

B S R & Associates LLP

Chartered Accountants

Maruthi Info-Tech Centre
11-12/1 Inner Ring Road
Koramangala
Bangalore 560 071 India

Telephone: + 91 80 3980 6000
Fax: + 91 80 3980 6999

Independent Auditors' Report

To the Members of ISGN Corporation

We have audited the accompanying financial statements of ISGN Corporation ('the Company'), which comprise the balance sheet as at 31 December 2014, the statement of profit and loss and 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

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 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 presentation 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 the effectiveness of the entity'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.



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the balance sheet, of the state of affairs of the Company as at 31 December 2014;
- (i) in the case of the statement of profit and loss account, of the loss of the Company for the year ended on that date; and
- (ii) in the case of the cash flow statement, of the cash flows of the Company for the year ended on that date.

Other matter

The Indian Rupee amounts are presented in the accompanying financial statements solely for the convenience of the reader and have been translated on the basis described in Note 27 of the financial statements. The translation from US Dollars (USD) to Indian Rupees (INR) is unaudited.

for B S R & Associates LLP

Chartered Accountants

Firm's registration number: 116231W/W-100024



Rushank Muthreja

Partner

Membership No. 211386

Bangalore

29 APR 2015

ISGN Corporation
Balance Sheet

	Note	As at 31 December 2014 (in USD)	As at 31 December 2013 (in USD)	As at 31 December 2014 Convenience translation into Rupees (Unaudited)
EQUITY AND LIABILITIES				
Shareholders' funds				
Share capital	2	85,277	85,277	5,400,618
Reserves and surplus	3	91,573,352	84,270,731	5,799,340,373
		91,658,629	84,356,008	5,804,740,991
Non-current liabilities				
Other long-term liabilities	4	8,300	5,898	525,639
		8,300	5,898	525,639
Current liabilities				
Short-term borrowings	5	22,000,000	22,000,000	1,393,260,000
Trade payables	6	160,960	122,337	10,193,576
Other current liabilities	7	19,097,845	25,598,844	1,209,466,522
Short-term provisions	8	357,352	808,093	22,631,117
		41,616,157	48,529,274	2,635,551,215
Total		133,283,086	132,891,180	8,440,817,845
ASSETS				
Non-current assets				
Fixed assets				
- Tangible assets	9	13,154	8,716	833,032
- Intangible assets		15,111,901	16,301,832	957,036,691
- Intangible assets under development		694,950	82,930	44,011,208
Non-current investments	10	100,832,493	100,832,493	6,385,721,764
Long-term loans and advances	11	127,961	127,961	8,103,795
		116,780,459	117,353,932	7,395,706,491
Current assets				
Trade receivables	12	2,756,450	3,824,404	174,565,821
Cash and cash equivalents	13	1,304,338	2,501,587	82,603,745
Short-term loan and advances	14	12,180,789	8,764,167	771,409,386
Other current assets	15	261,049	447,090	16,532,402
		16,502,626	15,537,248	1,045,111,354
Total		133,283,086	132,891,180	8,440,817,845

Significant accounting policies

1

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

for **BSR & Associates LLP**
Chartered Accountants
Firm's registration number: 116251W/W-100024

Rishank Muthreja
Partner
Membership number: 211386

Place: Bangalore
Date: 29 APR 2015

for and on behalf of the Board of Directors of
ISGN Corporation

Amit Kothiyal
Director

Place: Bangalore
Date: 29 APR 2015

Sunagarajan Sampath
Chief Financial Officer

Place: Bangalore
Date: 29 APR 2015

ISGN Corporation
Statement of Profit and Loss

	Note	For the year ended 31 December 2014 (in USD)	For the year ended 31 December 2013 (in USD)	Year ended December 31 December 2014 Convenience translation into Rupees (Unaudited)
Revenue from operations				
Income from software services and products	16	23,763,686	31,986,836	1,504,954,250
Other income	17	39,881	187,295	2,525,646
Total revenue		23,803,567	32,174,131	1,507,479,896
Expenses				
Employee benefits	18	5,943,153	7,373,974	376,379,908
Finance costs	19	1,878,866	2,002,492	118,988,554
Depreciation and amortisation	9	3,877,371	5,616,666	245,553,909
Other expenses	20	15,105,150	24,421,387	956,609,125
Total expenses		26,804,540	39,414,520	1,697,531,496
Loss before tax		(3,000,973)	(7,240,389)	(190,051,600)
Tax expense				
Current tax		198,015	206,343	12,540,290
Loss for the year		(3,198,988)	(7,446,732)	(202,591,890)
Earnings per ordinary share (par value USD 0.0001)				
Basic	26	(0.00)	(0.01)	(0.24)
Diluted		(0.00)	(0.01)	(0.24)
Number of ordinary shares used in computing earnings per ordinary share				
Basic		852,774,044	852,774,040	852,774,044
Diluted		852,774,044	852,774,040	852,774,044

Significant accounting policies 1

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

for **B S R & Associates LLP**
Chartered Accountants
Firm's registration number: 110231W/W-100024

