

CRESSANDA SOLUTIONS LIMITED

27TH ANNUAL REPORT

2011-2012

CRESSANDA SOLUTIONS LIMITED

**27th Annual Report
2011-2012**

BOARD OF DIRECTORS	: Mr. M. N. Shenoy Mr. Rahul Agarwal Mr. Rohit Agarwal Mr. Geetha Darbha Mr. Rohit Khaitan	Chairman Managing Director Director Director Director
BANKERS	: Citi Bank, New Delhi ICICI Bank, New Delhi	
AUDITORS	: M/s. Agarwal Sangneria & Co. Chartered Accountants Kolkata	
REGISTERED OFFICE	: 102, Arihant Building, 15 th Road, Khar (W), Mumbai - 400 052	
REGISTRARS & SHARE TRANSFER AGENTS	: Sharepro Services (I) Private Limited 13AB, Samhita Warehousing Complex, Sakinaka Telephone Exchange Lane, Off Andheri Kurla Road, Andheri (East), Sakinaka, Mumbai - 400 072 Tel No. : (022) – 67720300/351/352 Fax No. : (022) - 28591568 E-mail : sharepro@shareproservices.com	

NOTICE

NOTICE is hereby given that the Twenty Seventh Annual General Meeting of the Members of **CRESSANDA SOLUTIONS LIMITED** will be held on **Friday the 27th day of July, 2012 at 10.30 a.m.** at the registered office of the company at 102, Arihant Building, 15th Road, Khar (W), Mumbai - 400 052 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt Audited Balance Sheet as at 31st March, 2012 and the Profit and Loss Account for the financial year ended as on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Rohit Agarwal, who retires by rotation and being eligible, offers himself for re- appointment.
3. To appoint M/s. Agarwal Sanganeria & Co., Chartered Accountants as statutory auditors of the Company to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting and to authorize the Board to fix their remuneration.

**BY ORDER OF THE BOARD
FOR CRESSANDA SOLUTIONS LIMITED**



DIRECTOR

Registered Office :
102, Arihant Building, 15th Road,
Khar (W), Mumbai - 400 052

Mumbai : 31st May, 2012

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NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THAT PROXIES NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and Share Transfer Books of the Company will remain closed from **Monday, 23rd July, 2012 to Friday, 27th July, 2012** (both days inclusive).
3. Members are requested to notify immediately the change of address, if any to the Company.
4. Members /Proxies should bring the Attendance Slip sent herewith duly filled in for attending the meeting.
5. Members attending the Annual General Meeting are requested to bring their copies of Annual Report at the meeting.
6. The Documents referred to in the proposed resolution are available for inspection at the registered Office of the Company between 9.00 a.m. to 10.00 a.m., except on holidays up to the Annual General Meeting.
7. The Company, consequent upon the introduction of the Depository system (DS), entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialization of equity shares of the Company. Members, therefore, now have the option of holding and dealing in the shares of the Company in electronic form through NSDL or CDSL.

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DIRECTORS' REPORT

Dear Members,

Your Director's have pleasure in presenting their Twenty Seventh Annual Report and Audited Annual Accounts of the Company for the year ended on 31st March, 2012.

1. FINANCIAL RESULTS :

	(figures in Rs. Lacs)	
	For the year 2011-2012	Previous Year 2010-2011
Total Income	2.26	0.24
(Loss) / Profit before tax	(2.01)	(270.82)
Less : Provision for Tax	----	7.72
(Loss) / Profit after tax	(2.01)	(278.55)

2. OPERATION

During the year under review the company suspended all its services. After offsetting the expenses the Company incurred a loss (before tax) of Rs. 2.01 Lacs during the year as against the loss of Rs. 270.82 Lacs incurred during the corresponding period of previous year. The directors are optimistic about the future of the company.

3. DIVIDEND

The Directors do not recommend any dividend for the year.

4. DIRECTORS

Mr. Rohit Agarwal Director of the Company retire by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

5. SCHEME OF AMAGLAMATION OF SMARTCHAMP'S IT AND INFRA LIMITED

Your Company has filed an application for scheme of amalgamation of M/s. SMARTCHAMP'S IT AND INFRA LIMITED with our company to the Bombay High Court. The scheme is subject to the approvals of the members of our company and approval of the necessary authorities. The company has already received in principle approval from the Bombay Stock Exchange Ltd. for the scheme of amalgamation.

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Smartchamp's IT and Infra Limited (SCL) is an IT & Infra company focused on IT hardware, software & Infra sectors. This company is expected to grow at a fast pace because of the huge infrastructure expenditures being spent in our country for the infrastructure and development projects. This Company has good amount of resources to carry on the activities of infrastructure, real estate development and IT industry.

The amalgamated consolidated entity will have the strategic and competitive advantage especially at the time when many companies are integrating vertically by setting up their own capacities for business advantage. The proposed amalgamation of Smartchamp's IT and Infra Limited with our company is in line with the current global trends to achieve size, scale, integration and greater financial strength and flexibility.

The shareholders of the company would be informed of the developments in this regard as and when it take place.

6. REDUCTION IN SHARE CAPITAL OF THE COMPANY

As per the scheme of amalgamation and arrangement it is proposed to reduce the present paid up share capital of the company from Rs. 9,00,00,000/- (Rupees Nine Crores) prior to amalgamation to Rs. 45,00,000/- (Rupees Forty Five Lakhs) after the amalgamation. The proposed reduction in capital is subject to the approval of the members and necessary authorities. The company has since received the in principle approval for reduction in share capital as part of the scheme of amalgamation and arrangement from the Bombay Stock Exchange.

The reduction of capital is an intrinsic part of the overall scheme of amalgamation.

The shareholders of the company would be informed of the developments in this regard as and when it take place.

7. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to provisions of Section 217(2AA) of the Companies Act, 1956, the Directors confirm as under :-

1. In preparation of the Annual Accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures
2. That they had selected such accounting standards, policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for that period.
3. That they had taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of the relevant acts for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. That the accounts are prepared on a going concern basis.



8. CONSOLIDATED FINANCIAL STATEMENT

As required under Accounting standards AS-21, AS-23 and AS-27 issued by the Institute of Chartered Accounts of India, the consolidated financial statements have been prepared on the basis of the financial statements of the company and its subsidiary.

9. AUDITORS

M/s. Agarwal Sangneria & Co., Chartered Accountants, statutory auditors of the Company hold office until the conclusion of this Annual General Meeting. The Directors recommend their re-appointment as auditors of the Company.

