	12,717,494
(c) Long term Loans and Advances	13	50,217,792
		278,452,805
(2) Current Assets		
(a) Trade receivables	14	244,319,352
(b) Cash and cash equivalents	15	22,475,102
(c) Short-term loans and advances	16	55,998,080
(d) Other Current Assets	17	53,127,788
		375,920,322
Total Assets		654,373,127

For Bodhtree Consulting Limited

L.N. Rama Krishna
Managing Director

BODHTREE CONSULTING LIMITED

Block A, Wing 2, Level 6, Cyber Gateway, Madhapur, Hyderabad

STANDALONE ASSETS AND LIABILITIES AS AT 31ST MARCH 2016

Particulars	Note No.	Amount in Rs.	
		AS AT 31st March, 2016	AS AT 31st March, 2015
I. EQUITY AND LIABILITIES:-			
(1) Shareholder's Funds			
(a) Share Capital	2	205,971,050	175,461,670
(b) Reserves and Surplus	3	175,249,807	90,420,179
		381,220,857	265,881,849
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	4	23,638,665	22,462,354
(c) Long Term Provisions	5	3,589,696	4,716,381
		27,228,361	27,178,735
(3) Current Liabilities			
(a) Short-Term Borrowings	6	82,583,573	90,797,942
(b) Trade Payables	7	42,667,330	33,604,959
(c) Other Current Liabilities	8	117,879,856	108,899,308
(d) Short-Term Provisions	9	2,803,150	3,488,318
		245,933,909	236,790,527
Total Equity & Liabilities		654,383,127	529,851,111
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	10	45,006,242	38,788,411
(ii) Intangible Assets		948,880	1,964,797
(ii) Intangible Asset Under Development		97,274,988	-
		143,230,110	40,753,208
(b) Non-Current investments	11	72,387,409	72,287,409
(b) Deferred Tax Asset	12	12,717,494	7,829,638
(c) Long term Loans and Advances	13	50,217,792	51,053,187
		278,552,805	171,923,442
(2) Current Assets			
(a) Trade receivables	14	244,319,352	211,338,986
(b) Cash and cash equivalents	15	22,375,102	32,491,086
(c) Short-term loans and advances	16	56,008,080	58,484,132
(d) Other Current Assets	17	53,127,788	55,613,465
		375,830,322	357,927,669
Total Assets		654,383,127	529,851,111

For Bodhtree Consulting Limited


 Managing Director

Bodhtree Consulting Limited

ANNEXURE I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along - with Annual Audited Financial Results - (Standalone and Consolidated separately)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2016 (See Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2016)				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total Income	477,208,713	477,208,713
	2.	Total Expenditure	459,499,721	519,167,204
	3.	Net Profit/(Loss)	17,708,992	(41,958,491)
	4.	Earnings Per Share	1.01	(2.39)
	5.	Total Assets	654,383,124	594,715,642
	6.	Total Liabilities	273,162,269	273,162,269
	7.	Net Worth	381,220,854	321,553,372
	8.	Any other financial item(s) (as felt appropriate by the management)		
II.	Audit Qualification (each audit qualification separately):			
	a.	Details of Audit Qualification:	<p>1. Qualified with respect to value of strategic logn terms investments made by the company due to diminution in their value.</p> <p>2. Qualified with respect to advances of Rs.339 lacs and receivables of Rs.310 lacs on account of services rendered are doubtful of recovery against which the company has not made any provision.</p>	
	b.	Type of Audit Qualification :	Qualified Opinion	
	c.	Frequency of qualification:	<p>1. Repetitive since financial year 2012-13.</p> <p>2. Repetitive since financial year 2012-13.</p>	
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	The company is in the process of determining the value of these investments. After completing the valuation the necessary provision will be made based on the assessment given by the expert valuer.	
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	The company has taken necessary legal action in case of receivables and in the case of advance which is given to the company in which the investments are made, will be evaluated based on the assessment given by the expert valuer. The company is confident of collecting the receivables and in the case of advance the necessary provisions will be made in the books of accounts based on the report given by expert valuer.	

