INDEPENDENT AUDITORS' REPORT

To ITC Infotech (USA), Inc., Sole Member of Pyxis Solutions, LLC

Report on the Financial Statements

We have audited the accompanying financial statements of Pyxis Solutions, LLC, which comprise the balance sheets as of March 31, 2016 and 2015, and the related statements of operations and member's equity, and cash flows for each of the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant 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, the financial statements referred to above present fairly, in all material respects, the financial position of Pyxis Solutions, LLC as of March 31, 2016 and 2015, and the results of its operations and its cash flows for each of the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note B[1], the Indian Rupee equivalent figures have been included in the financial statements as required by ITC Infotech India Limited, the Parent Company of the Sole Member for informational purpose only, and is not intended to be a presentation in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note B[10], Pyxis Solutions, LLC. merged with ITC Infotech (USA), Inc. effective April 1, 2016.

Iselin, New Jersey
April 27, 2016

BALANCE SHEET AS OF MARCH 31

	2016	2016	2015	2015
Assets	$	₹	$	₹
Current assets				
Cash and cash equivalents	500,331	33,151,979	1,665,673	104,104,563
Accounts receivable, net of allowance for doubtful accounts of $0 (₹ 0) and $8,391 (₹ 524,438) for 2016 and 2015, respectively	643,772	42,656,286	558,215	34,888,438
Total current assets	1,144,103	75,808,265	2,223,888	138,993,001
Liabilities and Member's Equity				
Current liabilities				
Accounts payable	–	–	86,000	5,375,000
Accrued expenses and other current liabilities	–	–	84,401	5,275,063
Accrued payroll and payroll taxes	–	–	1,616	101,000
Due to ITC Infotech India Limited	–	–	704	44,000
Total current liabilities	–	–	172,721	10,795,063
Commitments and contingencies (Note E)				
Member's equity	1,144,103	75,808,265	2,051,167	128,197,938
	1,144,103	75,808,265	2,223,888	138,993,001

Date: April 27, 2016

G Satish
Financial Controller - Sole Member

LN Balaji
President - Sole Member

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF OPERATIONS AND MEMBER'S EQUITY FOR THE YEARS ENDED MARCH 31

	2016 $	2016 ₹	2015 $	2015 ₹
Revenue				
Service fees	**2,093,745**	**138,731,544**	3,004,873	187,804,563
Total revenue	**2,093,745**	**138,731,544**	3,004,873	187,804,563
Cost of revenue, principally employment cost and subcontractor fees	**1,816,130**	**120,336,774**	2,505,751	156,609,438
Gross profit	**277,615**	**18,394,770**	499,122	31,195,125
General and administrative expenses	**273,051**	**18,092,359**	440,063	27,503,938
Operating income	**4,564**	**302,411**	59,059	3,691,187
Other income, net	**88,372**	**5,855,529**	1,139	71,188
Net income	**92,936**	**6,157,940**	60,198	3,762,375
Member's equity at the beginning of year	**2,051,167**	**135,910,325**	1,990,969	124,435,563
Member's distribution	**(1,000,000)**	**(66,260,000)**	–	–
Member's equity at the end of year	**1,144,103**	**75,808,265**	2,051,167	128,197,938