Rushank Muthreja
Partner
Membership number: 211386

Place: Bangalore
Date: 29 APR 2015

for and on behalf of the Board of Directors of
ISGN Corporation

Amit Kothiyal
Director

Place: Bangalore
Date: 29 APR 2015

Sundarajan Sampath
Chief Financial Officer

Place: Bangalore
Date: 29 APR 2015

ISGN Corporation
Cash Flow Statement

	For the year ended 31 December 2014 (in USD)	For the year ended 31 December 2013 (in USD)	Year ended 31 December 2014 Convenience translation into Rupees (Unaudited)
A. Cash flow from operating activities :			
Loss before tax	(3,000,973)	(7,240,389)	(190,051,600)
Adjustments for :			
Depreciation and amortization expense	3,877,371	5,616,666	245,553,909
Provisions no longer required written back	-	(13,622)	-
Profit on sale of assets	-	(7,337)	-
Provision for bad and doubtful debts / advances	-	668,608	-
Doubtful debts/ advances written off	(20,252)	-	(1,282,586)
Stock compensation expense	501,609	585,272	31,766,898
Interest expense	634,324	799,398	40,171,722
Bank charges and guarantee commission	1,244,542	1,203,094	78,816,832
Operating profit before working capital changes	3,236,621	1,611,691	204,975,175
Changes in working capital			
Trade and other receivables and advances	(2,142,375)	2,237,206	(135,676,590)
Trade and other payables and liabilities	3,075,623	3,855,260	194,779,202
Cash generated from operations	4,169,870	7,704,157	264,077,787
Income taxes paid	(184,354)	(189,153)	(11,675,124)
Net cash from operating activities	3,985,516	7,515,004	252,402,663
B. Cash flow from investing activities			
Capital expenditure towards tangible and intangible assets	(3,303,898)	(3,086,824)	(209,235,838)
Proceeds from sale of assets	-	7,726	-
Net cash used in investing activities	(3,303,898)	(3,079,098)	(209,235,838)
C. Cash flow from financing activities			
Repayment of borrowings	-	(4,652)	-
Proceeds from advances received	-	-	-
Interest paid	(634,324)	(799,398)	(40,171,722)
Bank charges and guarantee commission paid	(1,244,542)	(1,203,094)	(78,816,832)
Net cash flow from / (used in) financing activities	(1,878,867)	(2,007,144)	(118,988,554)
Net (decrease) / increase in cash and cash equivalents	(1,197,249)	2,428,760	(75,821,730)
Cash and cash equivalents at the beginning of the year	2,501,587	72,827	158,425,475
Cash and cash equivalents at the end of the year	1,304,339	2,501,587	82,603,745

This is the cash flow statement referred to in our audit report of even date

for **BSR & Associates LLP**
Chartered Accountants
Firm's registration number: U6231W/W-100024

Rushank Muthreja
Partner
Membership number: 211386

Place: Bangalore

Date: 29 APR 2015

for and on behalf of the Board of Directors of
ISGN Corporation

Amir Mothiyal
Director

Sundarajan Sanjath
Chief Financial Officer

Place: Bangalore

Date: 29 APR 2015

Place: Bangalore

Date: 29 APR 2015

ISGN Corporation

Notes to the financial statements for the year ended 31 December 2014

1. Significant accounting policies

1.1 Background

ISGN Corporation (hereinafter referred to as the "Company"), a Delaware Corporation was established in 1993.

Chambal Fertilizers and Chemicals Limited ("CFCL" or the "ultimate parent"), a Company incorporated under the laws of India, substantially controls CFCL Overseas Limited, which in turn holds 100% of the Company through its wholly owned subsidiary, CFCL Technologies Limited ("CFCLT" or the "parent"), a Cayman Islands organization.

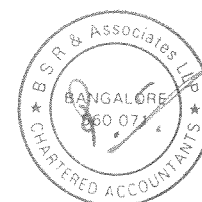
The Company designs, develops, markets and distributes software products for mortgage lending industry and provides a wide range of consulting services, including implementation, customization and support of its software products, as well as training on their use and administration. The Company's customer base consists primarily of mortgage banks and financial institutions mainly in the United States of America.

1.2 Basis of preparation

These financial statements are prepared under the historical cost convention, in accordance with Generally Accepted Accounting Principles in India ("IGAAP") on accrual basis. IGAAP comprises accounting standards as prescribed by the Companies (Accounting Standards) Rules 2006, the provisions of the Companies Act, 2013 (to the extent notified) and the Companies Act, 1956 (to the extent applicable). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. These financial statements have been presented in United States Dollar, the functional currency of the Company.

1.3 Use of estimates

The preparation of financial statements in conformity with IGAAP requires the use of management estimates and assumptions that affect the amounts reported. These estimates are based on historical experience and information that is available to management about current events and actions that the Company may take in the future. Significant items subject to estimates and assumptions include the useful lives of fixed assets, evaluation of impairment of fixed assets, identifiable intangible assets and goodwill, provision for income tax and deferred tax, valuation of the stock options granted and valuation of the assets and liabilities acquired in business combinations, contingencies and the allowance for doubtful accounts receivable and advances. The estimates also includes the business plan and future projections of the operations of the Company based on which the enterprise value and value of common stock as at year end has been arrived at and used to analyse indicators of impairment, if any. Due to the inherent uncertainty involved in making estimates, and if the future projection fails to materialize, the actual results including analysis of probable impairment could differ from these estimates.



1.4 Going concern assumption

The Company has incurred losses during the current year of USD 3,198,988 and as at the balance sheet date, it has accumulated losses of USD 60,016,809 and its current liabilities are more than the current assets by USD 25,113,531. The management's business plans indicate that the Company will become cash positive which will bring down the overall cash needs of the Company and make them less reliant on external sources of funding. Based on the letter of continued financial support for at least over a period of one year from the balance sheet date as provided by the ultimate holding company, including meeting the Company's debt obligation, these financial statements do not include any adjustments relating to recoverability and classification of assets and liabilities that may be necessary if the Company is unable to continue as a going concern.

1.5 Revenue recognition

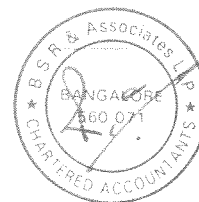
Revenue derived from professional services under the time and material contracts is recognized as the related services are performed.

Revenue from title and related operations are primarily transactions-based and is recognized when services are performed, the fee is fixed or determinable, and collection is reasonably assured.

Revenue from transaction services and other service contracts is recognized based on transactions processed. The Company also generates upfront, non-refundable revenues from process transition activities. Revenue and costs attributable to such process transition activities are deferred where such activities do not represent the culmination of a separate earnings process. Such revenue and related costs are recognized ratably over the period in which the related services are performed. Deferred costs are limited to the amount of deferred revenue and any excess costs are expensed as incurred.

The Company also derives its revenues from software services and from business process outsourcing and knowledge process outsourcing services, provided either on time and material, fixed-price fixed-time frame and unit-price basis. Revenue with respect to time-and-material contracts is recognized as the related services are rendered and revenue from the end of the last billing to the Balance Sheet date is recognized as unbilled revenue. The Company's fixed price contracts include application maintenance and support services, on which revenue is recognized ratably over the period in which the services are rendered. Revenue with respect to other fixed price contracts, where there is no uncertainty as to measurement and collectability of consideration, is recognized on a percentage of completion basis. The input (cost expended) method has been used because management considers this to be the best available measure of progress on these contracts as there is a direct relationship between input and productivity. When there is uncertainty as to measurement or ultimate collectability revenue recognition is postponed until such uncertainty is resolved.