Bodhtree Consulting Limited

	(i) Management's estimation on the impact of audit qualification:	
	(ii) If management is unable to estimate the impact, reasons for the same:	<p>The management is of the opinion that the provision for diminution in the value of investments will be made based on the assessment given by the expert valuer and hence not able estimate the impact currently.</p> <p>The management is confident of collecting the receivables and hence no estimation has been made. With respect to advances the estimation will be made based on the report given by the expert.</p>
	(iii) Auditors' Comments on (i) above:	
	(iii) Auditors' Comments on (ii) above:	Based on the networth calculations made by us from the published financials made available to us, the diminution in the value of investments have been arrived. However these financials are available only upto 31/03/2013 in case of investment in Pressmart Media Ltd and only upto 31/03/2014 in case of investment in Learnsmart (India) Pvt. Ltd. The management may make suitable provision in the books based on the assessment given by the expert valuer.
		Based on the progress of the legal action it is recommended to make suitable provision in the case of receivables. With regard to advance, the management may make suitable provision based on the assessment given by the expert valuer.
III.	Signatories:	
	L N Ramakrishna, Managing Director DIN, 03623543	<i>L.N. Ramakrishna</i>
	Prabhakar Rao Kallur Chief Financial Officer	<i>[Signature]</i>
	K Rajesh Audit Committee Chairman	<i>K. Rajesh</i>
	For Nisar & Kumar Chartered Accountants (Firm Registration No. 127820 W) T.N.V. Visweswara Rao Partner (Membership No. 204084)	<i>T.N.V. Visweswara Rao</i>
	Place: Hyderabad	
	Date: May 30, 2016	





NISAR & KUMAR

Chartered Accountants

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BODHTREE CONSULTING LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **BODHTREE CONSULTING LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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.

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. 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.



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Tel. : 08816-230388

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.

Basis for Qualified Opinion

The company has a strategic long term investments in Equity Shares of certain companies, the cost of acquisition of those investments is Rs.722.50 lacs. Based on the Latest Audited Financial Statements of those companies made available to us the breakup value of those investments works out to Rs.125.82 lacs. Accordingly, the decline in value i.e. Rs. 596.68 lacs, being the difference between cost of acquisition and the breakup value, which in our view is of other than of temporary nature, is not provided for in the Statement of Profit and Loss. Had the company considered the diminution in value of investments the profit for the year would have been lower by the said amount.

Further the company has given advance of Rs.339 lacs and Rs.310 lacs receivable on account of services rendered by the company, which in our view are doubtful of recovery against which the company has not made any provision. Had the company considered the provision for the aforesaid amounts the profit for the year would have been lower by the said amount.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, 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 March 31, 2016, 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 (Auditors' 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 paragraphs 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 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) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, 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 March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 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 report in 'Annexure B'; and



(g) 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 litigations which would impact its 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 Nisar & Kumar
Chartered Accountants
(Firm Registration No. 127820 W)


T.N.V. Visweswara Rao
Partner
(Membership No. 204084)



Place: Hyderabad
Date: 30th May'2016

ANNEXURE A to the Auditor's Report

The annexure referred to in Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended March 31, 2016, we report that:

- (i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The fixed assets have been physically verified by the management at reasonable intervals; and no material discrepancies were noticed on such verification and material discrepancies noticed on such verification have been properly dealt with in the books of account;
- (c) Since the company does not own any immovable properties Clause (i)(c) is not applicable.
- (ii) Since the company does not have inventory Clauses (ii) are not applicable.
- (iii) Based on the audit procedures applied by us and according to the information and explanations provided by the management, 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.
- (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 Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- (v) In our opinion and according to the information and explanations given to us, during the year the company has not accepted any deposits from the public within the meaning of the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.
- (vi) As informed to us, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- (vii) (a) According to the records of the company, the company is regular in depositing the undisputed statutory dues of Employee State Insurance, Value Added Tax, however, the company has not deposited undisputed statutory dues of provident fund, income-tax, service tax, with the appropriate authorities. The arrears of statutory dues as at March 31, 2016 for a period of more than six months from the date they became payable are as under.