10. AUDITOR REPORT

The observations made by the auditors in their report are self explanatory and need no further elaboration.

11. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO.

Your Company does not own any manufacturing facilities and consequently the disclosure of information on conservation of energy, technology absorption etc., required to be disclosed in terms of Section 271 (1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Director's) Rules, 1988 not being applicable, is not given.

A. RESEARCH AND DEVELOPMENT

Research and Development activities by way of software development for commercial applications on turnkey basis – right from systems study, design, and development to implementation and training are being undertaken on an ongoing basis, involving applications for the internet, developing portal sites, web sites, e-commerce and supply chain solutions.

B. FOREIGN EXCHANGE EARNINGS AND OUTGO

(a) Income from software development	Rs. Nil
(b) Expenditure in foreign currency	Rs. Nil

12. PARTICULARS OF EMPLOYEES

During the year under review there was no employee employed in the financial year who were in receipt of remuneration in excess of the limits prescribed under section 217 (2A) of the Companies Act, 1956 read with Companies (Particular of Employees) rules, 1975.

13. FIXED DEPOSITS

The company has not accepted and/or renewed deposits from public for the period under review within the meaning of Section 58(A) of the Companies Act 1956 and the rules made there under.

14. MANAGEMENT DISCUSSION AND ANALYSIS

As required by Clause 49 of the Listing Agreement with the Stock Exchange, Management Discussion and Analysis Report is appended to this report.

15. CORPORATE GOVERNANCE

As required by Clause 49 of the Listing Agreement, a Report on Corporate Governance is appended together with the Certificate on Corporate Governance from the Practicing Company Secretary, Mr. S. Lakshminarayanan.

16. APPRECIATION

Your Directors take the opportunity to thank all members for their Co-operation and contribution to the Company's Operation during the year. Your Directors also wish to place on record their appreciation for the support and co-operation by the Banks, Business Associates and Financial Institutions during the period under review.

**BY ORDER OF THE BOARD
FOR CRESSANDA SOLUTIONS LIMITED**



DIRECTOR

Registered Office :
102, Arihant Building, 15th Road,
Khar (W), Mumbai - 400 052

Mumbai : 31st May, 2012

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CORPORATE GOVERNANCE REPORT

(As required under clause 49 of the Listing Agreement enter into with the Stock Exchanges)

1. Company's Philosophy on Corporate Governance :

The Company's philosophy on Corporate Governance envisages the attainment of the high level of accountability in the functioning of the Company and the conduct of its business internally and externally, including its inter-action with employees, shareholders, creditors, consumers and with the Government departments.

2. Board of Directors:

- Composition, Category of Directors and their other Directorships and Committee Memberships:

The present Board consists of six directors. The composition of Board of Directors, the number of other directorship or board committees of which he is a member / Chairman is as under:

Name of Director	Category	Other Directorships/ Board Committees (Numbers)	
		Directorships	Board Committee
Mr. M. N. Shenoy	Independent, Non-Executive Director & Compliance Officer	11	NIL
Mr. Rahul Agarwal	Managing Director	6	NIL
Mr. Rohit Agarwal	Promoter & Non-Executive Director	5	NIL
Mrs. Geetha Darbha	Non Executive and Independent Director	NIL	NIL
Mr. Rohit Khaitan	Non Executive and Independent Director	NIL	NIL

Board Meetings:

During the year under review, the Board of Director met 7 times on 30.04.2011, 25.05.2011, 27.06.2011, 30.07.2011, 30.10.2011, 31.01.2012 & 06.03.2012.

➤ **Attendance of Directors at the Board Meetings and Last Annual General Meeting :**

Name of Director	Board Meetings Attended	Attendance at the Last Annual General Meeting
Mr. M. N. Shenoy	7	Yes
Mr. Rahul Agarwal	7	Yes
Mr. Rohit Agarwal	7	Yes
Mrs. Geetha Darbha	No	No
Mr. Rohit khaitan	No	No

No Extra Ordinary General Meeting was held during the year under review.

3. Audit Committee:

➤ **Terms of reference:**

The terms of reference of this committee cover the matters specified for Audit Committee under Clause 49 of the Listing Agreement.

➤ **Composition:**

The Audit Committee comprises Mr. M. N. Shenoy (Chairman), Mr. Rahul Agarwal and Mr. Rohit Agarwal. The Committee is chaired by an Independent director and consists of members who have accounting and financial knowledge.

➤ **Meeting and the Attendance during the year:**

The Audit Committee met four times during the year under review. The Committee also met prior to the finalization of accounts for the year ended 31st March, 2012.

Name of Director	No. of Meetings Attended
Mr. M. N. Shenoy	4
Mr. Rahul Agarwal	4
Mr. Rohit Agarwal	4

4. Shareholders/ Investors Grievance Committee:

The Company has constituted a shareholders/ investors grievance committee, to look into redressed of investors' complaints and requests like delay in transfer of shares, non-receipt of annual report etc.

The committee comprises of Two Non-Executive Director and One Executive Director. Mr. M. N. Shenoy is the Non-Executive Chairman of the Committee and Mr. Rohit Agarwal and Mr. Rahul Agarwal are other members of the Committee.

➤ **Attendance in the year 2011-12 :**

During the year ended 31st March, 2012 the Committee met Four times and all three members were present in the meeting.

➤ **Details of Shareholders' Complaints Received:**

During the year ended 31st March, 2012 the Company has not received any complaints from shareholders and no complaints are pending as on the date of report.

5. Share Transfer Committee:

The Share Transfer Committee comprises of three Executive Directors, Viz. Mr. M. N. Shenoy, the Chairman of the Committee and Mr. Rohit Agarwal, Mr. Rahul Agarwal. The committee approves the transfer/transmission of shares, sub-division or consolidation of shares and issue of new/duplicate share certificates, etc. The company had no unattended request pending for transfer of its equity shares at the close of the financial year.

6. CEO / CFO Certification:

As required under Clause 49 of the Listing Agreement, certification from Mr. Rahul K. Agarwal, Managing Director of the Company was placed before the Board of Directors at its meeting held May 31, 2012.