Date: April 27, 2016

G Satish
Financial Controller - Sole Member

LN Balaji
President - Sole Member

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED MARCH 31

	2016 $	2016 ₹	2015 $	2015 ₹
Cash flows from operating activities				
Net income	**92,936**	**6,157,940**	60,198	3,762,375
Adjustments to reconcile net income to net cash (used in) / provided by operating activities				
Changes in assets and liabilities :				
Accounts receivable	**(85,557)**	**(5,668,941)**	134,586	8,411,625
Prepaid expenses	**–**	**–**	769	48,063
Accrued expenses and other current liabilities	**(170,401)**	**(11,290,770)**	(86,173)	(5,385,813)
Accrued payroll and payroll taxes	**(1,616)**	**(107,076)**	173	10,813
Due to ITC Infotech India Limited, net	**(704)**	**(46,647)**	(20,128)	(1,258,000)
Net cash (used in) / provided by operating activities	**(165,342)**	**(10,955,494)**	89,425	5,589,063
Cash flows from financing activities				
Member's distribution	**(1,000,000)**	**(66,260,000)**	–	–
Net cash (used in) financing activities	**(1,000,000)**	**(66,260,000)**	–	–
Net increase / (decrease) in cash and cash equivalents	**(1,165,342)**	**(77,215,494)**	89,425	5,589,063
Cash and cash equivalents at beginning of the year	**1,665,673**	**110,367,473**	1,576,248	98,515,500
Cash and cash equivalents at end of the year	**500,331**	**33,151,979**	1,665,673	104,104,563

Date: April 27, 2016

G Satish
Financial Controller - Sole Member

LN Balaji
President - Sole Member

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2016 AND 2015

NOTE A - BUSINESS BACKGROUND AND PRINCIPAL TRANSACTIONS WITH AFFILIATES

Pyxis Solutions, LLC (the "Company") is principally engaged in the information technology services business offering Quality Assurance ("QA") solutions and testing services. Customers are commercial entities throughout the United States of America. The Company was formed as a New York State limited liability company in 2000.

The Company became a wholly owned subsidiary of ITC Infotech (USA), Inc. (the "Parent Company") on August 11, 2008 as a result of the acquisition of 100% of the membership interest by ITC Infotech (USA), Inc.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

[1] Basis of presentation:

The financial statements of the Company are prepared in accordance with accounting principles generally accepted in the United States of America, the country of formation. The amounts are represented in U.S. dollars. As required by ITC Infotech India Limited, the Parent Company of the Sole Member, the Indian Rupee equivalent figures, arrived at by applying the yearend interbank exchange rate of US $1 = ₹ 66.26 for the fiscal year ended March 31, 2016 (2015: US$1 = ₹ 62.50) as provided by the Parent Company of the Sole Member, have been included solely for informational purposes and is not in conformance with the provisions of FASB ASC 830-30 – Foreign Currency Matters – Translation of Financial Statements and U.S. GAAP.

[2] Recognition of revenue:

Service revenue

Service revenue is based upon hours worked by the Company employees on customer assignments and is recognized when the work is performed. Revenue is determined by multiplying the hours worked by the contractual billing rates. Substantially, all customers are invoiced biweekly or monthly.

[3] Cash and cash equivalents:

For purposes of reporting cash flows, the Company considers all deposits in cash accounts which are not subject to withdrawal restrictions or penalties, and certificates of deposit with maturities of ninety days or less, when purchased, to be cash or cash equivalents.

[4] Accounts receivable and allowance for doubtful accounts:

Credit is extended based on evaluation of a customer's financial condition and, generally, collateral is not required. Accounts receivable are generally due within 30 to 60 days and are stated at amounts due from customers net of an allowance for doubtful accounts. Accounts outstanding longer than the contractual payment terms are considered past due. The Company creates an allowance for accounts receivable based on historical experience and management's evaluation of outstanding accounts receivable. Accounts are written off when they are deemed uncollectible.

During the year ended March 31, 2016, the Company wrote-off $8,391 (Rs. 555,988).

[5] Computer equipment:

Computer equipment is stated at cost. Depreciation is provided under the straight-line method based upon the estimated useful lives of the assets, with such lives ranging up to four years.

[6] Income taxes:

As a result of the Company electing to be a disregarded entity, it is not liable for any federal or state income taxes and is not entitled to any tax benefits resulting from operating losses. The Parent Company does not allocate any of its tax liabilities or benefits to the Company.

[7] Use of estimates:

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Although actual results could differ from those estimates, in the opinion of the management such estimates would not materially affect the financial statements.

