The efficiency catalyst

CIN: L72100DL1993PLC179154

August 13, 2016

To,

The Dept of Corporate Services
The Stock Exchange Mumbai
Dalal Street, Fort,
Mumbai: 400 001.

National Stock Exchange of India Ltd
Exchange Plaza, Plot No. C/1,G Block,
Bandra Kurla Complex, Bandra (E),
Mumbai: 400 051.

Sub.: Limited Review Report from Statutory Auditor.

Dear Sir,

Please find the enclosed limited review report received from statutory auditor of the Company for quarter ended 30th June, 2016.

Thanking You,

Yours faithfully,
For **FCS Software Solutions Limited**

Harsha Sharma
(Company Secretary)

C.C.:
1. CDSL
2. NSDL

enterprise interfaces
collaborative platforms
business processes

SPMG & Co
Chartered Accountants

3322A, 2nd Floor, Bank Street,
Karol Bagh, New Delhi-110005, (India)
Tel: (+)91 11 28728769, 28727385
Website : www.spmg.in

Limited Review Report

We have reviewed the accompanying statement of unaudited financial standalone results of **FCS Software Solutions Limited** for the quarter ended 30th June, 2016 this statement is the responsibility of the Company's Management and has been approved by the Board of Directors/ Committee of Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, engagements to Review Financial Statements issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement. Notes pertaining to our review is annexed in Annexure-A.

For SPMG & Company.
Chartered Accountants
FRN:509249C

SPMG & CO. New Delhi Chartered Accountants

(Vinod Gupta)
FCA/Partner: - Membership No. 090687

Place: - New Delhi
Dated: -13.08.2016

FCS Software Solutions Ltd. FCS Software Solutions

Annexure-A

FCS Software Solutions Limited

Forming part of limited review report for the Quarter ended 30.06.2016

1. **Basis of preparation**

The financial statements are prepared under the historical cost convention, in accordance with the Generally Accepted Accounting Principles in India ("Indian GAAP") and mandatory accounting standards prescribed by the Companies (Accounting Standard) Rules and as per the provisions of the Companies Act, 2013. All income and expenditure having a material bearing on the financial statements are recognized on the accrual basis. Accounting policies have been consistently applied except where a newly issued accounting standard if initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Management considered all recently issued or revised accounting standard on an ongoing basis.

2. **Revenue recognition**

Revenue is recognized in accordance with the completion method. Income accrued but not due represents revenue recognized on contracts to be billed in the subsequent period, in accordance with terms of the contract.

3. **Foreign Currency Transactions.**

In case of revenue made to clients outside India income is accounted on the basis of the exchange rate as on the date of transaction. Adjustments are made for any variations in the revenue proceeds on conversion into Indian currency upon actual receipt. Expenditure in foreign currency is accounted at the conversion rate prevalent when such expenditure is incurred. Where realizations are deposited into, and disbursements made out of, a foreign currency bank account, all transactions during the month are reported at a rate which approximates the actual monthly rate.

In the case of current assets and current liabilities expressed in foreign currency, the exchange rate prevalent at the end of the year is taken for the purpose of transaction. Fixed assets purchased at overseas offices are accounted on the basis of actual cost incurred at the exchange rate prevalent at the time of purchase. Depreciation is charged as per Company's Act, 2013. Exchange differences are arising on foreign currency transactions are recognized as income or expenses in the year in which they arise. In the case of forward contracts, the differences between the forward rate and the exchange rate on the date of the transaction are recognized as income or expenses over the life of the contracts.

4. **Income Tax.**

Provision is made for income tax on a quarterly basis under the tax-payable method, based on the tax liability as computed after taking credit for allowances and exemptions as the case may be.

SPMG & CO. New Delhi Chartered Accountants

FCS Software Solutions Ltd.

5. **Foreign Branch and subsidiaries.**

The company has its Branch at the USA and subsidiaries at USA, Germany, China and UAE. As explained and information provided to us, the US Branch has not earned any revenue and not incurred any expense(s) during the quarter under consideration. As further explained and informed to us by the management of the Company, the Germany and China subsidiaries are not functioning, hence no financials of these subsidiaries has been considered in our review report. The financials of USA subsidiary and Dubai has been considered for the purpose of our limited review report on the basis of the financial statements as certified by the management. All the figures in foreign exchange has been converted as per the rate prevailing on the closure date of quarter. All resulting exchange differences are accumulated in a foreign currency translation reserve. Which has been considered and accounted for the purpose of limited review report hereto.

For SPMG & Company.
Chartered Accountants
FRN:50[illegible]

(Vinod Gupta)
FCA/Partner
M. No. 090687

Place: - New Delhi
Dated: -13.08.2016

FCS Software Solutions Ltd.