7. Details of Annual General Meeting:

Financial Year	Location	Date	Time
2008-2009 l	Flat No. 102, Arihant Building, 15 th Road, Bandra (West), Mumbai - 400 050	30/09/2009	4.00 P.M.
2009-2010	Flat No. 102, Arihant Building, 15 th Road, Bandra (West), Mumbai - 400 050	30/09/2010	10.30 A.M.
2010-2011 h	Flat No. 102, Arihant Building, 15 th Road, Bandra (West), Mumbai - 400 050	05/08/2011	10.30 A.M.

All the resolution set out in the respective notices calling the AGM/EGM were passed by the shareholders. No postal ballots were used for voting at these meetings. There is no proposal to pass any Special Resolution through postal ballot at the ensuing Annual General Meeting.

8. Disclosures:

- i) Disclosures on materially significant related party transactions that may have potential conflict with the interest of Company at large.

The Register of Contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval. Disclosures from senior management staff have been obtained to the effect that they have not entered into any material, financial and commercial transactions where they have personal interest that may have potential conflict with the interest of the company at large.

Transactions with the related parties are disclosed in the notes to the accounts forming part of the Annual Report.

- ii) Details of non-compliance by the Company, penalties and strictures imposed on the Company by SEBI, ROC, Stock Exchange or any other statutory authorities on any matter related to capital market during the last 3 financial years - None
- iii) There is a whistle blowing policy in the Company and that no personnel has been denied access to the Audit Committee.
- iv) The Company has complied with all the mandatory requirements of Corporate Governance under Clause 49 of the Listing Agreement pertaining to Corporate Governance such as whistle blower policy, remuneration committee, etc.
- v) The CEO/CFO certification form part of this Annual Report.

9. Means of Communication:

- Half -Yearly result is not sent to each shareholders.
- Quarterly results are taken on record by the Board of Directors.
- No presentation has been made to Institutional Investors or to analysts.
- Quarterly results have been displayed on company's website .
- The Management Discussion and Analysis Report are attached with the Director's report in this Annual Report.

10. General Shareholder Information:

I. Annual General Meeting

Date and Time : 27th July, 2012 at 10.30 A.M.

Venue : Arihant Building, Flat No. 102, 15th Road,
Khar (W), Mumbai - 400 052

II. Tentative Financial Calendar 2012-2013

Results for the quarter ending June 30, 2012 : Last Week of July 2012
Results for the quarter ending September 30, 2012: Last Week of October 2012
Results for the quarter ending December 31, 2012 : Last Week of January 2013
Results for the quarter ending March 31, 2013 : Last Week of April 2013

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III. Book Closure Date : 23rd July, 2012 to
27th July, 2012
(Both days inclusive for the purpose of the
Annual General Meeting)

IV. Registered Office : 102, Arihant Building, 15th Road,
Khar (W), Mumbai - 400 052

V. Dividend Payment Date : No dividend is recommended for the
Financial year 2011-2012

VI. Listing of Equity Shares on Stock Exchange

Your Company's equity shares are listed on Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai – 400023. Our shares are also demat with NSDL & CDSL. The Company has paid listing fees for the year 2011-2012.

VII. Stock Code :

a) The Stock Exchange, Mumbai : 512379
b) The ISIN No. : INE117K01013

VIII Share transfer System

Shares sent for physical transfer are registered and returned within a period of 30 days from the date of receipt, if the documents are clear in all respects. The Share Transfer Committee of the Company meets as required. We have appointed Sharepro Services (I) Private Limited as a Registrars & Share Transfer Agents of the Company.

IX. Distribution of Shareholding:

No. of Equity Shares held	As on 31 st March, 2012			
	No. of Shareholders	% of Shareholders	Total No. of Shares Held	% of Shareholding
Less than 2500	448	81.76	239864	2.67
2501- 5000	34	6.20	125407	1.39
5001 – 10000	29	5.29	223455	2.48
10001 – 15000	7	1.28	84502	0.94
15001 – 20000	4	0.73	67491	0.75
20001 – 25000	4	0.73	93071	1.03
25001 – 50000	9	1.64	337692	3.75
50001 - 100000	13	2.37	7828518	86.99
TOTAL	548	100.00	9000000	100.00

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X. Shareholding Pattern (as on 31st March, 2012) :

Category of Holder	No. of Shares	% of Equity
Promoters / Person acting in concert	46,17,400	51.50%
Banks / Financial Institutions	NIL	NIL
Private Corporate Bodies	16,33,339	18.15%
Indian Public	27,23,403	30.26%
NRIs	25858	0.29%
TOTAL	9000000	100.00%

XI. Details on use of public funds obtained in the last three years:

No funds have been raised from the public during the last three years.

XII. Outstanding GDR / ADRs / Warrants and Convertible bonds, conversion date and likely impact on the equity:

The Company has not issued any GDRs, ADRs during the year.

XIII. Secretarial Audit

The Company has also conducted secretarial audit relating to the issue of shares, request for dematerialization of shares, Register of Members and change in share capital for every quarter and has sent to Stock Exchange.

XIV. Investors' correspondence may be addressed to :

Sharepro Services (I) Private Limited
(Unit : CRESSANDA SOLUTIONS LIMITED)
13AB, Samhita Warehousing Complex,
Sakinaka Telephone Exchange Lane,
Off Andheri Kurla Road, Sakinaka,
Andheri (East), Mumbai - 400 072
Tel No. : (022) - 67720300/351/352
Fax No. : (022) - 28591568
E-mail : sharepro@shareproservices.com

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CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF
CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING
AGREEMENT(S)

To
The Members of
CRESSANDA SOLUTIONS LIMITED

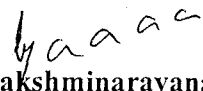
I have examined the compliance of conditions of Corporate Governance by Cressanda Solutions Limited ("the Company") for the period ended 31st March, 2012 as stipulated in Clause 49 of the Listing Agreement of the Company with Stock Exchange in India.

The compliance of the conditions of Corporate Governance is the responsibility of the Company's management. Our examination is limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and according to the explanations give to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance nor compliance as to the future liability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Mumbai
Date : 31.05.2012


S. Lakshminarayanan
Practicing Company Secretary
ACS : 6423 CP : 2788

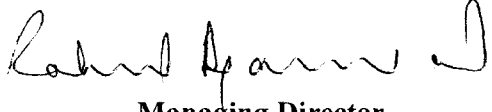
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Declaration by the Managing Director under Clause 49 of the Listing Agreement regarding compliance with Code of Conduct.

In accordance with Clause 49 1 (D) of the Listing Agreement with Stock Exchange, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the 12 months period April 1, 2011 to March 31, 2012.