Revenues from unit-priced contracts are recognized as transactions are processed based on objective measures of output. Cost and earnings in excess of billings are classified as unbilled revenue while billing in excess of cost and earnings is classified as deferred revenue.



1.5 Revenue recognition (Continued)

Revenue from the sale of user licenses for software applications is recognized on transfer of the title in the user license, except in case of multiple element contracts, under which post-contract maintenance and support services are also rendered by the Company. In the case of multiple element contracts, revenue from sale of user licenses is recognized on transfer of the title in the user license after appropriately reducing the fair value of the maintenance services to be recognised as revenues. Revenue from post-contract maintenance and support services is recognized ratably over the period in which services are rendered.

Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the current estimates. When the Company receives advances for its services, such amounts are reflected as advance received from customers until all conditions for revenue recognition are met. The Company presents revenues net of service taxes and value added taxes, but gross of certain reimbursements in its Statement of Profit and Loss.

Interest income is recognized using the time-proportion method, based on the rates implicit in the transaction.

1.6 Fixed assets and depreciation

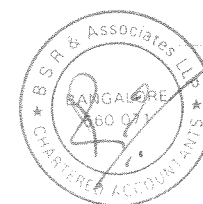
Fixed assets are stated at historical cost less accumulated depreciation and impairment losses if any. Cost comprises of purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use.

Depreciation on fixed assets is provided on the straight-line method over the estimated useful lives of the respective assets. Pro-rata depreciation is provided on all fixed assets purchased and sold during the year. Depreciation on assets has been provided at the rates based on the following useful lives of fixed assets estimated by the Management:

Asset description	Useful life
Computers and accessories	3 years
Office equipment	5 years
Furniture and fixtures	5 to 7 years
Vehicles	5 years

Leasehold improvements are depreciated over their estimated useful life or the remainder of the primary lease period whichever is shorter.

Advances paid towards the acquisition of fixed assets, outstanding at each Balance Sheet date are classified as capital advances. The cost of the fixed asset not ready for its intended use on such date is classified as capital work-in-progress.



1.7 Intangible assets

Intangible assets comprise of goodwill, intellectual property rights, computer software and internally generated software platforms.

Goodwill that arises on an amalgamation or on the acquisition of a business is presented as an intangible asset. Goodwill arising from amalgamation is measured at cost less accumulated amortisation and any accumulated impairment loss. Goodwill arising on acquisition of a business is measured at cost less any accumulated impairment loss. Goodwill arising on acquisition is not amortized but tested for impairment atleast annually or as circumstances warrant at the reporting unit level. If impairment is indicated, a write-down to fair value (normally measured by discounting estimated future cash flows) is recorded.

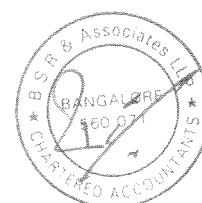
Goodwill arising from amalgamation is amortized over its useful life or a period of 5 years from the date of amalgamation, whichever is shorter. Costs relating to intellectual property rights, which are acquired, are capitalized and amortized over a period of 1 to 3 years.

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the Statement of Profit and Loss as incurred. Development activities involve a plan or design for the production of new or substantially improved software products or processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and is classified as internally generated software platforms. Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment losses. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in the statement of profit and loss as incurred.

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value. Amortisation is recognised in the Statement of Profit and Loss on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives for both internally generated software and acquired computer software is considered as 3 years. Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

1.8 Retirement and other employee benefits

Contributions made towards retirement/employee benefits, in accordance with the relevant applicable local laws are charged to the Statement of Profit and Loss. Compensated absence, which is a short-term defined benefit plan, is recognized as an expense as per the Company's scheme based on expected obligations, as at the Balance Sheet date on an undiscounted basis.



1.9 Employee stock compensation costs

The Company has not issued any shares/ stock options on its shares. The holding company has, however, issued stock options on its own shares to certain employees of the Company. The cost of such stock options has not been cross charged by the Parent to the Company. In accordance with Guidance Note on Employee Share Based Payments issued by the Institute of Chartered Accountant of India (“ICAI”), the Company accounts for such stock options based on based on the grant date fair value of the options granted to employees and makes appropriate disclosures in its financial statements.

Employee stock compensation costs for stock options are recognized as employee benefit expenses in accordance with the guidance note on “Accounting for Employee Share-based Payments” issued by the Institute of Chartered Accountants of India, based on the grant date fair value of the options granted to employees. The fair value of the options is estimated on the date of grant using the Black-Scholes-Merton valuation model on the basis of the valuation performed and recognized in a graded manner on the basis of weighted period of services over the vesting period. The expected term of an option is estimated based on the vesting term and contractual term of the option, as well as expected exercise behaviour of the employee who receives the option. Expected volatility during the expected term of the option is based on historical volatility, during a period equivalent to the expected term of the option, of the observed market prices of the publicly traded equity shares of comparable listed entities. Expected dividends during the expected term of the option are based on recent dividend activity. Risk-free interest rates are based on the government securities yield in effect at the time of the grant over the expected term.

1.10 Income taxes***Current tax***

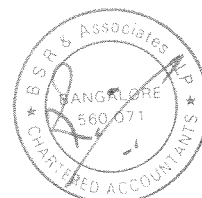
The current charge for income taxes is calculated in accordance with the relevant tax regulations applicable to the Company.

Deferred tax

Deferred tax is recognised in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are reviewed at each Balance Sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain to be realized.

1.11 Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving base earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.



1.12 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and balance in bank in current accounts. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

1.13 Cash flow statement

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

1.14 Leases

Where the Company is the lessee

Operating leases – Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

Finance leases – Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalized.

If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term on a straight-line basis.

Where the Company is the lessor

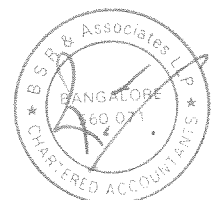
Operating leases – Lease income by sub-lease of office premises is recognized in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs incurred towards such properties are recognized as expenses in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs are recognized immediately in the statement of profit and loss.

1.15 Provision and contingencies

Provision is recognised when, as a result of obligating events, there is a present obligation that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation.

The disclosure of contingent liability is made when, as a result of obligating events, there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

No provision or disclosure is made when, as a result of obligating events, there is a possible obligation or a present obligation where the likelihood of an outflow of resources is remote.