[8] Foreign currency translation:

The Company maintained a foreign currency bank account denominated in GBP (Pound Sterling). Foreign currency transaction resulting from exchange rate fluctuations on transactions denominated in foreign currencies totaled $0 (Rs. 0) and a gain of $54.25 (Rs. 3,391) for the years ended March 31, 2016 and 2015, respectively, and are included in other income in the accompanying statements of operations and member's equity.

[9] Summary of recent accounting pronouncements:

Effective April 1, 2016, the operations of the Company were merged with that of the Parent Company and any applicable recently issued accounting pronouncements will be adopted in the Parent Company's financial statements.

NOTE C - RELATED PARTY TRANSACTIONS

The Company has entered into various transactions with its related parties as follows:

	2016 $	2016 ₹	2015 $	2015 ₹
Transactions with ITC Infotech (USA), Inc.				
Service / Account Management fees / others recognized as revenue by Pyxis	356,195	23,601,481	706,251	44,140,716
Costs for project consultations / other expenses, included in cost of revenue	–	–	49,356	3,084,735
Project /other expenses reimbursements incurred by Parent Company, included in general and administrative expenses	14,445	957,126	229,849	14,365,549
Transactions with ITC Infotech India Limited				
Costs for project consultations / other expenses, included in cost of revenue	248,868	16,489,994	245,272	15,329,500

NOTE D - ACCOUNTS RECEIVABLE

Accounts receivable consist of trade accounts receivable and unbilled accounts receivable (representing services performed prior to the balance sheet dates, but not invoiced to the customer until thereafter). Unbilled receivables were $176,407 (Rs.11,688,715) and $124,903 (Rs. 7,806,444) as of March 31, 2016 and 2015, respectively. During the year ended March 31, 2016, the Company wrote-off $8,391 (Rs. 555,988) on account of debts that were deemed uncollectible.

NOTE E - COMMITMENTS AND CONTINGENCIES

[1] Leases:

The Company has leased office space under a non-cancelable operating lease expiring March 31, 2017. Total rent expense under this lease was $79,983 (Rs. 5,299,641) and $84,048 (Rs. 5,253,001) for the years ended March 31, 2016 and 2015, respectively. Total expense under these leases for years ended March 31, 2016 and 2015 was $2,449 (Rs. 162,246) and $2,621 (Rs. 163,813), respectively. However, the remaining sixteen (16) months of the rental equipment lease will be assumed by ITC Infotech (USA), Inc., the Parent Company.

The future minimum annual lease payments at March 31, 2016 are as follows:

	Office Rent		Equipment		Total	
	$	₹	$	₹	$	₹
2016-17	82,005	5,433,651	2,423	160,548	84,428	5,594,199
2017-18	–	–	1,008	66,790	1,008	66,790

[2] Others:

The Parent Company terminated the consulting agreement with Amar Duggal Enterprises, LLC ("Agency") on July 31, 2015. The consulting agreement had provided for a minimum level of compensation and contingent compensation payable to the Agency, all of which have been defined in the consulting agreement.

NOTE F - CONCENTRATION OF CREDIT RISK AND SIGNIFICANT CUSTOMERS

A significant portion of the Company's sales are to several key customers. Five such customers accounted for approximately 99% and approximately 87% of the Company's revenues for the years ended March 31, 2016 and 2015, respectively. Three customers, however, accounted for approximately 89% of total accounts receivable at March 31, 2016.

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash deposits. Accounts at each institution are insured by the Federal Deposit Insurance Corporation ("FDIC") up to regulatory limits. The Company has not experienced any losses in such accounts.

NOTE G - MEMBER'S DISTRIBUTION

The Company made a distribution of $1,000,000 (Rs. 66,260,000) and $0 (Rs. 0) to the Parent Company for the years ended March 31, 2016 and 2015, respectively.

NOTE H – SUBSEQUENT EVENTS

The Company evaluated subsequent events through April 27, 2016. Pursuant to approval of the Board of Directors of the Parent Company on February 26, 2016, Pyxis Solutions, LLC, merged with the Parent Company with effect from April 1, 2016.