Place: Mumbai
Date : 31.05.2012

For Cressanda Solutions Limited


Managing Director

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MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

Cressanda Solutions offers a host of Information Technology, Software Development, Digital Media and IT Enabled services. The company improvement and cost reduction by leveraging cutting edge technology to enhance the quality, context and flow of information between clients and their key constituents. We are an organization driven by ideas and creativity. An organization where creative insights and strategic know-how are used to solve software and communication needs of our clients. The Company's edge lies in its ability to offer an integrated approach to address clients' needs to operate efficiently as well as to communicate and serve customers effectively. It helps align the IT infrastructure and processes within the organization to gain operational efficiencies. The Company executes creative campaigns using the digital media to drive business goals and also lend process support to help curtail costs and drive profitability. Thus, the Company is a full service organization offering a unique integration of strategy, technology and creative implementation geared for measurable impact on our clients' business performance.

OPPORTUNITIES AND THREATS

The Company is taking all possible steps to grab the opportunities for the growth of the Company. The economic scenario of the country allows the company to grow further in a very effective and efficient manner and further to enhance the available resources of the company.

The risk associated with the business be it external or internal affects the performance of the company in a long run. Competition and economic conditions prevailing all over may affect the business of the company.

SCHEME OF AMAGLAMATION OF SMARTCHAMP'S IT AND INFRA LIMITED

Your Company has filed an application for scheme of amalgamation of M/s. SMARTCHAMP'S IT AND INFRA LIMITED with our company to the Bombay High Court. The scheme is subject to the approvals of the members of our company and approval of the necessary authorities. The company has already received in principle approval from the Bombay Stock Exchange Ltd. for the scheme of amalgamation.

Smartchamp's IT and Infra Limited (SCL) is an IT & Infra company focused on IT hardware, software & Infra sectors. This company is expected to grow at a fast space because of the huge infrastructure expenditures being spent in our country for the infrastructure and development projects. This Company has good amount of resources to carry on the activities of infrastructure, real estate development and IT industry.

The amalgamated consolidated entity will have the strategic and competitive advantage especially at the time when many companies are integrating vertically by setting up their own capacities for business advantage. The proposed amalgamation of Smartchamp's IT and Infra Limited with our company is in line with the current global trends to achieve size, scale, integration and greater financial strength and flexibility.

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The shareholders of the company would be informed of the developments in this regard as and when it take place.

REDUCTION IN SHARE CAPITAL OF THE COMPANY

As per the scheme of amalgamation and arrangement it is proposed to reduce the present paid up share capital of the company from Rs. 9,00,00,000/- (Rupees Nine Crores) prior to amalgamation to Rs. 45,00,000/-(Rupees Forty Five Lakhs) after the amalgamation. The proposed reduction in capital is subject to the approval of the members and necessary authorities. The company has since received the in principle approval for reduction in share capital as part of the scheme of amalgamation and arrangement from the Bombay Stock Exchange.

The reduction of capital is an intrinsic part of the overall scheme of amalgamation.

The shareholders of the company would be informed of the developments in this regard as and when it take place.

FUTURE OUTLOOK

The overall economic scenario of the industry expected to be good and accordingly, your Company is also expected to do well in the coming years. The demand and supply of the products in market may affect the performance of the company. The Company is striving hard to meet the demands of the market with the available limited resources. The company is striving hard to achieve the desired results.

RISKS AND CONCERNS

In the normal course of business, the Company is exposed to external risks such as overall demand fluctuations in the industry in which it operates, relative market shares for its products due to the impact of competition as well as internal risks.

The Company is taking appropriate steps to guard itself against these risks by a suitable product positioning strategy. The risk associated with the products of the Company is always a cause of concern for the Company.

INTERNAL CONTROL SYSTEMS

The Company has adequate internal control procedures commensurate with the size of the company and nature of its business. The internal control system is continuously reviewed by the management to ensure orderly and efficient conduct of business. The system emphasis on the functions of purchase, sales, finance etc. to adhere to the well-defined corporate policies.

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DIRECT COSTS

As the company has not carried out any major operations the company has incurred minimal cost as reflected in the accounts for the year ended 31 st March 2012 .

FINANCIAL CONDITION

Sources of Funds

- The Share capital of the Company remained the same as was in the previous financial year.

Application of Funds

- Cash & Bank Balance represents funds maintained at India & U.S. offices in Indian Rupees & US Dollars. These funds are converted into Indian rupees on the basis of the beneficial movement in foreign exchange rates and in line with statutory requirements.

MANAGEMENT'S RESPONSIBILITY STATEMENT

The management is responsible for preparing the Company's consolidated financial statements and related information that appear in this Annual Report. The management believes that these financial statements fairly reflect the form and substance of transactions, and reasonably represent the Company's financial condition and results of operations in conformity with Indian Generally Accepted Accounting Principles.

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CRESSANDA SOLUTIONS LIMITED

Regd. Office: 102, Arihant Building, 15th Road, Khar (W), Mumbai - 400 052

Attendance Slip – Ordinary Shares

Shareholders attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the Twenty Seventh Annual General Meeting of the Company at the registered office of the Company at 102, Arihant Building, 15th Road, Khar (W), Mumbai - 400 052, at 10.30 a.m. on Friday, the 27th July, 2012.

.....
Full name of the Shareholder Signature
(in block capitals)

Folio No. : / DP ID No.* & Client ID No.*
* Applicable for members holding shares in electronic form.

.....
Full name of Proxy Signature
(in block capitals)

NOTE : Shareholder/Proxyholder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting

CRESSANDA SOLUTIONS LIMITED

Regd. Office: 102, Arihant Building, 15th Road, Khar (W), Mumbai - 400 052

Proxy – Ordinary Shares

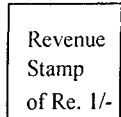
I /We
of In the district ofbeing
a Member/Members of the above named Company, hereby appoint
..... of In the district of or failing him
..... of in the district of
.....as my/our Proxy to attend and vote for me/us and on my/our
behalf at the Twenty Seventh Annual General Meeting of the Company at the registered
office of the company at 102, Arihant Building, 15th Road, Khar (W), Mumbai - 400 052, at
10.30 a.m. on Friday, the 27th July, 2012 and at any adjournment thereof.

Signed this day of 2012

DP ID Client ID

Reg Folio No

No of shares held



N: B: The proxy should be deposited at the Registered office of the Company not later than 48 hours before the commencement of the meeting. A proxy need not be a member.