ISGN Corporation

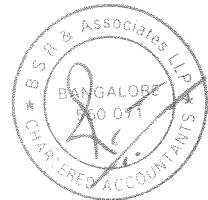
Notes to the financial statements for the year ended 31 December 2014

1.15 Provision and contingencies (Continued)

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

1.16 Investments

Investments are either classified as current or long-term based on the Management's intention at the time of purchase. Current investments are carried at the lower of cost and fair value, determined on an individual investment basis. Long-term investments are carried at cost and provisions recorded to recognize any diminution, other than temporary, in the carrying value of each investment.



2. Share capital

Particulars	As at	As at	As at
	31 December 2014 (in USD)	31 December 2013 (in USD)	31 December 2014 Convenience translation into Rupees (Unaudited)
Authorised			
Ordinary shares 1,000,000,000 (previous year: 1,000,000,000), Ordinary shares of par value USD 0.0001 each	100,000	100,000	6,333,000
Preference shares 3,000,000 (previous year: 3,000,000) Preference shares of par value USD 0.0001 each	300	300	18,999
Issued, subscribed and paid up:			
Ordinary shares 852,774,045 (previous year: 852,774,044) Ordinary shares of par value of USD 0.0001 each fully paid up	85,277	85,277	5,400,618
	85,277	85,277	5,400,618

Reconciliation of the shares outstanding as at the beginning and at the end of the reporting period

Particulars	31 December 2014		31 December 2013	
	Number of shares	Amount (in USD)	Number of shares	Amount (in USD)
Ordinary shares				
Shares at the beginning of the year	852,774,044	85,277	852,774,040	85,277
Add: Shares issued during the year	1	-	4	-
Shares at the end of the year	852,774,045	85,277	852,774,044	85,277

Rights, preference and restrictions attached to ordinary shares

The Company has a single class of ordinary shares having a par value of USD 0.0001 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The Company has not proposed any dividend during the current year. In the event of liquidation, the ordinary shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Shareholding by the Holding Company and ordinary shareholders holding more than 5 percent of ordinary shares along with the number of ordinary shares held at the beginning and at the end of the year is as given below:

Particulars	As at 31 December 2014		As at 31 December 2013	
	Number of shares	% of share holding	Number of shares	% of share holding
CFCL Technologies Limited, Holding Company	852,774,045	100.00%	852,774,044	100.00%

Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

Details of issuance of shares for consideration other than cash during the last five years ended 31 December 2014 are as below:

Particulars	Number of shares	Par value per share
Shares issued to Holding Company in settlement of liability during the year ended 31 December 2010	34,703,889	0.0001
Shares issued to Holding Company in settlement of liability during the year ended 31 December 2011	247,172,135	0.0001
Shares issued to Holding Company in settlement of liability during the year ended 31 December 2012	16,677,785	0.0001
Shares issued to Holding Company in settlement of liability during the year ended 31 December 2013	4	0.0001
Shares issued to Holding Company in settlement of liability during the year ended 31 December 2014	1	0.0001

There has been no issuance of bonus shares or buy back of shares during the last five years ended 31 December 2014.

Employee stock options

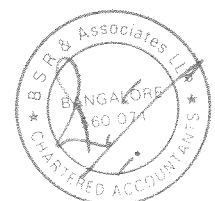
The Board of Directors of CFCL Technologies Limited, the Holding Company approved the 2007 Share Option Plan ('Plan') administered by compensation committee of the Board of Directors for granting stock options to certain employees of its subsidiaries companies as per Management's discretion. A committee has been constituted to administer the Plan along with the Board and to determine the grant date fair value which would be the exercise price for such options. A total of 6,081,498 ordinary shares were reserved for issuance under the Plan.

The fair value of the ordinary shares has been determined by the management on the date of the grant of the stock options to the employees pursuant to the Plan. The fair valuation has been done using the Black-Scholes-Merton valuation model. The stock options vest equally over the period of 4 years and the exercise period is 10 years from the date of grant. The stock compensation cost is a component of the fair value of the stock options and the number of options, which is recognised as employee compensation cost over the vesting period, provided that the stock option holders continue to be in employment of the Company. The employee compensation cost recognised in the statement of profit and loss is USD 501,609 (previous year: USD 585,272). The weighted average remaining useful life of the stock options is 8.42 years (previous year: 8.82 years).

The Holding Company, in its Board Meeting held on 19 July 2013, had modified the exercise price of all the outstanding stock options to USD 1.09 to bring it in line with the fair value of the share as at that date. Accordingly, all the existing stock options were re-priced at USD 1.09. The Company had accounted for this change in accordance with the Guidance Note on "Accounting for Employee Share-based Payments" issued by the Institute of Chartered Accountants of India.

The following table details the movement of options under the Plan mentioned above.

Particulars	For the year ended 31 December 2014		For the year ended 31 December 2013	
	Number	Weighted average exercise price	Number	Weighted average exercise price
Options outstanding at the beginning of the year	1,557,639	1.09	2,037,072	3.67
Options granted during the year	114,521	1.24	1,157,650	1.09
Option forfeited during the year	410,989	1.09	924,000	1.09
Options exercised during the year	-	1.09	713,083	1.09
Options outstanding at the end of the year	1,261,171	1.12	1,557,639	1.09
Options exercisable at the end of the year	484,492	1.09	459,705	1.09



ISGN Corporation

Notes to the financial statements for the year ended 31 December 2014

The estimated weighted average fair value of options granted during the year was USD 0.64 to USD 0.75 (previous year: USD 0.53). This was calculated by applying the Black-Scholes-Merton option pricing model with the following inputs:

Particulars	For the year ended 31 December 2014	For the year ended 31 December 2013*
Fair value per share (USD)	\$1.09 to \$1.26	1.09
Exercise price (USD)	\$1.09 to \$1.26	1.09
Average risk-free interest rate	0.92 - 1.25 %	0.36 - 0.46 %
Expected volatility of share price	0.6585	0.6585
Expected life of options granted (in years)	6.00	5.38 to 5.64
Expected dividend yield	Nil	Nil
Fair value of the options	USD 0.64 to USD 0.75	USD 0.53

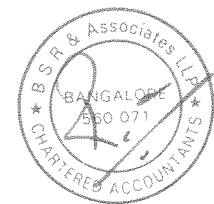
* the numbers in the table have been presented post modification of the ESOP scheme.

