

KELLTON TECH SOLUTIONS LTD.

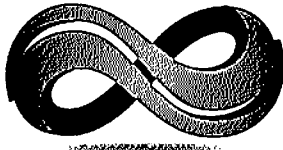
KELLTON TECH SOLUTIONS LIMITED

STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND 12 MONTHS ENDED 30.06.2014

(Rs. In lakhs)

SL NO	PARTICULARS	AUDITED			AUDITED		AUDITED
		QUARTER ENDED			YEAR TO DATE FIGURES		YEAR ENDED
		30.06.2014	31.03.2014	30.06.2013	30.06.2014	30-08-2013	30-06-2013
1	INCOME FROM OPERATIONS						
	a) Net sales / income from operations (Net of excise duty)	892.44	879.22	476.27	3383.67	1451.09	1451.09
	b) Other operating Income	0.00	0.00	0.00	0.00	0.52	0.52
	Total Income from operations (Net)	892.44	879.22	476.27	3,383.67	1,451.61	1,451.61
2	EXPENDITURE						
	(a) Cost of materials consumed					-	-
	(b) Purchase of stock in trade	108.77	125.68	-	825.60	-	-
	(c) Changes in inventories of F.G, WIP and Stock in trade	50.07	57.24	-	-61.93	-	-
	(d) Employee benefits expenses	424.30	427.41	220.64	1538.21	743.16	743.16
	(e) Depreciation and amortisation expenses	4.24	9.96	11.51	40.47	45.79	45.79
	(f) Other Expenses	133.36	129.55	101.60	475.40	318.42	318.42
	Total Expenses	720.74	749.84	333.75	2817.75	1107.37	1107.37
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	171.70	129.38	142.52	565.92	344.24	344.24
4	Other Income	-16.27	5.28	11.06	10.28	19.18	19.18
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+/- 4)	155.43	134.66	153.58	576.20	363.42	363.42
6	Finance costs	63.62	34.35	34.41	186.75	60.00	60.00
7	Profit / (Loss) from ordinary activities after finance costs and exceptional items (5+/- 6)	91.81	100.31	119.17	389.45	303.42	303.42
8	Exceptional items					-	-
9	Profit / (Loss) ordinary activities before tax (7+/-8)	91.81	100.31	119.17	389.45	303.42	303.42
10	PROVISION FOR TAXATION	-8.34	3.25	40.76	-3.27	37.45	37.45
11	Profit / (Loss) ordinary activities before tax (9+/-10)	100.15	97.06	78.41	392.72	265.97	265.97
12	Extraordinary items (net of tax expenses)					-	-
13	Net Profit / (Loss) for the period (11 +/- 12)	100.15	97.06	78.41	392.72	265.97	265.97
14	Share of Profit / (Loss) of associates					-	-
15	Minority interest					-	-
16	Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates (13+/- 14+/-15)	100.15	97.06	78.41	392.72	265.97	265.97
17	PAID UP EQUITY SHARE CAPITAL (Equity Share of Rs 5/- each)	177445500	177445500	177445500	206937720	177445500	177445500
18	RESERVES EXCLUDING REVALUATION RESERVES (AS PER BALANCE SHEET) OF PREVIOUS ACCOUNTING YEAR	512.75	512.75	246.78	512.75	246.78	246.78
19	BASIC AND DILUTED EPS FOR THE PERIOD FOR THE YEAR TO DATE AND FOR THE PREVIOUS YEAR (NOT TO BE ANNUALISED)						
	- BASIC EPS	0.28	0.27	0.22	1.11	0.75	0.75
	- DILUTED EPS	0.28	0.27	0.22	1.11	0.75	0.75
A	PARTICULARS OF SHAREHOLDING						
	Public shareholding						
1	- NUMBER OF SHARES	15,810,374	14,960,374	14,960,374	14,960,374	14960374	14960374
	- PERCENTAGE SHAREHOLDING	38.20%	42.15%	42.15%	38.20%	42.15%	42.15%
2	Promoters and promoter group shareholding						
	a) Pledged/ Encumbered	-	-	-	-	-	-
	- Number of shares	-	-	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-	-

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b) Non- Encumbered						
- Number of shares	25,577,170	20,528,726	20,528,726	20,528,726	20528726	20528726
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100%	100.00%	100.00%
- Percentage of shares (as a % of the total share capital of the company)	61.80%	57.85%	57.85%	61.80%	57.85%	57.85%

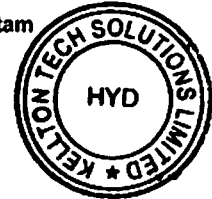
PARTICULARS		30.06.2014	
B	INVESTORS COMPLAINTS		
	Pending at the beginning of the quarter	Nil	
	Received during the quarter	Nil	
	Disposed of during the quarter	Nil	
	Remaing unresolved at the end of the quarter	Nil	

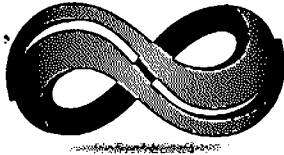
- 1 The above financial results have been reviewed by the Audit Committee and approved by Board of Directors at their meeting held on 29-Aug-2014.
- 2 The company has one reportable segment i.e Technology
- 3 Previous period figures have been reworked , regrouped , rearranged and reclassified wherever necessary , to make them comparable with current period.