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AGARWAL SANGANERIA & Co.
Chartered Accountants

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the Members,
Cressanda Solutions Limited

We have examined the Compliance of the Conditions of Corporate Governance by Cressanda Solutions Limited for the year ended March 31, 2012 as stipulated in Clause 49 of the listing agreement of the said Company with the stock exchange.

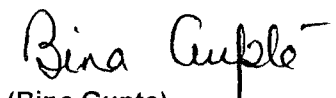
The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the Compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and representations made by the Directors and Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement.

As required by the Guidance Notes issued by the Institute of Chartered Accountants of India, we have to state that as per the records maintained by the Company as on March 31, 2012 there were no investor's grievances remaining unattended /pending for more than 30 days.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Agarwal Sanganeria & Co.**
Chartered Accountants
Firm Regn No. 317224E


(Bina Gupta)
Partner
C A.Membership. No. 060269

Place: Camp New Delhi

Date: 31st May, 2012

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AGARWAL SANGANERIA & Co.
Chartered Accountants

AUDITOR'S REPORT

To the Members,

Cressanda Solutions Limited

We have audited the attached Balance Sheet of **CRESSANDA SOLUTIONS LIMITED**, as at 31st March, 2012, the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

Further to our comments in the Annexure referred to above, we report that:

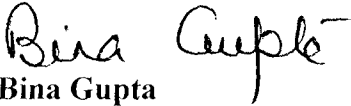
- a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examinations of those books;
- 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 dealt with by this report comply with the applicable Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
- e) On the basis of written representations received from the directors, as on March 31, 2012 and taken on record by the Board of Directors, we report that none of the directors are disqualified as on March 31, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon give the information required by

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the Companies Act, 1956, 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 the affairs of the Company as at 31st March, 2012;
- b) in the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the Cash flows for the year ended on that date.

For Agarwal Sanganeria & Co
Chartered Accountants
Firm Regn No. 317224E


Bina Gupta
Partner
C.A. Membership No. 060269

Place: Camp New Delhi
Date: 31st May, 2012

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ANNEXURE TO THE AUDITOR'S REPORT

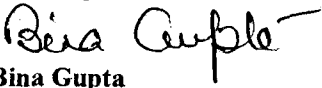
The Annexure referred to in the Auditor's Report to the members of Cressanda Solutions Ltd. for the year ended 31st March, 2012. We report that:

1. a) The company has no fixed assets, since there has been suspension of all the business and services provided by the company, the Company has disposed off all the fixed assets in the last financial year.
2. The Company was a service company, primarily rendering information technology services. Accordingly it does not hold any physical inventories. Thus paragraph 4(ii) of the Companies (Auditor's Report,) Order 2003. ("The Order") is not applicable.
3. a) The Company has not granted any loans, secured or unsecured to Companies, Firms and Other Parties listed in the register maintained under section 301 of the Act, 1956 .

b) The Company has not taken any loans, secured or unsecured from Companies, Firms and Other Parties listed in the register maintained under section 301 of the Act, 1956 .
4. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business. The activities of the Company do not involve purchase of inventories and sale of goods. However there has been suspension of all the business and services provided by the Company in the last to last financial year.
5. a) Based on the audit procedures applied by us and according to the information and explanations given to us the transactions that need to be entered into the register in pursuance of Section 301 of the Companies Act, 1956 have been entered, although as according to the information and explanations given to us, no transaction has been carried out in the current year that requires entry under of Section 301 of the Companies Act, 1956;
6. The Company has not accepted any deposits from the public and consequently, the directives issued by the Reserve Bank of India and the provisions of Section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under are not applicable to the Company.
7. In our opinion, the Company does not have an internal audit system which is commensurate with the size and nature of its business;
8. According to the information and explanations given to us, maintenance of cost records has not been prescribed by the Central Government under section 209(1) (d) of the Companies Act 1956 for any of the services rendered by the Company.
9. a) According to the information and explanations given to us and as per records produced before us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Service Tax, Wealth-Tax, Cess and any other statutory dues as applicable to it.

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- b) According to the information and explanations given to us, there are no dues of Income tax that have not been deposited on account of any dispute and there are no amounts involved and the forum where the dispute is pending.
10. The company has accumulated losses at the end of the financial year which is not less than 50% of its net worth;
 11. According to the information and explanations given to us, there were no dues to be paid to Financial Institutions or Banks or Debenture Holders.
 12. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities;
 13. The Company is not a Chit/Nidhi/Mutual Benefit Fund/Society. Therefore, the provisions of Clause 4 (xiii) of the Order are not applicable to the Company.
 14. Based on our examinations of the records and explanations provided to us, the company is not in the business of dealing or trading in shares, securities, debentures except other investments. As per the information provided to us proper records have been maintained of the investment transactions and contracts and the company has held the investments in its own name;
 15. On the basis of the information and explanation given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions, the terms and conditions of which are prejudicial to the interest of the Company.
 16. According to the information & explanations given to us, no term loan has been taken by the company during the year.
 17. The funds raised on short-term basis have not been used for long-term investment;
 18. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956;
 19. During the year the company has not issued any debentures;
 20. The company has not raised any money by public issues during the year;
 21. 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.

For **Agarwal Sanganeria & Co.**
Chartered Accountants
Firm Regn. No. 317224E

Bina Gupta
Partner
C.A. Membership. No. 060269



Date: 15th May, 2012
Place: Camp New Delhi

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Cressanda Solutions Limited
11/3, Firni Road, Near MCD Boys Primary School, Samalkha
New Delhi - 110037

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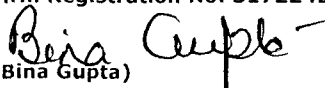
BALANCE SHEET AS AT MARCH 31, 2012

	Notes	As at 31.03.2012	As at 31.03.2011
I. EQUITY AND LIABILITIES			
1. Shareholders' Funds			
(a) Share Capital	3	90,000.00	90,000.00
(b) Reserves and Surplus	4	(88,900.43)	(88,699.78)
2. Non-current Liabilities			
(a) Long Term Borrowings	5	14,800.00	15,500.00
(b) Long Term Liabilities	6	1,482.35	1,482.35
(c) Other long term Provisions	7	505.48	505.48
3. Current Liabilities			
(a) Other Current Liabilities	8	33.80	1,129.28
		17,921.20	19,917.34
II. ASSETS			
1. Non Current Assets			
(a) Fixed Assets			
(i) Tangible Assets		-	-
(ii) Intangible Assets		-	-
(b) Non Current Investments	9	10,867.34	10,867.34
(c) Other Non Current Assets	10	6,544.87	8,632.46
2. Current Assets			
(a) Cash and Bank Balances	11	447.17	360.13
(b) Short Term Loans and Advances	12	61.81	57.40
(c) Other Current Assets		-	-
		17,921.20	19,917.34

See accompanying notes forming part of the financial statements 1 & 2

As per our report of even date

For Agarwal Sanganeria & Co.