The following table provides details in respect of range of exercise price and weighted average remaining contractual life for the options outstanding as at 31 December 2014.

Range of exercise price	Shares arising out of options	Weighted average remaining contractual life	Weighted average exercise price (USD)
USD 1.09 to USD 1.26	1,261,171	8.42 years	1.12

The following table provides details in respect of range of exercise price and weighted average remaining contractual life for the options outstanding as at 31 December 2013.

Range of exercise price	Shares arising out of options	Weighted average remaining contractual life	Weighted average exercise price (USD)
USD 1.09	1,557,639	8.82 years	1.09

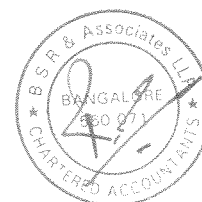


ISGN Corporation

Notes to the financial statements for the year ended 31 December 2014

3. Reserves and surplus

Particulars	As at 31 December 2014 (in USD)	As at 31 December 2013 (in USD)	As at 31 December 2014 Convenience translation into Rupees (Unaudited)
Securities premium account			
At the commencement of the year	139,324,356	129,354,449	8,823,411,478
Add: Additions during the year	10,000,000	9,969,907	633,300,000
Balance at the end of the year	149,324,356	139,324,356	9,456,711,478
Employee stock options outstanding account			
At the commencement of the year	1,764,195	1,178,923	111,726,481
Add: Employee compensation expenses for the year	501,609	585,272	31,766,898
At the end of the year	2,265,804	1,764,195	143,493,379
Deficit (balance in Statement of Profit and Loss)			
Opening balance	(56,817,821)	(49,371,089)	(3,598,272,606)
Add: Net loss for the year	(3,198,988)	(7,446,732)	(202,591,890)
Closing balance	(60,016,809)	(56,817,821)	(3,800,864,484)
	91,573,352	84,270,731	5,799,340,373



4. Other Long-term Liabilities

Particulars	As at 31 December 2014 (in USD)	As at 31 December 2013 (in USD)	As at 31 December 2014 Convenience translation into Rupees (Unaudited)
Security deposit	8,300	5,898	525,639
	<u>8,300</u>	<u>5,898</u>	<u>525,639</u>

5. Short-term borrowings

Particulars	As at 31 December 2014 (in USD)	As at 31 December 2013 (in USD)	As at 31 December 2014 Convenience translation into Rupees (Unaudited)
Loans repayable on demand (secured) - Line of credit (Notes 1 to 4 below)	22,000,000	22,000,000	1,393,260,000
	<u>22,000,000</u>	<u>22,000,000</u>	<u>1,393,260,000</u>

1. ISGN Corporation, USA has a line of credit facility of USD 22,000,000 from JP MorganChase Bank. The credit facility is secured by way of:

Pledge and Secured by collateral interest in all rights, title, interest in, (i) all accounts; (ii) all general intangibles; (iii) all cash or cash equivalents; (iv) all deposit accounts with any bank or other financial institution; (v) and all accessories to, substitutions for and replacements, proceeds, insurance proceeds and products of the foregoing, together with all books and records, customer lists, credit files, computer files, programs, printouts and other computer materials and records related thereto and any general intangibles at any time evidencing or relating to any of the foregoing but excluding deposit, escrow or similar accounts of the borrowers held for the benefit of third parties in the ordinary course of business of the borrowers.

2. Further, the ultimate parent company Chambal Fertilizers and Chemicals Limited, has given a corporate guarantee for the credit facility to the extent of USD 22,000,000. ISGN Corporation has agreed to pay a consideration for the guarantee extended by the ultimate parent company @ 5.5% per annum for the guarantee amount of USD 22,000,000.

The above guarantee commission is payable as follows:

- a) Monthly guarantee commission @ 0.22% of the guaranty amount of USD 22,000,000.
- b) Balance guarantee commission to be paid equally by the sixth and 12th month of every year.

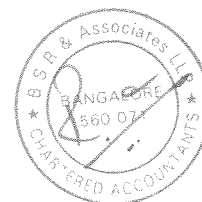
3. The credit facility is available till October 20, 2015.

4. The interest rate on the credit facility is as follows:

- a) a fixed rate equal to the Eurodollar Rate applicable to such loan in the range of 0.313% to 0.625% (a "Eurodollar loan"), plus 2.75%. In addition, ISGN Corporation has also agreed to pay monthly commitment fees of 0.5% of the loan amount.

6. Trade payables

Particulars	As at 31 December 2014 (in USD)	As at 31 December 2013 (in USD)	As at 31 December 2014 Convenience translation into Rupees (Unaudited)
Trade payables due to micro and small enterprises (refer Note 23)	-	-	-
other creditors	160,960	122,337	10,193,575
	<u>160,960</u>	<u>122,337</u>	<u>10,193,575</u>



7. Other current liabilities

Particulars	As at 31 December 2014 (in USD)	As at 31 December 2013 (in USD)	As at 31 December 2014 Convenience translation into Rupees (Unaudited)
Accrued expenses	1,440,428	1,754,751	91,222,275
Deposits	17,898	20,300	1,133,459
Payables to related parties (refer Note 24(e))	13,945,658	19,865,752	883,178,540
Unearned revenue	3,668,289	3,887,123	232,312,754
Other liabilities	25,572	70,919	1,619,494
	<u>19,097,845</u>	<u>25,598,844</u>	<u>1,209,466,522</u>

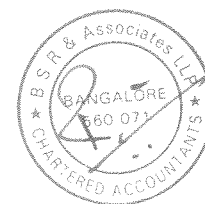
8. Short-term provisions

Particulars	As at 31 December 2014 (in USD)	As at 31 December 2013 (in USD)	As at 31 December 2014 Convenience translation into Rupees (Unaudited)
Provision for employee benefits			
Compensated absences	160,266	99,285	10,149,646
Others			
Provision for taxation (net of advance tax and tax deducted at source)	197,086	183,425	12,481,471
Provision for onerous contracts	-	525,383	-
	<u>357,352</u>	<u>808,093</u>	<u>22,631,117</u>

Movement for provisions recorded, as required under AS - 29 is as follows:

Onerous contracts			
Particulars	As at 31 December 2014 (in USD)	As at 31 December 2013 (in USD)	As at 31 December 2014 Convenience translation into Rupees (Unaudited)
Balance at the commencement of the year	525,383	251,813	33,272,505
Provision made during the year	-	383,838	-
Provision utilised during the year	<u>(525,383)</u>	<u>(110,268)</u>	<u>(33,272,505)</u>
Balance at the end of the year	-	525,383	-

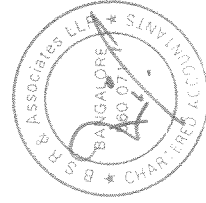
Provisions for onerous contracts: The Company had vacated some of its leased premises as it was unable to utilise the premises to their full capacity. These premises had been taken under non-cancellable lease arrangements till a future date. The Company had recognised a provision for these onerous lease contracts which has been completely utilized during the year.