PLACE : HYDERABAD
DATE : 29.08.2014

BOARD OF DIRECTORS

Niranjan Chintam
DIRECTOR



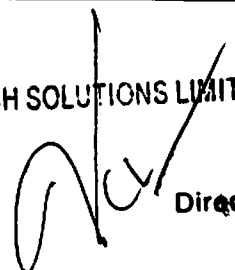


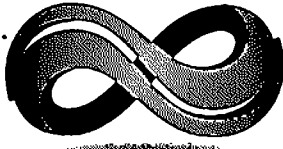
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Clause 41 of the Listing Agreement For Companies (Other than Banks)

Standalone / Consolidated Statement of Assets and Liabilities		As at (current year end) (30/June/2014)	As at (current year end) (30/June/2013)
Particulars			
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	(a) Share capital	206937720.00	177445500.00
	(b) Reserves and surplus	154391752.00	51274990.00
	(c) Money received against share warrants	7130840.00	Nil
	Sub-total - Shareholders' funds	368460312.00	228720490.00
2	Share application money pending allotment	Nil	Nil
3	Minority interest *	Nil	Nil
4	Non-current liabilities		
	(a) Long-term borrowings	11184505.00	10769742.00
	(b) Deferred tax liabilities (net)	878728.00	1205506.00
	(c) Other long-term liabilities	8283593.00	49311278.00
	(d) Long-term provisions	1911030.00	0.00
	Sub-total - Non-current liabilities	22257856.00	61286526.00

For KELLTON TECH SOLUTIONS LIMITED


Director



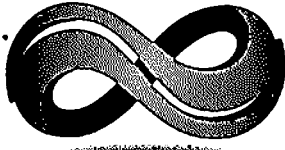
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Standalone / Consolidated Statement of Assets and Liabilities		As at (current year end) (30/June/2014)	As at (current year end) (30/June/2013)
Particulars			
5	Current liabilities		
	(a) Short-term borrowings	61938133.00	48049628.00
	(b) Trade payables	9369220.00	2089826.00
	(c) Other current liabilities	6357181.00	3262432.00
	(d) Short-term provisions	16804225.00	21853950.00
	Sub-total - Current liabilities	94468759.00	75255837.00
	TOTAL - EQUITY AND LIABILITIES	485186927.00	365262852.00
B	ASSETS		
1	Non-current assets		
	(a) Fixed assets	34414775.00	21320705.00
	(b) Goodwill on consolidation *	96250000.00	96250000.00
	(c) Non-current investments	176181011.00	145435871.00
	(d) Deferred tax assets (net)	0.00	0.00
	(e) Long-term loans and advances	10438101.00	14613146.00
	(f) Other non-current assets	1187830.00	1433570.00
	Sub-total - Non-current assets	318471717.00	279053292.00

For KELLTON TECH SOLUTIONS LIMITED



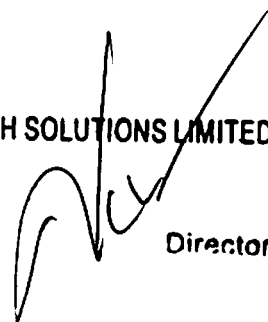
Director



KELLTON TECH SOLUTIONS LTD.

Standalone / Consolidated Statement of Assets and Liabilities		As at (current year end) (30/June/2014)	As at (current year end) (30/June/2013)
Particulars			
2	Current assets		
	(a) Current investments	Nil	Nil
	(b) Inventories	6192703.00	
	(c) Trade receivables	57225274.00	43302556.00
	(d) Cash and cash equivalents	14006049.00	5136962.00
	(e) Short-term loans and advances	70524773.00	37770042.00
	(f) Other current assets	18766411.00	Nil
	Sub-total - Current assets	166715210.00	86209560.00
	TOTAL - ASSETS	485186927.00	365262852.00

For KELLTON TECH SOLUTIONS LIMITED



Director

MAHESH, VIRENDER & SRIRAM

Chartered Accountants

6-3-788/36 & 37A, Durganagar Colony, Ameerpet, Hyderabad.

REPORT OF INDEPENDENT AUDITOR ON THE FINANCIAL STATEMENT

To the Members of
Kellton Tech Solutions Limited
Plot No 1367, Road No 45,
Jubilee Hills
Hyderabad – 500 033,
Telangana

Report on the Financial Statements

We have audited the accompanying financial statements of Kellton Tech Solutions Limited (the Company), which comprise the Balance Sheet as at June 30, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

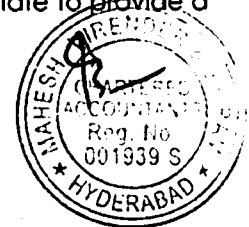
Management's Responsibility for the Financial Statements

The Company's Management is responsible for 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 Standards notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.