Chartered Accountants
 Firm Registration No: 317224E

 (Bina Gupta)
 Partner
 Membership No. 060269

For and on behalf of the Board of Directors


 Rahul Agarwal
 Director


 Rohit Agarwal
 Director


 M.N. Shenoy
 Director

Place : Camp New Delhi
 Date : 31/05/2012

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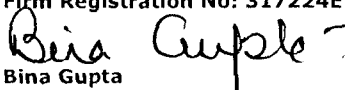
Cressanda Solutions Limited
11/3, Firni Road, Near MCD Boys Primary School, Samalkha
New Delhi - 110037

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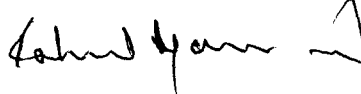
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2012

Notes	2011-12	2010-11
I. Revenue from Operations	-	-
II. Other Income	225.72	24.20
III. Total Revenue	225.72	24.20
IV. EXPENSES:		
Employee Benefits Expense	-	442.33
Finance Costs	-	9.22
Depreciation and Amortisation expense	-	-
Other Expenses	426.37	26,654.81
	426.37	27,106.35
V. PROFIT BEFORE TAX	(200.65)	(27,082.15)
VI. Tax Expenses:		
(a) Current Tax expense for current year	-	-
(b) Current Tax expenses relating to prior years	-	772.50
(c) Deferred Tax credit	-	-
	-	772.50
VII. Profit/(Loss) from operations	(200.65)	(27,854.65)
VIII. Earnings Per Equity Share:(Of 10/-each)		
Basic & Diluted (Nominal Value per Share Rs. 10)	17	(0.02)
	(0.02)	(3.09)
See accompanying notes forming part of the financial	1 & 2	

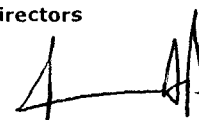

As per our report of even date

For Agarwal Sangneria & Co.
Chartered Accountants
Firm Registration No: 317224E

Bina Gupta
Partner
Membership No. 060269

For and on behalf of the Board of Directors



Rahul Agarwal
Director

Rohit Agarwal
Director

M.N. Shenoy
Director

Place : Camp New Delhi
 Date : 31/05/2012

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Cressanda Solutions Limited
11/3, Firni Road, Near MCD Boys Primary School, Samalkha
New Delhi - 110037

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

in 000

As at
31.03.2012

As at
31.03.2011

NOTE 3: SHARE CAPITAL

Authorised

120,00,000 equity shares of Rs.10 each

120,000.00

120,000.00

120,000.00

120,000.00

Issued, Subscribed and Paid-up

90,00,000 equity shares of Rs.10 each fully paid up

90,000.00

90,000.00

90,000.00

90,000.00

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares

	As at 31.03.2012		As at 31.03.2011	
	Nos.		Nos.	
At the beginning of the year	9,000	90,000.00	9,000	90,000.00
Issued during the year	-	-	-	-
Outstanding at the end of the year	<u>9,000</u>	<u>90,000.00</u>	<u>9,000</u>	<u>90,000.00</u>

(b) Terms / Rights attached to the equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

(c) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at 31.03.2012		As at 31.03.2011	
	No. of shares	% of holding	No. of shares	% of holding
Equity shares of Rs. 10 each full paid up				
Rohit Agarwal	4,617,400	51.30	2,696,300	29.96
Rahul Agarwal	-	-	2,539,100	28.21
Geeta Darbha	-	-	899,500	9.99
Status Distributors Pvt Ltd	899,500	9.99	-	-
A Mahesh	662,809	7.36	684,384	7.60
Sandeep Talwar	628,059	6.98	628,059	6.98

As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

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Cressanda Solutions Limited
11/3, Firni Road, Near MCD Boys Primary School, Samalkha
New Delhi - 110037

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2012

in '000

	As at 31.03.2012	As at 31.03.2011
NOTE 4 : RESERVES AND SURPLUS		
Deficit in statement of Profit and Loss		
As per Last Account	(88,699.78)	(60,845.13)
Add: (Loss) for the year	(200.65)	(27,854.65)
	<u>(88,900.43)</u>	<u>(88,699.78)</u>
Less : Appropriations	-	-
	<u>(88,900.43)</u>	<u>(88,699.78)</u>
Total	<u>(88,900.43)</u>	<u>(88,699.78)</u>
NOTE 5 : LONG TERM BORROWINGS		
Inter-Corporate Deposits	14,800.00	15,500.00
	<u>14,800.00</u>	<u>15,500.00</u>
NOTE 6 : LONG TERM LIABILITIES		
Trade payables	1,336.21	1,336.21
Others	146.14	146.14
	<u>1,482.35</u>	<u>1,482.35</u>
NOTE 7 : LONG TERM PROVISIONS		
Provision for taxation	-	-
Provision for FBT	505.48	505.48
	<u>505.48</u>	<u>505.48</u>
NOTE 8 : OTHER CURRENT LIABILITIES		
SHORT TERM BORROWINGS	-	798.21
Other Payables	30.34	330.99
Statutory Dues	3.46	0.08
	<u>33.80</u>	<u>1,129.28</u>

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Cressanda Solutions Limited
11/3, Firni Road, Near MCD Boys Primary School, Samalkha
New Delhi - 110037

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2012

	No. of Shares	Face value Per share Rs.	As at 31.03.2012 Rs.	As at 31.03.2011 Rs.
NOTE 9 : NON CURRENT INVESTMENTS				
Trade Investments (Valued at Cost unless stated otherwise)				
Unquoted equity shares (fully paid up)				
In Subsidiary Companies				
Cressanda Solutions Inc.(WOS)	250	10.00	10,867.34	10,867.34
Total (a)			10,867.34	10,867.34
Total Investments			10,867.34	10,867.34
Aggregate Value of Investments				
Unquoted			10,867.34	10,867.34