S.No	Nature of Due	Amount in Rs.
1	Income Tax	1,50,04,973
2.	Service Tax	62,33,298
3.	Provident Fund	1,31,78,075



- (b) According to the records of the company, there are no dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of dispute.
- (viii) According to the records of the company, the company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- (ix) According to the record of the company, during the year the company has not raised funds by way of public offering or term loans and hence Clause (ix) is not applicable.
- (x) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.
- (xi) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- (xii) In our opinion, the Company is not a Nidhi Company, hence this clause is not applicable to the Company.
- (xiii) In our opinion, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) During the year under review the company has made private placement of Shares which is in compliance with section 42 of the Companies Act, 2013 and the amount raised have been used for the purposes for which the funds were raised.
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.
- (xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

Place: Hyderabad
Date: 30th May'2016



For Nisar & Kumar
Chartered Accountants
(Firm Registration No. 127820 W)


T.N.V. Visweswara Rao

Partner
(Membership No. 204084)

ANNEXURE B to the Auditor's 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 **BODHTREE CONSULTING LIMITED** ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone 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 the 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.

Auditor's 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") issued by the ICAI 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 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 judgement, 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 March 31, 2016, 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.

For Nisar & Kumar
Chartered Accountants
(Firm Registration No. 127820 W)

Place: Hyderabad
Date: 30th May'2016



T.N.V. Visweswara Rao
T.N.V. Visweswara Rao
Partner
(Membership No. 204084)



NISAR & KUMAR

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INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS TO THE MEMBERS OF BODHTREE CONSULTING LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated financial statements of **BODHTREE CONSULTING LIMITED** ("the Holding Company") and its subsidiary (collectively referred to as the "Company" or "the Group"), comprising the consolidated Balance Sheet as at March 31, 2016, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the 'the consolidated financial statements').

Management's Responsibility for the Consolidated Financial Statements

The Holding 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 Consolidated financial statements that give a true and fair view of the financial position, financial performance and consolidated 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, which have been used for the purpose of the preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated 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 Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are



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appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding 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 consolidated financial statements.

Basis for Qualified Opinion

The company has a strategic long term investments in Equity Shares of certain companies, the cost of acquisition of those investments is Rs.722.50 lacs. Based on the Latest Audited Financial Statements of those companies made available to us the breakup value of those investments works out to Rs.125.82 lacs. Accordingly, the decline in value i.e. Rs. 596.68 lacs, being the difference between cost of acquisition and the breakup value, which in our view is of other than of temporary nature, is not provided for in the Statement of Profit and Loss. Had the Holding company considered the diminution in value of investments the profit for the year would have been lower by the said amount.

Further the company has given advance of Rs.339 lacs and Rs.310 lacs receivable on account of services rendered by the company, which in our view are doubtful of recovery against which the company has not made any provision. Had the company considered the provision for the aforesaid amounts the profit for the year would have been lower by the said amount.

During the Financial Year 2015-16, for the first time the consolidation of Financial Account are applicable to the company. The company is holding investments as aforesaid are termed as Associate companies. The financial statements for these companies for the financial year 2015-16 are not made available, hence the consolidation of these companies are not considered while preparing the consolidated financial statements.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid Consolidated 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, 2016, 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 Section 143 (3) of the Act, we report, to the extent applicable, 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 so far as it appears from our examination of those books.
- (c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss, and the consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid consolidated 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 of the Holding Company as on March 31, 2016 taken on record by the Board of Directors of the Holding Company, none of the directors is disqualified as on March 31, 2016 from being appointed as a director of that company 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 Group and the operating effectiveness of such controls, refer to our report in 'Annexure'; and
- (g) 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 Group does not have any pending litigations which would impact its financial position.
 - ii. The Group 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 Holding and Subsidiary Company.

For Nisar & Kumar
Chartered Accountants
(Firm Registration No. 127820 W)



G. N. Visweswara Rao
T.N.V.Visweswara Rao
Partner
(Membership No. 204084)

Place: Hyderabad
Date: 30th May'2016

Report on the Internal Financial controls under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Management's Responsibility for Internal Financial

Auditor's Responsibility

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.

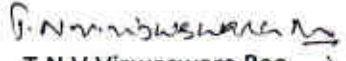
Opinion

In our opinion, the Holding Company and its Subsidiary company which are incorporated in India, have, 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 March 31, 2016, 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.

For Nisar & Kumar
Chartered Accountants
(Firm Registration No. 127820 W)

Place: Hyderabad
Date: 30th May 2016




T.N.V. Visweswara Rao
Partner
(Membership No. 204084)