MAHESH, VIRENDER & SRIRAM

Chartered Accountants

6-3-788/36 & 37A, Durganagar Colony, Amecrpet, Hyderabad.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- a. in the case of the Balance Sheet, of the state of affairs of the Company as at 30th June, 2014.
- b. In the case of Profit and loss account, of the profit for the year ended on that date.
- c. In the case of cash flow statement, of the 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, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

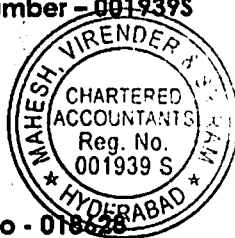
2. As required by section 227(3) of the Act, we report that:

- a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
- e. On the basis of the written representations received from the directors as on March 31, 2014, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of Section 274(1)(g) of the Act.

For Mahesh Virender & Sriram
Chartered Accountants
Registration Number - 001939S


B R Mahesh
Partner

Membership No - 018628
Place: Hyderabad
Date: 29th August 2014



MAHESH, VIRENDER & SRIRAM

Chartered Accountants

6-3-788/36 & 37A, Durganagar Colony, Ameerpet, Hyderabad.

ANEXURE TO INDEPENDENT AUDITORS' REPORT

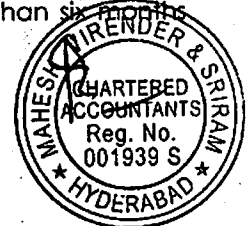
Referred to in paragraph 1 under " Report on other legal and regulatory requirements section our report of even date

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- i. A. The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

B. A substantial portion of the fixed assets have been physically verified by the management during the year. In our opinion the frequency of such verification is reasonable having regard to the size of the company and nature of its visits. No material discrepancies were noticed on such verification.

C. During the year, the company has not disposed off any substantial part of the fixed assets.
- ii. The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
- iii. The Company has taken and granted unsecured loan with companies, firms or other parties covered in the register in the register maintained under section 301 of the Companies Act, 2013. The terms & conditions of such transactions are not prejudicial to the interests of the company.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control procedure commensurate with the size of the company and the nature of its business for the purchases of plant and machinery, equipment and other assets
- v. In our opinion according to the information and explanation given to us, there are no transactions that need to be entered in pursuance of section 301 of the Companies Act 2013.
- vi. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from public to which the provisions of Section 58A and 58AA or any other relevant provisions of the Act and the Companies (Acceptance of deposit) rules 1975 apply.
- vii. The internal audit system of the commensurate with the size of the Company.
- viii. Maintenance of cost records by the company has not been prescribed by the Central Government under Section 209 (1) (d) of the Companies Act, 2013.
- ix. (a) As per the records of the maintained by the company, the company is regular in depositing undisputed statutory dues to the authorities. According to the information and explanations given to us, presently the company is not liable under Employee State Insurance Act. The company is regular in depositing the provident fund dues with respective authorities. According to the information and explanations to us, the company is not liable under investor education protection fund Act, sales tax Act, wealth tax Act, custom duty Act,. There are no outstanding statutory dues as the last day of the financial year concerned, which are outstanding for more than six months from the date they became payable.



MAHESH, VIRENDER & SRIRAM

Chartered Accountants

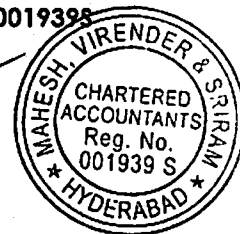
6-3-788/36 & 37A, Durganagar Colony, Ameerpet, Hyderabad.

(b) As per the records maintained by the company and according to the information and explanation given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Customs Duty and Excise duty and Cess as at 30th June, 2013.

- x. The company does not have any accumulated losses as at the end of the year.
- xi. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to bank during the year.
- xii. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion and according to the information and explanations given to us the provisions of any special statute applicable to a chit fund or a nidhi /mutual benefit fund/ society.
- xiv. In our opinion, and according to the information and explanation given to us, the company is not dealing or trading in shares, securities, debentures and other investments. Accordingly the provisions of clause 4 (xiv) of the order are not applicable to the company.
- xv. The company has not given any guarantees for loans taken by others from banks or financial institutions, other than wholly owned subsidiary .
- xvi. In our opinion and according to the information and explanations given to us, term loans have been applied, by the company, during the year, for the purpose for which they were raised.
- xvii. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets.
- xviii. The company has made preferential allotment of warrants/shares during the year to parties and companies covered in the register maintained under section 301 of the Companies Act, 2013, duly complying with the regulations applicable.
- xix. The company has not issued any Debentures and hence the creation of securities in respect of the same does not arise.
- xx. The company has not raised any money by public issue during the year.
- xxi. 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 Mahesh, Virender & Sriram
Chartered Accountants
Registration Number - 0019398

(B R Mahesh)
Partner
M.No.18628



Place: Hyderabad
Date: 29th August 2014.