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Cressanda Solutions Limited
11/3, Firni Road, Near MCD Boys Primary School, Samalkha
New Delhi - 110037

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2012

in '000

NOTE 10: OTHER NON-CURRENT ASSETS

Trade Receivables (Unsecured, Considered good)	6,386.17	6,386.17
Debts outstanding for a period exceeding twelve months from the date they are due for payment		
Fixed Deposit	45.00	45.00
Tax deducted at Source	113.71	2,201.30
	6,544.87	8,632.46

NOTE 11 : CASH AND BANK BALANCES

(i) Cash and Cash Equivalents		
Cash on Hand(As certified by the management)	92.44	123.41
Balances with Scheduled Banks On Current Accounts	354.73	236.73
	447.17	360.13

NOTE 12 : SHORT TERM LOANS AND ADVANCES

(Considered Good, unless otherwise stated)

Advances

(Unsecured considered good, unless otherwise stated)

Advances recoverable in cash or in kind or for value to be received or pending adjustments	36.57	32.16
Deposits with government authorities and others	25.24	25.24
	61.81	57.40
Total	61.81	57.40

NOTE 13 : OTHER INCOME

Interest Income:

On Fixed Deposits	4.41	4.00
On Income Tax Refund	221.31	13.73
Others	-	6.47
	225.72	24.20

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Cressanda Solutions Limited
11/3, Firni Road, Near MCD Boys Primary School, Smalkha
New Delhi - 110037

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2012

2011-12

in '000
2010-11

NOTE 14 : EMPLOYEE BENEFITS EXPENSE

Salary, Bonus etc.	-	36.60
Contribution to provident and other funds	-	-
Gratuity expense	-	350.00
Employees' Welfare Expenses	-	55.73
	-	442.33

NOTE 15 : FINANCE COSTS

Interest Expense	-	9.22
To Bank	-	9.22
	-	9.22

NOTE 16 : OTHER EXPENSES

Advertisement and Publicity	5.85	8.39
Communication Expenses	2.38	0.55
Repairs and Maintenance - Others	-	0.13
Fee & Subscription	-	66.64
Filing Fees	1.73	-
Postage	11.47	-
Printing and Stationery	0.84	-
Bank and Demat charges	0.35	-
Travelling and Conveyance	-	33.20
Legal and Professional fees	126.59	133.65
Sundry Balance written off	-	3,161.43
Security Deposit written off	-	53.15
Investments written back	-	20,825.00
Statutory Expenses	121.48	-
Auditors' Remuneration:		
Audit Fees	33.71	30.00
Limited Reviews	-	-
In other capacity for certificates & other services	120.00	11.03
Reimbursement of expenses (including service tax)	-	-
Loss on sale of fixed assets	-	2,262.45
Miscellaneous expenses	1.97	13.04
Prior Period Expenses	-	56.17
	426.37	26,654.81

NOTE 17 : EARNINGS PER SHARE

Basis for calculation of Basic and Diluted Earnings Per Share is as under:

Profit after tax (Rs.)	(200.65)	(27,854.65)
Weighted Average Number of Equity Shares (Nos)	9,000	9,000
Nominal Value of each Equity Share (Rs.)	10	10
Basic and Diluted Earnings Per Share (Rs.)	(0.02)	(3.09)

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Cressanda Solutions Limited
11/3, Firni Road, Near MCD Boys Primary School, Samalkha
New Delhi - 110037

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

Particulars	2011-12	2010-11
Cash Flow from Operating Activities		
Net Profit before tax and extraordinary items	(200.65)	(27,082.15)
Adjustments for :		
Interest on Fixed Deposits and Others	(4.41)	(4.00)
Loss on sale of Fixed Assets	-	2,262.45
Investments written off	-	20,825.00
Depreciation and amortization expense	-	-
Operating profit before working capital changes	(205.06)	(3,998.71)
(Decrease) in long-term provisions	-	-
(Decrease) in trade payables	-	(1,075.58)
Increase / (Decrease) in other current liabilities	(1,095.48)	(660.07)
(Increase) / Decrease in trade receivables	-	781.38
(Increase) / Decrease in long-term loans and advances	14,800.00	4,938.68
(Increase) in short-term loans and advances	(4.41)	(4.00)
(Increase) in non-current investments	-	-
(Increase) / Decrease in non-current assets	2,087.59	-
Cash generated from operations	15,582.64	(18.30)
Direct tax paid	-	-
Extraordinary items	-	(772.50)
Net cash flow (used in) operating activities	15,582.64	(790.80)
Cash Flow from Investing Activities		
Proceeds from sale of fixed assets	-	1,945.26
Investment in Fixed Deposits (having original maturity of more than three months)	-	-
Encashment of Fixed Deposits (having original maturity of more than three months)	-	-
Interest on Fixed Deposits and others	4.41	4.00
Net cash flow (used in) investing activities	4.41	1,949.26
Cash Flows from Financing Activities		
Repayment of Loan	(15,500.00)	-
Repayment of Long term borrowings	-	(1,231.11)
Dividend Paid	-	-
Proceeds from short-term borrowings	-	-
Repayment of short-term borrowings	-	-
Net cash flow from / (used in) financing activities	(15,500.00)	(1,231.11)
Net increase in cash and cash equivalents (A+B+C)	87.05	(72.65)
Cash and Cash equivalents at the beginning of the year	360.13	424.79
Cash and Cash equivalents at the end of the year	447.17	352.13

Components of cash and cash equivalents as indicated in Note 14 comprises of:

Cash on hand	92.44	123.41
Balances with scheduled banks *	354.73	236.73
Total	447.17	360.13

For Agarwal Sangneria & Co.
Firm Registration No: 317224E
Chartered Accountants

Bina Gupta

Bina Gupta
Partner
Membership No. 060269

For and on behalf of the Board of Directors

Rahul Agarwal

Rahul Agarwal
Director

Rohit Agarwal

Rohit Agarwal
Director

M.N. Shenoy

M.N. Shenoy
Director

Place : Camp New Delhi
Date : 31/05/2012

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CRESSANDA SOLUTIONS LIMITED

11/3, Firni Road, Near MCD Boys Primary School, Samalkha, New Delhi- 110 037

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS ON BALANCE SHEET AS ON MARCH 31, 2012 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE

NOTE 1: CORPORATE INFORMATION

Cressanda Solution Ltd is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company was engaged in Software Development Consultancy Services.