ISGN Corporation
Notes to the financial statements for the year ended 31 December 2014

9. Fixed assets

Particulars	Gross block			Accumulated depreciation and amortisation					Net block		(in USD)
	As at 1 January 2014	Additions	Disposals	As at 31 December 2014	31 December 2014 Convenience translation into Rupees (Unaudited)	As at 1 January 2014	Depreciation/Amortisation charge for the year	Deductions/Other adjustments	As at 31 December 2014	31 December 2014 Convenience translation into Rupees (Unaudited)	
Tangible assets, owned											
Leasehold improvements	288,174	7,470	-	295,644	18,723,122	288,174	235	-	288,409	18,264,942	458,180
Computers and accessories	2,588,324	-	-	2,588,324	163,918,559	2,579,608	7,711	-	2,587,319	163,854,912	63,646
Office equipment	604,619	17,930	-	622,549	39,426,028	604,619	13,016	-	617,635	39,114,822	311,206
Furniture and fixtures	549,035	-	-	549,035	34,770,387	549,035	-	-	549,035	34,770,387	-
Vehicles	39,038	-	-	39,038	2,472,276	39,038	-	-	39,038	2,472,276	-
Total tangible assets	4,069,190	25,400	-	4,094,590	259,310,372	4,060,474	20,962	-	4,081,436	258,477,339	833,032
<i>Previous year</i>	<i>4,077,599</i>	<i>655</i>	<i>9,064</i>	<i>4,069,190</i>		<i>4,035,556</i>	<i>32,235</i>	<i>7,337</i>	<i>4,060,474</i>		<i>13,154</i>
Intangible assets, owned											
Computer software	469,755	77,175	-	546,930	34,657,077	391,402	21,728	-	413,130	26,165,496	8,473,581
Goodwill	25,897,834	-	-	25,897,834	1,640,109,827	14,014,045	631,377	-	14,645,422	927,494,575	11,252,412
Intellectual property	4,367,563	-	-	4,367,563	276,585,099	4,367,563	-	-	4,367,563	276,585,099	-
Internally developed software platforms	22,743,151	2,589,303	-	25,332,454	1,604,304,295	18,403,461	3,203,304	-	21,606,765	1,368,356,437	235,947,858
Total intangible assets	53,478,103	2,666,478	-	56,144,581	3,555,636,298	37,176,271	3,856,409	-	41,032,680	2,598,599,607	15,111,901
<i>Previous year</i>	<i>49,648,057</i>	<i>3,830,946</i>	<i>-</i>	<i>53,478,103</i>		<i>31,571,859</i>	<i>5,584,412</i>	<i>-</i>	<i>37,176,271</i>		<i>16,301,832</i>



10. Non-current investments

Particulars	As at 31 December 2014 (in USD)	As at 31 December 2013 (in USD)	As at 31 December 2014 Convenience translation into Rupees (Unaudited)
Long-term investments, at cost			
Trade (unquoted)			
Investment in subsidiary			
7,290,203 (previous year: 7,290,203) Ordinary shares of USD 0.01 each in ISGN Solutions, Inc, fully paid up	100,832,493	100,832,493	6,385,721,764
	<u>100,832,493</u>	<u>100,832,493</u>	<u>6,385,721,764</u>

11. Long-term loans and advances

Particulars	As at 31 December 2014 (in USD)	As at 31 December 2013 (in USD)	As at 31 December 2014 Convenience translation into Rupees (Unaudited)
To parties other than related parties			
- Security deposits	127,961	127,961	8,103,795
	<u>127,961</u>	<u>127,961</u>	<u>8,103,795</u>

12. Trade receivables

Particulars	As at 31 December 2014 (in USD)	As at 31 December 2013 (in USD)	As at 31 December 2014 Convenience translation into Rupees (Unaudited)
Receivables outstanding for period exceeding six months from the date they become due for payment			
Unsecured, considered good	199,574	160,641	12,638,884
Unsecured, considered doubtful	1,321,550	1,342,834	83,693,752
Less: Provision for doubtful debts	<u>(1,321,550)</u>	<u>(1,342,834)</u>	<u>(83,693,752)</u>
	<u>199,574</u>	<u>160,641</u>	<u>12,638,884</u>
Other debts			
Unsecured, considered good	2,556,876	3,663,763	161,926,936
Unsecured, considered doubtful	14,225	47,516	900,840
Less: Provision for doubtful debts	<u>(14,225)</u>	<u>(47,516)</u>	<u>(900,840)</u>
	<u>2,556,876</u>	<u>3,663,763</u>	<u>161,926,936</u>
	<u>2,756,450</u>	<u>3,824,404</u>	<u>174,565,821</u>



13. Cash and cash equivalents

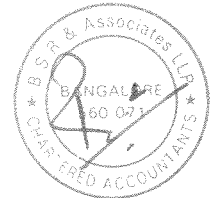
Particulars	As at 31 December 2014 (in USD)	As at 31 December 2013 (in USD)	As at 31 December 2014 Convenience translation into Rupees (Unaudited)
Cash on hand	-	-	-
Balances with banks			
In current accounts	1,304,338	2,501,587	82,603,745
	<u>1,304,338</u>	<u>2,501,587</u>	<u>82,603,745</u>