NOTE 2:

A. SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention, on the accrual basis of accounting and comply with the mandatory accounting standards and statements issued by the Institute of Chartered Accountants of India (ICAI) and the provisions of the Companies Act, 1956, to the extent applicable.

2. REVENUE RECOGNITION

Revenue from software development on time-and-material basis is recognized based on performance of related services. For fixed price contracts, revenue is recognized on the percentage of completion basis. Revenue from the sale of software products developed is recognized when the sale has been completed with the passing of title. However from last two- three years company is not doing any business.

3. INVESTMENT

The investments are stated at cost.

4. FIXED ASSETS AND DEPRECIATION

The company had suspended all its services earlier and major portion of the fixed assets have been sold , hence no depreciation has been charged. Fixed assets have been sold off at the net realisable value.

5. RETIREMENT AND OTHER BENEFITS

Provident fund

All eligible employees receive benefits from a provident fund, which is a defined contribution plan. Both the employee and the Company make monthly contributions to the fund, which is equal to a specified percentage of the covered employee's basic salary. The Company has no further obligations under this plan as because services of employees have been terminated earlier.

Gratuity

In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The gratuity plan provides a lump sum payment to the vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's basic salary and the year of employment with the Company. Provision for gratuity is determined by actuarial valuation as per AS 15 on Employees Benefits (Revised 2005) issued by ICAI. During the year no further provision made due to termination of services of employees.

Leave encashment

During the year no further provision made due to termination of services of employees.

6. FOREIGN CURRENCY TRANSACTIONS

There has not been any foreign currency transaction during the year

B. NOTES TO ACCOUNTS

1. SMALL SCALE INDUSTRY:

As at March 31, 2012, the Company has no outstanding dues to small-scale industrial undertakings.

2. CIF VALUE OF IMPORTS

During the financial year 2011-12 CIF value of import of raw material, components and spare parts and capital goods is Nil (Financial Year 2010-11 is Nil)

3. EXPENDITURE IN FOREIGN CURRENCY

During the financial year 2011-12, the company has not incurred any expenditure on traveling in foreign exchange as compared to Rs. NIL during the previous year 2010-11.

4. EARNINGS IN FOREIGN CURRENCY

During the financial year 2011-12, the Company's earning in foreign exchange are given hereunder

Nature of service provided	2011-12	2010-11
Software Development Consultancy Services	NIL	NIL

5. DEFERRED TAX

No Deferred Tax Assets has been created, as Company has carried forward losses from the previous years and in terms of Accounting Standard 22 the company is following the conservative policy.

6. SEGMENTAL REPORTING

The Company had only one Business Segment i.e. information technology services or software development consultancy services, however the Company has suspended all its business and services in last two financial years.

7. STATEMENT PURSUANT TO SECTION 212

The audited financial accounts of the Cressanda Solutions Inc. (Subsidiary Company) are not available to us, so Statement pursuant to Section 212 of the Companies Act, 1956, relating to Subsidiary Company is not attached.

8. FIXED DEPOSITS

Fixed Deposit of Rs. 45,000/- shown in the Balance Sheet is in the name of "Adroit Computer Technologies Pvt. Ltd". The above mentioned Fixed Deposit was acquired as part of merger with Adroit Computer Technologies Pvt. Ltd, but the registered name of the holder with Corporation Bank has not been changed till now.

9. AUDITORS' REMUNERATION

Auditors' Remuneration including service tax is given herein below:

(` in '000)

Particulars	For the year Ended on March 31, 2012	For the Year Ended on March 31, 2011
Statutory Audit	33.71	30.00
Tax Audit	NIL	NIL
Other Capacity	120.00	11.03

10. EARNINGS PER SHARE

Basic and diluted earnings per share are calculated by dividing the net Profit/ (loss) after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

The calculations of earnings per share (basic and diluted) are based on the earnings and number of shares as computed below:-

Reconciliation of earnings:-

(` in '000)

	F.Y. <u>2011-12</u>	F.Y. <u>2010-11</u>
Net Profit/ (Loss) after tax (Rs.)	(200.65)	(27,854.65)
Net profit/ (Loss) attributable to Equity share holders (Rs)	<u>(200.65)</u>	<u>(27,854.65)</u>

Reconciliation of weighted average number
of shares

	F.Y. <u>2011-12</u>	F.Y. <u>2010-11</u>
For Basic and diluted earnings per Share (Nos.)	90,00,000	90,00,000
Earnings per share (Rs) (Nominal value Rs.10/- each)	(0.02)	(3.09)

11. RELATED PARTY TRANSACTIONS

a) List of Related Parties

Name	Type of Relation
Cressanda Solutions, Inc.	Wholly Owned Subsidiary Company
Cressanda Solutions UK Limited	Common Directorship
Global Fintech Pvt. Ltd.	Common Directorship
Mr. Rahul Agarwal	Managing Director
Mr. Rohit Agarwal	Director
Mr. M N Shenoy	Director
Mrs. Geetha Darbha	Director
Mr. Rohit Khaitan	Director

b) Transaction with Related Parties

(` in '000)

Name of the party	Transaction during the year (Rs)	Outstanding balance as on March 31, 2012 (Rs)
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Cressanda Solution Inc.	NIL	1,336.21 (Cr.)
Cressanda Solution UK Ltd	NIL	6,386.17 (Dr)
Global Fintech Private Limited	500.00	NIL
Mr. Rohit Agarwal (Advance)	716.89	NIL
Mr. Rahul Agarwal (Advance)	81.32	NIL

12. CONTINGENT LIABILITY

Contingent liability in respect of ESI contribution prior to registration , if any, not ascertainable

13. PREVIOUS YEAR FIGURES

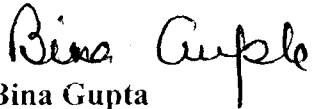
Previous year figures have been regrouped / reclassified wherever necessary to make them comparable with the current year figures.

In terms of our report of even date

For Agarwal Sanganeria & Co.

Chartered Accountants

Firm Regn No. 317224E

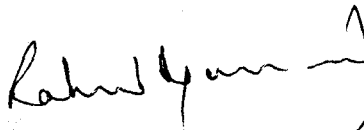


Bina Gupta

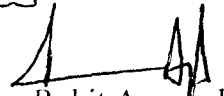
Partner

C A Membership. No: 060269

For and on behalf of the Board of Directors



Rahul Agarwal
Director



Rohit Agarwal
Director



M.N. Shenoy
Director

Date: 31st May, 2012

Place: Camp New Delhi