14. Short-term loan and advances

Particulars	As at 31 December 2014 (in USD)	As at 31 December 2013 (in USD)	As at 31 December 2014 Convenience translation into Rupees (Unaudited)
To parties other than related parties (unsecured)			
Considered good			
- Security deposits	6,084	6,084	385,305
- Advance to suppliers	25,328	25,424	1,604,053
- Other advances	281,453	284,187	17,824,400
	<u>312,865</u>	<u>315,695</u>	<u>19,813,759</u>
To related parties (unsecured)			
Considered good			
- Other advances (refer Note 24(c))	11,867,924	8,448,472	751,595,629
	<u>11,867,924</u>	<u>8,448,472</u>	<u>751,595,629</u>
	<u>12,180,789</u>	<u>8,764,167</u>	<u>771,409,386</u>

15. Other current assets

Particulars	As at 31 December 2014 (in USD)	As at 31 December 2013 (in USD)	As at 31 December 2014 Convenience translation into Rupees (Unaudited)
Unbilled revenue	261,049	447,090	16,532,402
	<u>261,049</u>	<u>447,090</u>	<u>16,532,402</u>

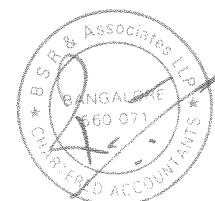


16. Income from software services and products

Particulars	For the year ended 31 December 2014 (in USD)	For the year ended 31 December 2013 (in USD)	Year ended 31 December 2014 Convenience translation into Rupees (Unaudited)
Knowledge process outsourcing services (refer Note 24(d))	9,480,658	12,467,515	600,410,066
Software services	7,375,752	10,031,930	467,106,391
Software license fee	1,920,374	4,496,290	121,617,306
Software maintenance	4,986,902	4,991,101	315,820,487
	23,763,686	31,986,836	1,504,954,250

17. Other income

Particulars	For the year ended 31 December 2014 (in USD)	For the year ended 31 December 2013 (in USD)	Year ended 31 December 2014 Convenience translation into Rupees (Unaudited)
Profit on sale of fixed assets	-	7,337	-
Sub-lease income	28,289	166,336	1,791,511
Provisions no longer required written back	-	13,622	-
Miscellaneous income	11,592	-	734,135
	39,881	187,295	2,525,646



18. Employee benefits

Particulars	For the year ended 31 December 2014 (in USD)	For the year ended 31 December 2013 (in USD)	Year ended 31 December 2014 Convenience translation into Rupees (Unaudited)
Salaries and bonus	4,296,204	5,409,737	272,078,624
Contribution to provident fund and other funds	556,915	639,558	35,269,428
Stock compensation expense	501,609	585,272	31,766,898
Staff welfare including insurance	588,425	739,407	37,264,958
	<u>5,943,153</u>	<u>7,373,974</u>	<u>376,379,908</u>

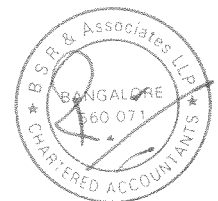
19. Finance costs

Particulars	For the year ended 31 December 2014 (in USD)	For the year ended 31 December 2013 (in USD)	Year ended 31 December 2014 Convenience translation into Rupees (Unaudited)
Interest expense	634,324	799,398	40,171,722
Bank charges and guarantee commission*	1,244,542	1,203,094	78,816,832
	<u>1,878,866</u>	<u>2,002,492</u>	<u>118,988,554</u>

* includes guarantee commission of USD 1,214,217 (previous year: USD 1,165,817)

20. Other expenses

Particulars	For the year ended 31 December 2014 (in USD)	For the year ended 31 December 2013 (in USD)	Year ended 31 December 2014 Convenience translation into Rupees (Unaudited)
Sub-contracting expenses	13,191,715	19,769,761	835,431,295
Rent	296,433	1,663,981	18,773,090
Power and fuel	24,035	15,874	1,522,147
Repairs and maintenance:			
- computer equipment	397,616	258,931	25,181,030
- others	-	36,364	-
Rates and taxes	5,540	2,400	350,852
Insurance	139,422	109,340	8,829,618
Traveling and conveyance	469,146	815,955	29,710,988
Communication	71,016	233,809	4,497,447
Consultancy, legal and professional charges	199,968	467,987	12,663,969
Sales promotion and advertisement	66,419	117,927	4,206,329
Provision for doubtful debts	-	668,608	-
Doubtful advances written-off	(20,252)	-	(1,282,586)
Printing and stationery	4,539	4,657	287,476
Miscellaneous expenses	259,553	255,793	16,437,470
	<u>15,105,150</u>	<u>24,421,387</u>	<u>956,609,125</u>



21. Contingent liabilities and other commitments**Contingent liabilities:**

Claims lodged / suits filed against the Company by customers are as given below. In addition, the company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the company's results of operations or financial condition.

Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances) in USD Nil (31 December 2013: Nil)

22. Leases**Company as lessee****Operating lease**

The Company is obligated under non-cancellable leases for office premises and certain equipments. Future minimum lease payments are:

Year ended 31 December	(Amount in USD)		2014 Convenience translation into Rupees (Unaudited)
	2014	2013	
Not later than one year	351,584	341,338	22,266,342
Later than one year and not later than five years	1,515,026	1,470,899	95,948,869
Later than five years	1,473,868	533,641	93,342,271

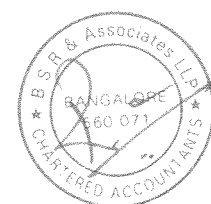
The total rental expense recognized under cancellable and non-cancellable operating leases in the Statement of Profit and Loss for the year ended 31 December 2014 USD 296,433 (31 December 2013: USD 1,663,981).

Company as lessor**Operating lease**

The Company has leased out certain office premises under non-cancellable operating lease.

The total rental income recognized in the Statement of Profit and Loss for the year ended 31 December 2014 is USD 28,289 (31 December 2013: USD 166,336).

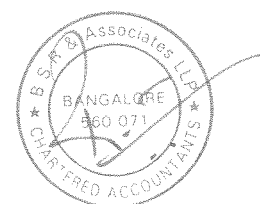
The total future minimum sublease payments expected to be received under non-cancellable subleases as at 31 December 2014 is USD Nil (31 December 2013: USD 686,322)



23. Dues to Micro, Small and Medium Enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 December 2014 and 31 December 2013 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the Balance Sheet date.

Particulars	(Amount in USD)	
	For the year ended 31 December 2014	For the year ended 31 December 2013
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	-	-
The amount of interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day during the year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
The amount of interest accrued and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-



24. Related party disclosures

List of related parties

a) List of parties where control exists

Ultimate holding company - Chambal Fertilisers and Chemicals Limited
Holding Company – CFCL Technologies Limited, Cayman Islands

Company which exercises control through intermediaries:

CFCL Overseas Limited, Cayman Islands

Subsidiaries

ISGN Solutions, Inc, USA

Novasoft Information Technology Corporation, GmBh – dissolved effective 1 March 2013

Companies which are under control through intermediaries

ISGN Fulfillment Services, Inc (Pennsylvania)

ISGN Fulfillment Services, Inc (Arizona)

ISGN Fulfillment Agency, LLC (Delaware)

ISGN Fulfillment Agency of Alabama, LLC - dissolved effective 30 July 2013

Richmond Investors, LLC

Richmond Title Genpar, LLC

Richmond Title Services, LP

b) Fellow subsidiary

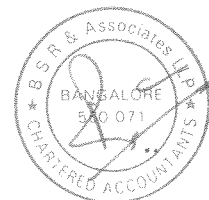
CFCL Ventures Limited

ISG Novasoft Technologies Limited

c) Key Management Personnel (KMP)

Amit Kothiyal, Chief Executive Officer and Director

Vishwajith Negi, Chief Operating Officer and Director

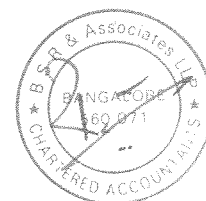


ISGN Corporation**Notes to the financial statements for the year ended 31 December 2014****d) Related party transactions****(Amount in USD)**

Particulars	For the year ended 31 December 2014	For the year ended 31 December 2013	As at 31 December 2014 Convenience translation into Rupees (Unaudited)
Ultimate holding company			
Guarantee commission	1,214,217	1,165,817	76,896,343
Holding company			
Issue of ordinary shares*	10,000,000	9,969,907	633,300,000
Short-term loan received	3,591,261	-	227,434,559
Subsidiaries			
Income from software services and products	9,480,658	12,467,515	600,410,066
Sub-contracting expenses (employee benefit costs cross charged from ISGN Solutions, Inc)	950,018	1,134,335	72,326,395
Investment in ordinary shares of ISGN Solutions, Inc**	-	4,400,000	-
Fellow subsidiary			
Sub-contracting expenses (ISG Novasoft Technologies Limited)	13,255,023	18,523,471	839,440,607
Companies which are under control through intermediaries			
Sub-contracting expenses (employee benefit costs cross charged from ISGN Fulfilment Services, Inc)	335,145	111,955	122,248,306
Key Management Personnel			
Employee benefits	624,424	1,011,305	39,544,772

* The issue of shares as disclosed above was a non-cash transaction, whereby, certain liabilities towards the Holding Company have been adjusted by means of issuance of equity.

** The investment in shares as disclosed above was a non-cash transaction, whereby, the amount receivable from the subsidiary was adjusted by means of investment in its equity.



ISGN Corporation

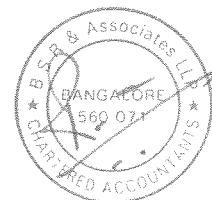
Notes to the financial statements for the year ended 31 December 2014

e) Related party balances:

Particulars	(Amount in USD)		
	As at 31 December 2014	As at 31 December 2013	As at 31 December 2014 Convenience translation into Rupees (Unaudited)
Holding company			
Other current liabilities	-	7,935,959	-
Other advances	1,772,601	-	112,258,820
Fellow subsidiary			
Other current liabilities (ISG Novasoft Technologies Limited)	7,804,185	8,433,855	494,239,007
Other advances (CFCL Ventures Limited)	15,855	13,482	1,004,097
Companies which are under control through intermediaries			
Other advances (ISGN Fulfillment Services, Inc)	9,902,337	8,257,858	626,594,749
Other advances (Richmond Title Services, LP)	177,131	177,132	11,217,770
Subsidiaries			
Other current liabilities (ISGN Solutions, Inc)	6,129,649	3,484,115	388,190,719
Other current liabilities (Novasoft Information Technology Corporation)	11,824	11,824	748,814

25. Segmental reporting

The Company's business activity falls within a single primary business segment (namely, mortgage processing services) and a single geographical segment (namely, the United States of America). Accordingly, disclosure requirements under Accounting Standard 17, 'Segment Reporting', notified by the Central Government, are not applicable.



ISGN Corporation

Notes to the financial statements for the year ended 31 December 2014

26. Earnings per share

(Amount in USD, except share data)

	Year ended 31 December 2014	Year ended 31 December 2013	As at 31 December 2014 Convenience translation into Rupees (Unaudited)
Loss for the year	(3,198,987)	(7,446,732)	(202,591,890)
Weighted average number of ordinary shares considered in calculating basic and diluted Earnings Per Share ('EPS')	852,774,044	852,774,040	852,774,040
Basic and diluted EPS	(0.00)	(0.01)	(0.24)

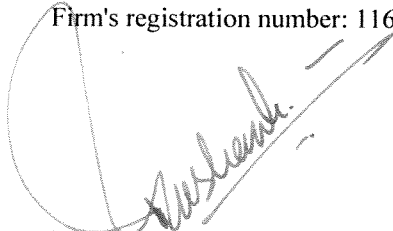
There were no potentially dilutive equity shares as at 31 December 2014 and 2013.

27. Convenience translation

The books of accounts of the Company are maintained in US Dollars ('USD') being the currency of the primary economic environment in which it operates. Supplementary information in Indian Rupees (INR) is provided for convenience only. The Balance Sheet, Statement of Profit and Loss, Cash Flow Statement and related notes have been translated at the rate of 1 USD = INR 63.33. These numbers are based on information from the Management and have not been audited by B S R & Associates LLP.

for B S R & Associates LLP
Chartered Accountants

Firm's registration number: 116231W/W-100024



Rushank Muthreja

Partner

Membership number: 211386

Place: Bangalore

Date: 29 APR 2015

for and on behalf of the Board of Directors of
ISGN Corporation



Amit Kothiyal
Director



Sundararajan Sampath
Chief Financial Officer

Place: *Bangalore*
Date: 29 APR 2015

Place: Bangalore
Date: 29 APR 2015